



SSPDL
Limited

Building the big picture



ANNUAL REPORT
2016-17

Our Villa Project for BHEL Employees at Kollur/Osman Nagar, Hyderabad



SSPDL LIMITED	CORPORATE IDENTITY NUMBER (CIN): L70100TG1994PLC018540	
BOARD OF DIRECTORS	Sri PRAKASH CHALLA	Chairman and Managing Director
	Sri E.BHASKAR RAO	Director
	Sri K.AKMALUDDIN SHERIFF	Director
	Sri B.LOKANATH	Director
	Smt. SRIDEVI CHALLA	Director
	Dr. T.KRISHNA REDDY	Director
AUDIT COMMITTEE	Sri B.LOKANATH	Chairman
	Sri E.BHASKAR RAO	Member
	Dr. T.KRISHNA REDDY	Member
STAKEHOLDERS RELATIONSHIP COMMITTEE	Sri B.LOKANATH	Chairman
	Sri E.BHASKAR RAO	Member
	Sri PRAKASH CHALLA	Member
NOMINATION AND REMUNERATION COMMITTEE	Sri B.LOKANATH	Chairman
	Sri K.AKMALUDDIN SHERIFF	Member
	Sri E.BHASKAR RAO	Member
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	Sri PRAKASH CHALLA	Chairman
	Sri E.BHASKAR RAO	Member
	Sri B.LOKANATH	Member
CHIEF FINANCIAL OFFICER	Sri U.S.S. RAMANJANEYULU N.	
COMPANY SECRETARY	Sri A.SHAIENDRA BABU	
AUDITORS	M/s. KARVY & CO., CHARTERED ACCOUNTANTS, No. 2, BHOOMA PLAZA, St.No. 4, AVENUE 7, BANJARA HILLS, HYDERABAD - 500 034.	
BANKERS	STATE BANK OF INDIA - HYDERABAD & CHENNAI & AXIS BANK LIMITED - HYDERABAD & CHENNAI	
REGISTERED OFFICE	8-2-595/3/6, 'EDEN GARDENS', ROAD NO.10, BANJARA HILLS, HYDERABAD - 500 034, TELANGANA.	
CORPORATE OFFICE	'SSPDL HOUSE', NEW NO. #2, OLD NO. 15, VELLAIYAN STREET, KOTTURPURAM, CHENNAI - 600 085, TAMIL NADU.	
SHARE TRANSFER AGENTS AND ELECTRONIC REGISTRARS	KARVY COMPUTERSHARE PRIVATE LIMITED KARVY SELENIUM TOWER B, PLOT 31-32, GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA, HYDERABAD-500 032.	

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT QUTUB SHAHI HALL, COUNTRY CLUB, 6-3-1219, BEGUMPET, HYDERABAD – 500 016, TELANGANA, AT 12.00 P.M. ON THURSDAY, THE 28TH DAY OF SEPTEMBER, 2017, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:**Item No.1 - Adoption of Financial Statements**

To receive, consider and adopt (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017, together with the Report of the Auditors thereon.

Item No.2 - Appointment of Director

To appoint a Director in place of Smt. Sridevi Challa (DIN: 01802477), who retires by rotation and, being eligible, offers herself for reappointment.

Item No.3 - Appointment of Auditors

The appointment of Auditors and fix their remuneration - 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 sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), M/s. A.Madhusudana & Co., Chartered Accountants, (ICAI Firm Registration Number 007405S), Hyderabad, be and is hereby appointed as the Statutory Auditors of the Company, in place of the retiring Auditors of the Company, M/s Karvy & Co., Chartered Accountants (ICAI Firm Registration No. 001757S), Hyderabad, to hold office for a term of 5 (five) years, from the conclusion of this Annual General Meeting until the conclusion of the Twenty Eighth Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment by the Members at every Annual General Meeting, as may be applicable), at such remuneration plus applicable taxes, out of pocket expenses as may be incurred by them during the course of the Audit, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

“FURTHER RESOLVED THAT the Board of Directors of the company be and are hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution.”

SPECIAL BUSINESS:**Item No.4 - To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2018**

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 148 and all other applicable provisions, if any, of the Companies Act, 2013

(“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. D R S & Co., Cost Accountants (Membership No. 19892), Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2017-18, be paid a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred in connection with the cost audit.”

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

Item No.5 - To approve the payment of remuneration to Sri Prakash Challa, Chairman and Managing Director of the Company

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

“RESOLVED THAT in compliance of the provisions of Sections 196, 197, 198 and 203 read with Schedule V to the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder, and other applicable enactments, (including any statutory modifications or re-enactment thereof, for the time being in force) and Articles of Association of the Company, and subject to such sanctions and approvals as may be necessary, consent and approval of the members of the Company be and is hereby accorded for the payment of remuneration, to Sri Prakash Challa (DIN 02257638), Chairman and Managing Director of the Company, for a period of two years i.e., from 01.10.2017 to 30.09.2019 on the following terms and conditions as recommended by the nomination and remuneration committee and approved by the Board of Directors

- a) **Salary:** Fixed Salary of ₹ 9,00,000/- (Rupees Nine Lakhs Only) per month including dearness and all other allowances.
- b) **Perquisites:**
 - i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
 - ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and,
 - iii) Encashment of leave at the end of the tenure.
- c) Company cars with driver for official use, provision of telephone(s) at residence,

Apart from the remuneration aforesaid, he shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.”

“FURTHER RESOLVED THAT the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee is hereby authorised to revise upwards suitably if the Company makes adequate profits during the above mentioned period and during the balance tenure of his appointment as per the applicable provisions of the Companies Act, 2013 and any other applicable provisions, if any (including any statutory modifications or re-enactment thereof, for the time being in force).”

“FURTHER RESOLVED THAT for the purpose of giving effect to above resolutions, the Board of Directors and/or any Committee of the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable and settle any question or difficulty that may arise, in such manner as it may deem fit.”

By **Order of the Board**
For **SSPDL Limited**

A. Shailendra Babu
Company Secretary

Date: 17.08.2017

SSPDL Limited

Registered Office:

8-2-595/3/6, Eden Gardens,

Road No.10, Banjara Hills,

Hyderabad - 500 034, Telangana, India.

Corporate Identity Number (CIN): L70100TG1994PLC018540

Phone: 040-6663 7560, Fax: 040-6663 7969.

Website: www.sspdl.com

e-mail: investors@sspdl.com

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. THE PROXY, SO APPOINTED, NEED NOT BE A MEMBER OF THE COMPANY.**

PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXY FORM IS ANNEXED.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company.

In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, under its seal, etc. as applicable.

2. The Register of Members and the transfer books of the Company will be closed from 22.09.2017 to 28.09.2017 (both days inclusive).
3. Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted under Item No. 4 to 5 at the ensuing Annual General Meeting is annexed hereto and forms part of the Notice.
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations (in Form No.SH.13), power of attorney, change of address, change

of name, e-mail address, contact numbers, etc., to their Depository Participant (DP).

Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, M/s. Karvy Computershare Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Karvy Computershare Private Limited.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holdings shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.

Further, the members who hold shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares.

Members can contact the Company or M/s. Karvy Computershare Private Limited for assistance in this regard.

Non-Resident Indian Members are requested to inform M/s. Karvy Computershare Private Limited of the change in residential status immediately on return to India for permanent settlement.

The Registrar and Transfer Agent, Karvy Computershare Private Limited (Karvy), Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad -500 032, is handling registry work in respect of shares held both in physical form and in electronic/demat form.

5. **Members desirous of seeking any information/clarifications on the annual accounts are requested to write to the Company at least 7 (seven) working days before the date of Annual General Meeting so that the required information can be made available at the meeting.**
6. Members/Proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Nos. and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
8. Corporate Members intending to send their Authorized Representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution or other governing body, authorizing their representatives to attend and vote at the Annual General Meeting.
9. In case of Joint holders attending the meeting only such Joint Holder who is higher in the order of names will be entitled to vote.
10. The Ministry of Corporate Affairs has notified provisions relating to unpaid/ unclaimed dividend under Sections 124

and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/claimed by the Shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Further, the shareholders whose dividend / shares transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.

11. The Company's equity shares are listed on Bombay Stock Exchange (BSE). The Company has promptly paid annual listing fees to the BSE for the year 2017-18.
12. **Appointment/Re-appointment of Directors:**
The Information to be provided, in terms of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Companies Act, 2013, relating to Re-appointment of Director, Payment of Remuneration, in the enclosed annexures to this notice forms part of the Notice of the 23rd Annual General Meeting of the Company.
13. **To promote green initiative, members holding shares in electronic form are requested to register their e-mail addresses through their Depository Participants for sending the future communications by email. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.**
14. Electronic copy of the Annual report is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of 23rd Annual General Meeting and the Annual report, inter-alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent in the permitted mode.
15. Members may also note that the Annual Report for the financial year 2016-17 will also be available on the Company's website www.sspdl.com for their download. Members may also note that the notice of the 23rd Annual General Meeting of the Company along with attendance slip and proxy form will also be available on the Company's website www.sspdl.com and also on the Karvy's website <https://evoting.karvy.com>.
16. Route map of the venue of the Meeting (including prominent land mark) is annexed.
17. **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the members are provided with e-voting facility to exercise their right to vote electronically on all the resolutions set forth in the notice of the 23rd Annual General Meeting (AGM) of the Company.

The Company as engaged the services of Karvy Computershare Private Limited (Karvy) to provide e-voting facility. It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

The instruction for e-voting are as under:

A. In case a Member receiving an email of the AGM Notice from Karvy [for Members whose email IDs are registered with the Company/Depository Participant(s)]:

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
- ii) Enter the login credentials (i.e., User ID and password mentioned below). Event No. followed by Folio No./DP ID-Client ID will be your User ID.

However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii) After entering these details appropriately, Click on "LOGIN".
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v) You need to login again with new credentials.
- vi) On successful login, the system will prompt you to select the "EVENT" i.e., SSPDL Limited.
- vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned therein. If the shareholders does not indicate either "FOR" or "AGAINST" the shares held will not be counted under either head.

- viii) Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- ix) Voting has to be done for each item of the Notice separately.
- x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
- xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: savitajyoti@yahoo.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."
- xiii) In case a person has become the Member of the Company after despatch of AGM Notice but on or before the cut-off date i.e. 21st September, 2017, may write to Karvy on the email Id: evoting@karvy.com or to Ms. C. Shobha Anand, Contact No.040-67162222, at [Unit: SSPDL Limited] Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.
- B. In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company /Depository Participant(s)]:**
- i) User ID and initial password - These will be sent separately.
- ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. The e-voting period commences on Saturday, the 23rd September, 2017 at 10.00 A.M. and ends on Wednesday, 27th September, 2016 at 05.00 P.M.** During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Thursday, 21st September, 2017, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.
- D. In case of any query pertaining to e-voting, please visit Help & Frequently Asked Questions (FAQ's) section available at Karvy's website <https://evoting.karvy.com>. (Karvy's Website). Also, may contact on Karvy's toll free number 1800 345 4001.
- E. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date being Thursday, 21st September, 2017. A person who is not a Member as on the cut-off date should treat this Notice for information only.
- F. The Company has appointed Smt. Savita Jyoti, Practicing Company Secretary, Hyderabad, vide Membership No. FCS 3738, CP No.1796, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall immediately after the conclusion of the voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later 48 hours of conclusion of the meeting, a consolidated Scrutinizers Report of the total votes cast in the favour or against, if any, to the Chairman of the Company or a person authorised by him in writing who shall counter sign the same.
- H. The Results on resolutions shall be declared after the Annual General Meeting of the Company and the resolution(s) will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- I. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.sspdl.com) and Service Provider's website (<https://evoting.karvy.com>) and communication of the same to the BSE Limited.

By **Order of the Board**
For SSPDL Limited

A. Shailendra Babu
Company Secretary

Date: 17.08.2017

SSPDL Limited

Registered Office:

8-2-595/3/6, Eden Gardens,

Road No.10, Banjara Hills,

Hyderabad - 500 034, Telangana, India.

Corporate Identity Number (CIN): L70100TG1994PLC018540

Phone: 040-6663 7560, Fax: 040-6663 7969.

Website: www.sspdl.com

e-mail: investors@sspdl.com

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013, the following Statement sets out all material facts relating to the Special Business specified in item no.4 to 5 of the Notice of the Meeting. Information as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) is given below. Also, as additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 3 of the said Notice.

Item No.3 - Appointment of Auditors

This explanatory statement is provided though statutorily not required as per Section 102 of the Act.

M/s. Karvy & Co., Chartered Accountants (ICAI Firm Registration No. 0017575), Hyderabad, had been the Auditors of the Company since 30.09.2004 and at the Twentieth Annual General Meeting ("AGM") held on 30.09.2014 the Company appointed M/s. Karvy & Co., as the Auditors of the Company to hold office from the conclusion of the Twentieth AGM till the conclusion of the Twenty Third AGM of the Company to be held in the year 2017, subject to the ratification of their appointment at every AGM by the Members.

As per the provision of Section 139(2) of the Companies Act, 2013 ("the Act") read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014 ("Rules"), no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided the Companies a period of three years from the date of commencement of the Act i.e. April 1, 2014 to comply with this requirement.

In view of the above, it is proposed to appoint M/s. A.Madhusudana & Co., Chartered Accountants, (ICAI Firm Registration Number 0074055), Hyderabad, as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the Twenty Third AGM till the conclusion of the Twenty Eighth AGM to be held in the year 2022, subject to ratification of their appointment at each AGM to be held after the Twenty Third AGM, if so required under the Act.

As per the requirement of the Act, M/s. A.Madhusudana & Co., Chartered Accountants, have given a written consent to act as Statutory Auditors of your Company and have also confirmed that the said appointment would be in conformity with the provisions of sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

In view of the above M/s. A.Madhusudana & Co., being eligible to act as Auditors of the Company and based on the recommendation of the Audit Committee at its Meeting held on 17.08.2017, the Board recommends the Resolution set forth at Item No. 3 for approval by the Members.

M/s. A.Madhusudana & Co., Chartered accounts, Hyderabad, have over 21 years of experience in the areas of auditing & assurance, income tax, company law, foreign exchange management services, etc.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the Resolution at Item No. 3 of the Notice.

Item No.4 - To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2018

The Board, on the recommendation of the Audit Committee at its meeting held on 17th August, 2017, appointed M/s. D R S & Co., Cost Accountants, having Membership No. 19892, as cost auditor of the Company, in terms of Section 148 of the Companies Act, 2013 ("the Act") and fixed a sum of ₹ 75,000/- (Rupees Seventy Five Thousands Only) as remuneration payable to him for the financial year 2017-18, subject to ratification by the shareholders of the Company.

In terms of Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor, as recommended by the Audit Committee and approved by the Board, is required to be ratified by the shareholders of the Company, at the ensuing AGM of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out in Item No.4 of this Notice.

The Board, therefore, recommends the ordinary resolution, as set out in item No.4, for ratification of the remuneration payable to the Cost Auditor by the shareholders of the Company.

Item No.5 - To approve the payment of remuneration to Sri Prakash Challa, Chairman and Managing Director of the Company

Sri Prakash Challa (Director Identification Number 02257638) aged about 64 years, become first time as director of the Company on 17.10.1994. He is holding 2,359,390 equity shares of the Company which amounts to 18.25% of the total paid-up capital of the Company. He attended all 5 board meetings held in the financial year 2016-17. Other details like, qualification, experience, remuneration proposed and drawn details are provided in the "statement of information given to the shareholders - pursuant to schedule v of the companies act, 2013" annexed.

Sri Prakash Challa was re-appointed as the Managing Director of the Company for a period of five years from 01.10.2014 to 30.09.2019 and he was designated as the Chairman and Managing Director, through Postal Ballot notice dated 02.08.2014 and the special resolution was passed and voting results were declared on 27th September, 2014.

In compliance of the provisions of the Companies Act and through above stated postal ballot, Company has approved the remuneration payable to Sri Prakash Challa, for a period of three years i.e., from 01.10.2014 to 30.09.2017, as:

- a) Salary: Fixed Salary of ₹ 7,00,000/- (Rupees Seven Lakhs Only) per month including dearness and all other allowances.
- b) Perquisites:
 - i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
 - ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and,
 - iii) Encashment of leave at the end of the tenure.

- c) Company cars with driver for official use, provision of telephone(s) at residence, apart from the remuneration aforesaid, he shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

Further, as per the provisions of the Companies Act, 2013, read with Schedule V, when a company has no profits or its profits are inadequate, then it may pay remuneration to a managerial person based on the effective capital of the Company and subject to compliance of other terms and conditions of Schedule V. In terms of Section 196, 197, 198 and 203 of the Companies Act, 2013, and in accordance with Schedule V requires the permission of the Shareholders for appointment and fixing the remuneration.

Since the Company had inadequate profits, based on the effective capital of the Company, recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company, subject to the approval of the shareholders, have fixed the remuneration (as mentioned in the resolution) of Sri Prakash Challa, Chairman and Managing Director of the Company from 01.10.2017 to 30.09.2019, in compliance of provisions of Section 196, 197 of the Companies Act, 2013, and the rules made there under, read with Schedule V.

In view of the above, the approval of the shareholders is sought by way of passing special resolution specified at Item No.5. The terms and conditions of the remuneration such as salary, perquisites and commission are laid in detail in the Resolution above.

Except Sri Prakash Challa, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the Resolution at Item No. 5 of the Notice.

None of the Directors and Key Managerial Personnel of the Company is related to Sri Prakash Challa in terms of the definition of 'relative' given under the Companies Act, 2013. However, members may note that Smt. Sridevi Challa, Director of the

Company is wife of Sri Suresh Challa who is a brother of Sri Prakash Challa.

Names of other companies in which Sri Prakash Challa also holds the directorship: (1) SSPDL Infratech Private Limited, (2) SSPDL Infra Projects India Pvt. Ltd., (3) SSPDL Realty India Pvt. Ltd., (4) SSPDL Real Estates India Pvt. Ltd., (5) SSPDL Resorts Pvt. Ltd., (6) Northwood Properties India Pvt. Ltd., (7) Alpha City Chennai IT Park Projects Pvt. Ltd., (8) Intelligent Software Solutions Pvt. Ltd., (9) CBA Hotels and Resorts Pvt. Ltd., (10) SSPDL Infrastructure Developers Pvt. Ltd., and (11) Indo-Australian Chamber of Commerce, (12) Chennai International Centre. Also, he is a Designated Partner in Godrej SSPDL Green Acres LLP.

Membership/Chairmanship of Committees of other Boards: Sri Prakash Challa is neither a member nor a Chairman of Committees of the Board of any other Company.

Your Directors recommend the passing of this resolution as Special Resolution.

**By Order of the Board
For SSPDL Limited**

A. Shailendra Babu
Company Secretary

Date: 17.08.2017

SSPDL Limited

Registered Office:

8-2-595/3/6, Eden Gardens,

Road No.10, Banjara Hills,

Hyderabad - 500 034, Telangana, India.

Corporate Identity Number (CIN): L70100TG1994PLC018540

Phone: 040-6663 7560, Fax: 040-6663 7969.

Website: www.sspdl.com

e-mail: investors@sspdl.com

**ANNEXURE TO THE NOTICE
APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS**

(Item No.2 of the Notice of 23rd Annual General Meeting of M/s. SSPDL Limited)

BRIEF PROFILE OF SMT. SRIDEVI CHALLA:

Name of the Director	Smt Sridevi Challa
DIN	01802477
Age	50 Years
A brief resume, Qualification(s), Experience and Nature of his expertise in specific functional areas, Recognition or awards	Smt Sridevi Challa, aged about 50 years is on the Board of M/s. SSPDL Limited ("the Company") from 30.03.2015 as an Additional Director and has been regularised as Director on 30.09.2015. She is a graduate in Commerce from Osmania University and has varied experience of administrating educational trust and more than a decade's experience in the field of real estate.
Terms and conditions of appointment or re-appointment	As per the provisions applicable, she is liable to retire by rotation. Smt Sridevi Challa, who retires by rotation, and being eligible, offers herself for reappointment.
Details of the remuneration last drawn by such person (F.Y. 2016-17)	Other than sitting fees for attending Board Meetings, she is not eligible for payment of any other remuneration and during the financial year 2016-17 she has been paid an amount of ₹ 40,000/- (Rupees Forty Thousand Only) as sitting fees.
Date of first appointment on the Board	30th March, 2015
Shareholding in the Company	102,500 (0.79%)
Relationship with other Directors and Key Managerial Personnel	None of the directors of the Company are relatives of Smt Sridevi Challa as per the provisions of the Section 2(77) of the Companies Act, 2013. However, the members may note that Smt Sridevi Challa is a wife of Sri Suresh Challa who is brother of Sri Prakash Challa.
The number of Meetings of the Board attended during the Financial Year 2016-17	2 Board Meetings
Other Directorships (excluding SSPDL Limited)	M/s. Neotrax Software Private Limited, and M/s. Serenity Homes Private Limited
Membership/ Chairmanship of Committees of other Boards (excluding SSPDL Limited)	She is neither a member in any Committee of the Board nor a Director in any other listed Company.

STATEMENT OF INFORMATION GIVEN TO THE SHAREHOLDERS - PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013.

(Item No.5 of the Notice of 23rd Annual General Meeting of M/s. SSPDL Limited)

I. General Information:

- (1) Nature of industry: Real Estate, Property Development and Construction
- (2) Date or expected date of commencement of commercial production: 17.10.1994
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial performance based on given indicators: (Amount In ₹)

Financial Parameters	2014-15	2015-16	2016-17
Total Income/Turnover	1,50,08,51,224	83,85,48,025	1,13,50,24,179
Profit / (Loss) Before Tax	3,31,83,021	11,64,76,780	25,40,58,127
Profit / (Loss) After Tax	3,14,98,038	13,22,35,997	16,30,51,654
Networth	45,66,06,236	58,88,42,233	75,18,93,887
Rate of Dividend declared	NIL	NIL	NIL

- (5) Foreign investments or collaborators, if any: NIL

II. Information about the appointee:

- (1) **Background details:** Sri Prakash Challa, aged about 64 Years, is a Graduate in MSc., CAIIB and having vast experience of over 39 years in the construction, banking, aquaculture and pisciculture Industry. Before turning as an entrepreneur, Sri Prakash Challa was a banker for over 13+ years, holding senior positions in Andhra Bank and Punjab National Bank. He has started Construction activities since July 1993 for property development in Chennai, Hyderabad and Bangalore. He has the ability to force successful alliances and he is the person behind the Company's growth and instrumental in Company's success. He was the Past Vice President of CREDAI National and currently he is the Chairman of Taxation Committee, CREDAI National, New Delhi.
- (2) **Past remuneration:** (i) For a period of 5 years from 01.10.2009 to 30.09.2014 ₹ 3,00,000/- per month as salary, including, dearness and all other allowances and perquisites, and (ii) For a period of 3 years from 01.10.2014 to 30.09.2017 ₹ 7,00,000/- per month as salary, including, dearness and all other allowances and perquisites.
- (3) **Recognition or awards:** NIL.
- (4) **Job profile and his suitability:** Sri Prakash Challa is responsible for identifying and bringing new business and execution of the same in the interest of the Company. Under his leadership, the Company witnessed joint ventures with various investors/partners, including foreign partners. Also, he is responsible to discharge the duties entrusted by the Board of Directors from time to time, which may include day-to-day management and administration of the Company.
- (5) **Remuneration proposed:** Fixed salary of ₹ 9,00,000/- per month including dearness and all other allowances and perquisites. In addition to the proposed fixed salary, Sri Prakash Challa is also eligible for (i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and (iii) Encashment of leave at the end of the tenure. Further details of the remuneration proposed are mentioned in the resolution.
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** Taking into consideration the size of the Company, the profile of Sri Prakash Challa and the responsibilities shouldered by him, the aforesaid Remuneration package is commensurate with the prevailing remuneration in the Industry of similar size for similarly placed persons.
- (7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**
 - (i) The Remuneration is paid to Sri Prakash Challa as per the approval given by the shareholders. (ii) As on date holds 23,59,390 shares (18.25%) of the

Company in his personal capacity, (iii) Company has entered into an agreement for purchasing land from Sri Satya Sai Constructions, a partnership firm in which he is a partner and paid an advance of Rs.1.50 crores, (iv) A premises owned by Sri Suresh Challa (brother of Sri Prakash Challa) has been taken on Rent for the Registered office of the Company, (v) Company has taken a loan of Rs.3.00 crores from M/s. SSPDL Ventures Pvt. Ltd. in which Sri Suresh Challa (brother of Sri Prakash Challa) is having interest. (vi) Trade receivable outstanding from M/s. Alpha City Chennai IT Park Projects Pvt. Ltd. in which Sri Prakash Challa is having interest by way of shareholding (2%). The transaction details are available in the notes to the financial statements for the financial year 2016-17.

III. Other information:

- (1) **Reasons of loss or inadequate profits:** Company has taken up a low cost project of developing 1155 homes for BHEL Employees Model Mutually Aided Co-operative House Building Society Ltd. to align with the market conditions and to meet the market requirement when the project was initiated. Due to which company has not made adequate profits.
- (2) **Steps taken or proposed to be taken for improvement:** The balance homes in Kollur project and EWS houses are being booked at the current market prices. Also, projects on the balance of the land of 17 acres available at Kollur and Osman Nagar villages will be taken up as this area becoming vibrant for real estate projects. Also, it is proposed to do the project on the lands purchased in Munnar.

Further, Company will put its efforts to align the strategies of the Company with the prevailing consumer sentiments and market conditions by altering the specifications/features of the projects to reduce the costs and meet the market requirement. The measures taken by the Company are expected to reward and the same may produce good results to the Company.
- (3) **Expected increase in productivity and profits in measurable terms:** Though the Real Estate/Construction Industry is following a downturn, in an anticipation of revival of the market in the near future, the above steps taken/proposed to be taken by the Company are expected to increase the revenue and profits of the Company.

IV. Disclosures:

All the elements of remuneration package and other details as prescribed in the Schedule V are mentioned in the Board of Director's Report under the heading "Corporate Governance Report".

DIRECTORS' REPORT

To,

The Members

Your Directors have pleasure in presenting the Twenty-Third Annual Report on the business and operations of the Company together with the Audited Financial Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

The financial highlights of the current year in comparison to the previous year are as under.

A) STANDALONE: (₹ In Lakhs)

PARTICULARS	2016-2017	2015-2016
Total Income	11,350.24	8,385.48
Less: Operating Expenses	8,574.17	7,009.13
Gross Profit/(Loss) before Depreciation and Interest	2,776.08	1,376.35
Less: Finance Costs	217.49	191.48
Depreciation and Amortisation Expense	18.00	20.10
Profit/(Loss) before Tax Before exceptional and extra-ordinary items	2,540.58	1,164.77
Exceptional and Extra-ordinary Item	0.00	0.00
Profit/(Loss) before Tax after exceptional and extra-ordinary items	2,540.59	1,164.77
Less: Tax Expense (Net)	910.066	(157.59)
Profit/(Loss) After Tax	1,630.52	1,322.36
Balance of Profit brought forward	2,204.21	881.86
Profit available for appropriation	3,834.73	2,204.22
APPROPRIATIONS		
Proposed Dividend	-	-
Tax on proposed dividend	-	-
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	3,834.73	2,204.22

B) CONSOLIDATED: (₹ In Lakhs)

PARTICULARS	2016-2017	2015-2016
Total Income	11,485.97	8,543.37
Less: Operating Expenses	8,869.99	7,310.73
Gross Profit/(Loss) before Depreciation and Interest	2,615.99	1,232.64
Less: Finance Costs	291.06	349.44
Depreciation and Amortisation Expense	51.48	90.22
Profit/(Loss) before Tax Before exceptional and extra-ordinary items	2,273.45	792.98
Exceptional and Extra-ordinary Item	0.00	0.00
Profit/(Loss) before Tax after exceptional and extra-ordinary items	2,273.45	792.98
Less: Tax Expense (Net)	910.07	(157.59)
Profit/(Loss) After Tax	1,363.38	950.57
(Before Minority Interest and Share of Results of Associates)		
Less: Share of Profit /(Loss) of Minority Interest and Associates	0.00	(11.25)
Profit/(Loss) After Tax for the year	1,363.38	939.32

STATE OF THE COMPANY'S AFFAIRS

The total income of your Company for the year under review is ₹ 11,350.24 lakhs as compared to ₹ 8,385.48 lakhs for the previous year ended 31st March, 2016. Profit/(Loss) after tax is ₹ 1,630.52 lakhs as against ₹ 1,322.36 lakhs in the previous year.

The projects undertaken by the Company are under different stages of execution, and the performance of the Company during the current year i.e., 2017-18 is expected to be in accordance with Company's plans.

PROPERTY DEVELOPMENT PROJECTS

CHENNAI

Alpha City Project

The construction of 4,77,000 sq. ft. IT Park has been completed in 2007 and software majors like IBM were Tenants in this building. Company is yet to receive ₹ 21.01 crores from Alpha City IT park. As the IT market pickup and expected revival in occupancy is seen we are hope full to recover the amount during this financial year.

Matrix Towers

The construction of this 1,40,000 sq. ft. IT Park is almost completed. Due to slump in IT space the state of the project has not changed and Company is exploring the market for sale/lease of the balance unsold space of about 8,500 sq. ft. with the recent revival in occupancy.

Green Acres

The Company had originally entered into a Joint Venture Agreement with land owners for developing 8.11 acres of land into residential apartments aggregating to 1.2 Million sq. ft. The land is situated at Kazhipattur Village in Old Mahabalipuram Road (IT Highway), Kancheepuram District.

Considering the market scenario the Company has renegotiated with the Land Owners for enhanced sharing ratio for us. Also, Company has identified an investor for doing the project jointly. For this purpose Company incorporated a new SPV on 10.06.2011 in the name of "SSPDL Green Acres LLP" with sharing of 36:64 respectively by the Company and the investor.

As the residential Markets in Chennai have undergone a downward slump we negotiated with the land owners into a profit sharing model from area sharing.

SSPDL Green Acres LLP has entered into partnership with M/s. Godrej Properties Limited to develop a residential project in Padur, OMR, Chennai on profit sharing model on 27.03.2014. The name of "SSPDL Green Acres LLP" has been changed to "Godrej SSPDL Green Acres LLP".

Final approval has been obtained and launched in July, 2015. Phase 1 is under construction and 1.96 lakh sq. ft. out of the total 2.63 lakh sq. ft. have been sold till date. A total of ₹ 83.87 crores booking value generated.

Phase Infinity: Launched during Mar 2017. Area of 77,688 sq. ft. have been sold till date out of the total 177,282 sq. ft. with booking value of ₹ 37.88 crores were done.

Phase 3: Launched during Mar 2017. Area of 17,489 sq. ft. have been sold till date out of the total 0.69 lakh sq.ft. with booking value of ₹ 7.77 crores were done till date.

Phase 2 is being launched in 2017.

SSPDL Lakewood Enclave/Mayfair Apartments

A Residential Villa/Apartment project on a 3.89 Ac plot of land situated at Thalambur Village of Old Mahabalipuram, (IT Express Highway), Chennai. This project is being done in phases. 1st Phase consists of 32 Villas and 2nd phase is 76 apartments i.e., Mayfair Apartments. Layout sanction and planning permissions are received. Both the buildings have been pre-certified GOLD by Indian Green Building Council (IGBS) and we are developing Lakewood/Mayfair as Gold rated Green Building.

We have already sold 13 Villas and 38 apartments from our share of 18 villas and 42 apartments respectively in the two projects. The Mayfair project is completed and handing over is taking place and have unsold area of 4,199 sq. ft. Construction of Villas in Lakewood is in progress and have unsold area of 12,068 sq. ft. Because of slowdown in project sales in Chennai, the balance villas will be completed by September, 2018.

HYDERABAD

The Retreat, Hyderabad (BHEL Employees Cyber Colony) The Company has entered into a letter of Intent with one of the employees union of BHEL for developing 1155 homes in about 90+ acres. We have entered into MOU with BHEL Employees Model Mutually Aided Co-operative House Building Society Ltd on 5th September, 2012 for the total sale value of ₹ 317 Crores.

On our application with HMDA, Company got the sanction for construction of 1265 homes and apartments under EWS and LIG scheme to the extent of 1.25 lakhs sq. feet, besides commercial and common amenities. We also received sanctions from the Village Panchayats of Kollur and Osman Nagar Villages.

Against the above, Company finally concluded sale of 1155 plots to BHEL Employees Model Mutually Aided Co-operative House Building Society Ltd at a sale consideration of ₹ 139.47 crores. And, the Company entered into construction agreement with BHEL Employees Model Mutually Aided Co-operative House Building Society Ltd for construction of 1155 homes for a consideration of ₹ 12.95 lakhs per house (cost is subject to escalation) excluding the taxes.

The construction work is done by six contractors. CB Richard Ellis (CBRE) has been appointed as the Project Management Consultant for overseeing the project execution. 75% of the construction work is completed with regard to 1155 and it is expected that by end of December, 2017 it will be completed.

Company has since sold 90% of the balance 110 homes and in advance stage of bulk sale of EWS and LIG apartments and we are expecting that the entire project will be completed in about approx. one years' time.

SSPDL Northwoods

SSPDL Ltd and Indiareit Fund Advisors Pvt. Ltd. through their SPVs have acquired 42 acres in Gundla Pochampally village, Hyderabad to develop a gated residential villa community "SSPDL Northwoods". Land conversion process is completed.

Since, the micro market is not supporting for villa development, doing a layout development for selling the developed plots. The final layout approval is received from the HMDA. Plots bookings to the extent of 100% of the project have been taken. The unsold commercial area is about 5,154.30 sq. yds. The project is expected to be completed by December, 2017.

Development of Residential Apartments, Chennai:

Company signed a Joint Development Agreement for the development of premium residential apartments in Prithvi Avenue, Chennai. The total area of development is about 14,500 sq. ft., wherein SSPDL's share is 25%. SSPDL's share is equal to approximate sale value of ₹ 8.00 crores and profit margin of SSPDL is about ₹ 1.86 crores. This project is expected to be completed in about 18 months from the date of necessary approvals. And, plans have been submitted for approval.

KERALA

The Retreat

The Company has acquired about 300 acres through itself and its subsidiaries, a Cardamom plantation land at Kallar Valley, Idukki District, Kerala. The Company is planning to use the SPV's for operating a) Villa Development, b) Jungle Resort Development and c) Jungle and Plantation Development.

Plots have been demarcated for sale. Preliminary work with regard to roads has been completed. After receiving the necessary approvals from the authorities plots will be registered in favour of the buyers. Applications are submitted for obtaining the permission for construction of villas.

The Kerala budget had announced and recently Government has relaxed the conditions for housing and resorts. However, after the recent publication of Kasturi Rangan Committee report there has been lot of confusion on the development of the project in the Idukki District. The Kerala Government has appealed to Government of India, Ministry of Environment to have a relook at the report. Unless that is settled we do not see any scope of commencing the project.

CONSTRUCTION BUSINESS:

Members are aware that, Company has incorporated a Subsidiary Company i.e., SSPDL Infratech Private Limited ("SIPL") for carrying on the Construction Business.

During the year under review, no further contract has been taken in SIPL.

DIVIDEND

Your Directors do not recommend any dividend for the Financial Year ended March 31, 2017.

THE AMOUNTS PROPOSED TO CARRY TO ANY RESERVES

The Company does not propose to transfer any amount to the general reserve for the financial year ended March 31, 2017.

COMMITTEES OF THE BOARD

Pursuant to requirement under the Companies Act, 2013 and Listing Agreement / The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted Committees of the Board i.e., Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and Corporate Social Responsibility Committee.

Audit Committee: As on the date of this report, the Audit Committee comprises Sri B. Lokanath (Chairman), Sri E. Bhaskar Rao (Member), and Dr.T. Krishna Reddy (Member). During the period under review, there were no instances of non-acceptance of recommendations put forth by the Audit Committee to the Board.

The details of composition and other details of these Committees are provided in the Corporate Governance Report which is enclosed to this report. However, the details of the Corporate Social Responsibility Committee are provided in this report only.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) APPOINTMENT OR RESIGNATION

During the year under review, in the Annual General Meeting (AGM) held on 30.09.2015, Sri E.Bhaskar Rao (DIN 00003608) was re-appointed as Director.

The Key Managerial Personnel of the Company during the year are: (i) Sri Prakash Challa, Chairman and Managing Director, (ii) Sri U.S.S. Ramanjaneyulu N., Chief Financial Officer, and (iii) Sri A.Shailendra Babu, Company Secretary. And, during the year, there was no change in the KMPs of the Company.

In accordance with provisions of section 152 of the Companies Act, 2013 ("the Act"), Smt. Sridevi Challa (DIN 01802477), retires by rotation as Director at the ensuing annual general meeting and being eligible, she offers herself for re-appointment. The brief profile of Smt. Sridevi Challa is provided as an annexure to the Notice convening the 23rd Annual General Meeting.

Your Directors recommend the (i) re-appointment of Smt. Sridevi Challa as Director of the Company, and (ii) payment of remuneration to Sri Prakash Challa, Chairman and Managing Director, at the ensuing Annual General Meeting. Attention of the Members is invited to the relevant item in the Notice of the AGM and the Explanatory Statement thereto.

The disclosures required pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the Notice of the AGM, forming part of the Annual Report and disclosure pursuant to proviso of section II B(iv) of Part II of Schedule V of the Act and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed in the Corporate Governance Report, forming part of the Annual Report.

NUMBER OF MEETINGS OF THE BOARD

During the year, 5 (five) meetings of the Board of Directors were held on 05.04.2016, 28.05.2016, 13.08.2016, 14.11.2016, and 14.02.2017. The details of the meetings are furnished in the Corporate Governance Report which is enclosed to this report.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

The Board hereby confirms that, all the Independent Directors of the Company have given a declaration that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

SHARES PLEDGED BY THE PROMOTERS/DIRECTORS

The number of shares pledged by promoter and directors of the company: **NIL**.

INSURANCE

The properties and insurable interest of the Company, wherever considered necessary and to the extent required have been adequately insured.

SUBSIDIARY/ASSOCIATE COMPANIES

Names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year:

During the year under review, no new company become or ceased as Subsidiary, Joint Venture or Associate of the company. As informed earlier, M/s. SSPDL Infratech Private Limited with effect from 16.05.2015 become a wholly owned subsidiary of the company.

Report on highlights of performance, financial position of each of the subsidiaries, associates and joint venture companies and their contribution to the overall performance of the company during the period under report:

- SSPDL Resorts Pvt Ltd, a wholly owned subsidiary of the Company, recorded turnover of ₹ 10.05 lakhs and loss after tax of ₹ 28.89 lakhs for the year ended 31st March, 2017 as compared to turnover of ₹ 4.87 lakhs and loss after tax of ₹ 34.83 lakhs in the previous year.
- SSPDL Realty India Pvt Ltd, a wholly owned subsidiary of the Company, recorded turnover of ₹ 29.36 lakhs and loss after tax of ₹ 56.79 lakhs for the year ended 31st March, 2017 as compared to turnover of ₹ 19.67 lakhs and loss after tax of ₹ 73.26 lakhs in the previous year.
- SSPDL Real Estates India Pvt Ltd, a wholly owned subsidiary of the Company, recorded turnover of ₹ 41.13 lakhs and loss after tax of ₹ 101.39 lakhs for the year ended 31st March, 2017 as compared to turnover of ₹ 52.21 lakhs and loss after tax of ₹ 102.05 lakhs in the previous year.
- SSPDL Infra Projects India Pvt Ltd, a wholly owned subsidiary of the Company, recorded turnover of ₹ 31.04 lakhs and loss after tax of ₹ 39.25 lakhs for the year ended 31st March, 2017 as compared to turnover of ₹ 21.56 lakhs and loss after tax of ₹ 12.59 lakhs in the previous year.
- SSPDL Infratech Pvt Ltd, a wholly owned subsidiary of the Company, recorded turnover of ₹ 24.16 lakhs and loss after tax of ₹ 41.40 lakhs for the year ended 31st March, 2017 as compared to turnover of ₹ 59.60 lakhs and loss after tax of ₹ 149.02 lakhs in the previous year.
- Northwood Properties India Pvt Ltd, an associate of the Company, recorded total revenue of ₹ 2951.07 lakhs and loss after tax of ₹ 1354.13 lakhs for the year ended 31st March, 2017 as compared to total revenue of ₹ 927.77 and profit/(loss) after tax of ₹ 163.75 in the previous year. As on 31.03.2017, Paid-up Share Capital is ₹ 27.00 lakhs, Total Liabilities is ₹ 2179.44 crores, and Total Assets are ₹ 2179.44 crores.

Company is not having joint ventures, hence, no information is provided. Financial position of each of the subsidiaries companies are provided in Form AOC-1 attached to the consolidated financial statements.

The above stated wholly owned subsidiaries, in aggregate, contributed a loss after tax of ₹ 267.17 lakhs to the consolidated profit of the Company. And, Northwood Properties India Pvt Ltd, an associate of the Company, contributed a loss after tax of ₹ 1354.13 lakhs for the year ended 31st March, 2017.

Statement containing salient features of financial statements of subsidiaries:

In pursuance of provisions of section 129(3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014,

a Statement containing salient features of financial statements of subsidiaries in the prescribed format - Form AOC-1 is attached to the consolidated financial statement.

CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements presented by the Company are prepared in accordance with the Accounting Standard 21 on Consolidated Financial Statements read with Accounting Standard 23 on Accounting for Investments in Associates, Listing Regulations.

In pursuance of provisions of section 129(3) of the Companies Act, 2013, the consolidated financial statement are enclosed for laying before the annual general meeting of the company along with the laying with the financial statement of the Company.

Upon a request is received, the annual accounts of the subsidiary companies will be made available to shareholders of the company. The annual accounts of the subsidiary companies shall also be kept for inspection during business hours by any shareholder in the registered office of the company and same will be kept on the company's website i.e., www.sspdl.com.

CORPORATE GOVERNANCE REPORT

A separate section on Corporate Governance is enclosed which forms part of the annual report. The Auditor's Certificate regarding compliance of conditions of corporate governance is annexed with the directors' report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a separate report on Management Discussion and Analysis is enclosed as an annexure to the Director's Report.

DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

SHARE CAPITAL

During the year under review, your Company has not issued (i) equity shares with differential voting rights, (ii) sweat equity shares, (iii) employee stock options, and (iv) not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

WHISTLE BLOWER POLICY

In pursuance of provisions of the Companies Act, 2013 and the Listing Regulations Company has formulated Whistle Blower Policy (Vigil Mechanism) with a view to provide a mechanism for (i) directors and employees of the Company to freely communicate/report genuine concerns or/and grievances about illegal or unethical practices, unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, and (ii) the stakeholders of the company to freely communicate their concerns about illegal or unethical practices, and to approach the Whistle Officer/Chairman of the Audit Committee of the Company to, inter-alia, report the same to the management. This Policy is an extension of the Company's Code of Conduct.

The Audit Committee oversee the vigil mechanism through the committee. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

The Whistle Officer/Chairman of the Audit Committee shall submit a report to the Audit Committee on a regular basis about all the complaints referred to him/her since the last report together with the results of investigations, if any.

The Whistle Blower Policy may be accessed on the Company's website at the link: viz. www.sspdl.com/investors/policy/

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013, an extract of Annual Return in Form MGT-9 as on March 31, 2017 is attached as **ANNEXURE - 1** to this Report.

THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The company has placed system of internal financial controls with reference to the financial statements. In our view, these internal financial controls are adequate and are operating effectively.

AUDITORS

M/s. Karvy & Co., Chartered Accountants (ICAI Firm Registration No. 001757S), Hyderabad, the retiring Auditors of the Company complete their term as Statutory Auditors as provided under the Companies Act, 2013 and relevant Rules thereunder at the conclusion of the ensuing Annual General Meeting ("AGM") of the Company.

The Board has placed on record its sincere appreciation for the services rendered by M/s. Karvy & Co., Chartered Accountants as Statutory Auditors of the Company.

The Board of Directors on the recommendation of the Audit Committee has approved and recommended to the Members, the appointment of M/s. A. Madhusudana & Co., Chartered Accountants, (ICAI Firm Registration No. 007405S), Hyderabad, as Statutory Auditors for a period of 5 years, commencing from the conclusion of the 23rd AGM till the conclusion of the 28th AGM, subject to ratification of their appointment by the Members at every AGM, as may be applicable. M/s. A. Madhusudana & Co., Chartered Accountants, have given a written consent to act as Statutory Auditors of your Company and have also confirmed that the said appointment would be in conformity with the provisions of sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The Members are requested to appoint M/s. A. Madhusudana & Co., Chartered Accountants, as Statutory Auditors of the Company in place of the retiring Auditors, M/s. Karvy & Co., Chartered Accountants at the ensuing AGM for a term of 5 years from the conclusion of the ensuing AGM till the conclusion of the 28th AGM and fix their remuneration.

The Auditors' Report is unmodified and does not contain any qualification, reservation, adverse remark or disclaimer.

AUDITORS' REPORT

The Auditors' Report to the shareholders does not contain any qualification or adverse remarks which require any clarification or explanation.

COST AUDIT

As per the provisions of section 148 of the Companies Act, 2013 and Rule 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014, Cost audit is applicable to your Company.

Based on the recommendations of the Audit Committee, the Board of Directors have appointed M/s. D R S & Co., Cost Accountants, Hyderabad (Membership No.: 19892) as the Cost Auditors of the Company for the financial year 2017-18. In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for the financial year 2017-18 is subject to ratification by the shareholders of the Company. The Notice convening the Annual General Meeting contains the proposal for ratification of the remuneration payable to the Cost Auditors.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed there under, the Board has appointed Smt. Banduvula Krishnaveni, Practising Company Secretary, Hyderabad as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2017.

A Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as **ANNEXURE - 2**.

EXPLANATION OR COMMENTS TO QUALIFICATION, RESERVATION, ADVERSE REMARK OR DISCLAIMER MADE, IF ANY, IN THE STATUTORY AUDITORS' REPORT AND THE SECRETARIAL AUDIT REPORT

The Statutory Auditors' Report and the Secretarial Audit Report to the members, for the year ended March 31, 2017, does not contain any qualification, reservation, adverse remark or disclaimer which require explanations or comments by the Board.

DEMATERIALIZATION OF SHARES:

Of the total shares, 1.67% shares have been held in physical form as of now. Shareholders holding shares in physical form are once again advised to dematerialize their shares to avoid the risk associated with the physical holding of share certificates and also for facilitating easy liquidity for shares.

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

The Company is committed to provide a protective environment at workplace for all its women employees. Also, in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under, Company has constituted internal complaints committees to which employee scan write in their complaints and the Company has in place a formal policy for Prevention of Sexual Harassment of its employees.

During the year ended 31 March, 2017 there were no incidents of sexual harassment reported in the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134(3)(c) of the Companies Act, 2013, your directors, hereby confirm that:

(a) in the preparation of the 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 the financial year and of the profit and loss 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 provisions 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; and

(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.

(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.

THE CHANGE IN THE NATURE OF BUSINESS

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

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

There are no significant and/or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR OF THE COMPANY AND DATE OF THIS REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between

the financial year ended March 31, 2017 of the Company and the date of this Report.

CORPORATE SOCIAL RESPONSIBILITY

A Corporate Social Responsibility ("CSR") Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013. The details required under the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in CSR Report appended as an ANNEXURE - 3 to this Report. The CSR Policy is available on the website of the Company at <http://sspdl.com/investors.phpm>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

All transactions entered by the Company with Related Parties were in the Ordinary Course of Business and at Arm's Length pricing basis. And, during the year, the Company had not entered into any contracts or arrangements or transactions with related parties which could be considered material in accordance with the policy on related party transactions of the Company. Also, there were no such transactions entered by the Company which were in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

The Board had approved policies on Related Party Transactions and Material Subsidiary. Both the policies have been uploaded on the Company's website, under the web link: <http://sspdl.com/investors.php>.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, are provided below:

(A) Conservation of energy-		
(i) the steps taken or impact of energy on conservation		Even though the Company's activity is Real Estate, Property Development and Civil Construction which are not power intensive, the Company is making every effort to conserve the usage of power.
(ii) the steps taken by the company for utilising alternate sources of energy		Not Applicable
(iii) the capital investment on energy conservation equipments		NIL
(B) Technology absorption-		
(i) the efforts made towards technology absorption		NIL
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution		NIL
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-		No technology has been imported during the past 3 years.
(a) the details of technology imported		NIL
(b) the year of import;		NIL
(c) whether the technology been fully absorbed		NIL
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and		NIL
(iv) the expenditure incurred on Research and Development.		NIL

(C) Foreign exchange earnings and Outgo-			
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:	For the year ended	
		31.03.2017	31.03.2016
	- Foreign Exchange Earnings	NIL	NIL
	- Foreign exchange Outgo	50,077	NIL

RISK MANAGEMENT

The Company has developed and implemented a risk management policy for the company. In the opinion of the Board, there are no foreseeable risks which may threaten the existence of the Company.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy, containing (a) criteria for determining qualifications, positive attributes, independence of a director, etc. and (b) guiding principles for payment of remuneration to Directors, Key Managerial Personnel and other employees, is provided in the Corporate Governance Report.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The evaluation of Board, Committee(s) and individual Directors was carried out based on structured questionnaire encompassing parameters such as performing statutory duties, level of engagement and contribution, independence of judgment, etc. Further, the details on performance evaluation criteria are provided in the Corporate Governance Report.

THE DISCLOSURE OF REMUNERATION DETAILS AND PARTICULARS OF EMPLOYEES

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **ANNEXURE – 4**.

Further, a statement showing the names, remuneration received, and other particulars of top ten employees and employees drawing remuneration in excess of the limits as set out in the Rules 5(2) and 5(3) of the aforesaid Rules, forms part of this report. However, in

terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. Further, the details are also available on the Company's website: www.sspdl.com

ACKNOWLEDGEMENTS

Your Directors place on record their sincere appreciation to the Shareholders, Investors, Financial Institutions, Banks, Suppliers, Government and Semi-Government agencies for their continued assistance and co-operation extended to the Company and also wishes to place on record their appreciation of employees for their hard work, dedication and commitment.

For and on behalf of the Board of Directors

PRAKASH CHALLA
CHAIRMAN AND
MANAGING DIRECTOR
(DIN 02257638)

E.BHASKAR RAO
DIRECTOR
(DIN 00003608)

Place : Hyderabad
Date :17.08.2017

ANNEXURE -1
Form No.MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 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	L70100TG1994PLC0018540
ii) Registration Date	17th October, 1994
iii) Name of the Company	SSPDL Limited
iv) Category/Sub-Category of the Company	Company Limited by Shares / Public Company
v) Address of the Registered, Office and contact details	8-2-595/3/6, Eden Gardens, Road No.10, Banjara Hills, Hyderabad - 500 034, Telangana. Phone No.: 040 - 6663 7560 Fax No.: 040 - 6663 7969 Email: investors@sspdl.com Website:www.sspdl.com
vi) Whether listed Company	Yes, BSE Limited
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32,Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Phone Nos : 040 6716 1500 Fax Nos : 040 2342 0814. E-mail : einward.ris@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover (Consolidated) of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1	Real Estate and Development and Construction	410	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

	Name and Address of the Company	Corporate Identity Number (CIN)	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	SSPDL Infratech Private Limited, 8-2-595/3/6, Eden Gardens, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana, India.	U45209TG2010PTC068608	Subsidiary Company	100.00	2(87)
2	SSPDL Infra Projects India Private Limited 8-2-595/3/6, Eden Gardens, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana, India.	U45200TG2007PTC052739	Subsidiary Company	100.00	2(87)
3	SSPDL Resorts Private Limited 8-2-595/3/6, Eden Gardens, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana, India.	U45200TG2007PTC052761	Subsidiary Company	100.00	2(87)
4	SSPDL Realty India Private Limited 8-2-595/3/6, Eden Gardens, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana, India.	U45200TG2007PTC052816	Subsidiary Company	100.00	2(87)
5	SSPDL Real Estates India Private Limited 8-2-595/3/6, Eden Gardens, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana, India.	U70102TG2007PTC052818	Subsidiary Company	100.00	2(87)
6	Northwood Properties India Private Limited 8-2-595/3/6, Eden Gardens, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana, India.	U70102TG2008PTC057756	Associate Company	41.67	2(6)

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 (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	PROMOTERS									
(1)	Indian									
	a) Individual/HUF	45,79,302	0	45,79,302	35.42	45,65,740	0	45,65,740	35.31	(0.10)
	b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
	d) Bodies Corp.	24,27,752	0	24,27,752	18.78	24,27,752	0	24,27,752	18.78	0.00
	e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (1) :	70,07,054	0	70,07,054	54.20	69,93,492	0	69,93,492	54.09	(0.10)
(2)	Foreign									
	a) NRIs-Individuals	0	0	0	0	0	0	0	0.00	0.00
	b) Other-Individuals	0	0	0	0	0	0	0	0.00	0.00
	c) Bodies Corp.	0	0	0	0	0	0	0	0.00	0.00
	d) Banks/FI	0	0	0	0	0	0	0	0.00	0.00
	e) Any Other....	0	0	0	0	0	0	0	0.00	0.00
	Sub-total(A)(2) :	0	0	0	0	0	0	0	0.00	0.00
	Total shareholding of Promoter (A)=(A)(1)+(A)(2)	70,07,054	0	70,07,054	54.20	69,93,492	0	69,93,492	54.09	(0.10)
B.	PUBLICSHAREHOLDING									
(1)	Institutions									
	a) Mutual Funds	0	0	0	0	0	0	0	0.00	0.00
	b) Banks/FI	0	0	0	0	0	0	0	0.00	0.00
	c) Central Govt	0	0	0	0	0	0	0	0.00	0.00
	d) State Govt(s)	0	0	0	0	0	0	0	0.00	0.00
	e) Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
	f) Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
	g) FIs	0	0	0	0	0	0	0	0.00	0.00
	h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
	i) Others (specify)	0	0	0	0	0	0	0	0.00	0.00
	Sub-Total (B) (1):	0	0	0	0	0	0	0	0.00	0.00
(2)	Non-Institutions									
	a) Bodies Corp.									
	i) Indian	3,34,155	11,200	3,45,355	2.67	4,16,051	11,200	4,27,251	3.30	0.63
	ii) Overseas	0	0	0	0	0	0	0	0.00	0.00
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto ₹1 lakh	17,98,116	56,054	18,54,170	14.34	16,68,303	55,949	17,24,252	13.34	(1.00)
	ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	25,89,029	30,000	26,19,029	20.26	28,34,297	30,000	28,64,297	22.15	1.90
	c) Others (specify)									
	Clearing Members	5,501	0	5,501	0.04	2,606	0	2,606	0.02	(0.02)
	HUF	2,22,510	0	2,22,510	1.72	1,92,614	0	1,92,614	1.49	(0.23)
	Non-Resident Indians	7,55,631	1,20,000	8,75,631	6.77	6,04,738	1,20,000	7,24,738	5.61	(1.17)
	Sub-total (B) (2)	57,04,942	2,17,254	59,22,196	45.80	57,18,609	2,17,149	59,35,758	45.91	0.10
	Total Public Share holding (B)=(B)(1)+(B)(2)	57,04,942	2,17,254	59,22,196	45.80	57,18,609	2,17,149	59,35,758	45.91	0.10
C.	SHARES HELD BY CUSTODIAN FOR GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	1,27,11,996	2,17,254	1,29,29,250	100.00	1,27,12,101	2,17,149	1,29,29,250	100.00	-

(ii) Shareholding of Promoters

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year (As on 01.04.2016)			Shareholding at the end of the year (As on 31.03.2017)			% change in shareholding 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	SRIKRISHNA DEVARAYA HATCHERIES PVT LTD	24,02,652	18.58	0.00	24,02,652	18.58	0.00	0.00
2	PRAKASH CHALLA	23,59,390	18.25	0.00	23,59,390	18.25	0.00	0.00
3	EADALA PADMAJA	8,95,000	6.92	0.00	8,95,000	6.92	0.00	0.00
4	SURESH CHALLA	8,87,600	6.87	0.00	8,82,800	6.83	0.00	0.04
5	EDALA BHASKAR RAO	1,50,000	1.16	0.00	1,50,000	1.16	0.00	0.00
6	VALLABHANENI GOPAL KRISHNA	1,24,267	0.96	0.00	1,18,267	0.91	0.00	0.05
7	SRIDEVI CHALLA	1,02,500	0.79	0.00	1,02,500	0.79	0.00	0.00
8	VELLANKI V RAO	30,000	0.23	0.00	30,000	0.23	0.00	0.00
9	CHITTURI MANGAYAMMA	15,000	0.12	0.00	12,883	0.10	0.00	0.02
10	JAGAPATI INVESTMENTS PRIVATE LIMITED	13,500	0.10	0.00	13,500	0.10	0.00	0.00
11	INTELLIGENT SOFTWARE SOLUTIONS (P) LTD	11,600	0.09	0.00	11,600	0.09	0.00	0.00
12	CHITTURI SURESH RAYUDU	10,500	0.08	0.00	10,500	0.08	0.00	0.00
13	CHALLA CHINNAMMA	3,200	0.02	0.00	3,200	0.02	0.00	0.00
14	V GOPAL KRISHNA	1,100	0.01	0.00	1,100	0.01	0.00	0.00
15	SRINIVASA RAO EADALA	645	0.00	0.00	0	0.00	0.00	0.00
16	CHALLA RAJENDRA PRASAD	100	0.00	0.00	100	0.00	0.00	0.00
	Total	70,07,454	54.20	0.00	69,93,492	54.09	0.00	(0.10)

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

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Suresh Challa				
	At the beginning of the year 01.04.2016	8,87,600	6.87	8,87,600	6.87
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/transfer/bonus/sweat equity etc.):				
	Sold on 25.11.2016	1,000	0.07	886,600	6.86
	Sold on 02.12.2016	500	0.00	886,100	6.85
	Sold on 16.12.2016	50	0.00	886,050	6.85
	Sold on 06.01.2017	2,000	0.02	884,050	6.84
	Sold on 20.01.2017	1,000	0.07	883,050	6.83
	Sold on 27.01.2017	250	0.00	882,800	6.83
	At the end of the year on 31.03.2017			8,82,800	6.83

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
2	Vallabhaneni Gopal Krishna				
	At the beginning of the year 01.04.2016	1,24,267	0.96	1,24,267	0.96
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
	Sold on 08.07.2016	6,000	0.05	1,18,267	0.91
	At the end of the year on 31.03.2017			1,18,267	0.91
3	ChitturiMangayamma				
	At the beginning of the year 01.04.2016	15,000	0.12	15,000	0.12
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):				
	Sold on 17.02.2017	450	0.00	14,550	0.11
	Sold on 24.02.2017	865	0.00	13,685	0.11
	Sold on 03.03.2017	200	0.00	13,485	0.10
	Sold on 10.03.2017	156	0.00	13,329	0.10
	Sold on 17.03.2017	200	0.00	13,129	0.10
	Sold on 31.03.2017	246	0.00	12,883	0.10
	At the end of the year on 31.03.2017			12,883	0.10
4	Eadala Srinivasa Rao				
	At the beginning of the year 01.04.2016	645	0.00	645	0.00
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.):				
	Sold on 08.07.2016	400	0.00	245	0.00
	Sold on 29.07.2016	245	0.00	0	0.00
	At the end of the year on 31.03.2017			0	0.00

Note: Except the above there is no change in the shareholding of other promoters during 01.04.2016 to 31.03.2017.Total shares held by all promoters as on 01.04.2016 and 31.03.2017 are provided above.

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Gautam Prakash				
	At the beginning of the year 01.04.2016	3,54,000	2.74	3,54,000	2.74
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			3,54,000	2.74
2	GVS Raju				
	At the beginning of the year 01.04.2016	2,06,851	1.60	2,06,851	1.60
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			2,06,851	1.60
3	Cherukuri Ramakrishna				
	At the beginning of the year 01.04.2016	1,83,791	1.42	1,83,791	1.42
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):				
	Sold on 15.04.2016	200		1,83,591	1.42
	Sold on 22.04.2016	1,000		1,82,591	1.41
	Sold on 24.06.2016	4,813		1,77,778	1.38
	Sold on 30.06.2016	550		1,77,228	1.37
	Sold on 08.07.2016	1,200		1,76,028	1.36
	Sold on 19.08.2016	5,000		1,71,028	1.32
	Sold on 28.10.2016	3,973		1,67,055	1.29
At the end of the year on 31.03.2017			1,67,055	1.29	
4	Vinod Prakash				
	At the beginning of the year 01.04.2016	1,20,000	0.96	1,20,000	0.96
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			1,20,000	0.96

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5	BapirajuChampati				
	At the beginning of the year 01.04.2016	1,18,987	0.92	1,18,987	0.92
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g.allotment/transfer/bonus/sweat equity etc.):				
	Purchased on 15.04.2016	1,603	0.01	1,20,590	0.93
	Purchased on 29.04.2016	132	0.00	1,20,722	0.93
	Purchased on 06.05.2016	536	0.00	1,21,258	0.94
	Purchased on 13.05.2016	975	0.00	1,22,233	0.95
	Purchased on 20.05.2016	8	0.00	1,22,241	0.95
	Purchased on 27.05.2016	453	0.00	1,22,694	0.95
	Purchased on 03.06.2016	9	0.00	1,22,703	0.95
	Sold on 17.06.2016	500	0.00	1,22,203	0.95
	Sold on 24.06.2016	1,371	0.01	1,20,832	0.93
	Sold on 30.06.2016	2,500	0.02	1,18,332	0.92
	Sold on 15.07.2016	100	0.00	1,18,232	0.91
	Sold on 29.07.2016	2,000	0.02	1,16,232	0.90
	Sold on 12.08.2016	3,000	0.02	1,13,232	0.88
	Sold on 19.08.2016	3,134	0.02	1,10,098	0.85
	Sold on 26.08.2016	500	0.00	1,09,598	0.85
	Sold on 02.09.2016	4,000	0.03	1,05,598	0.82
	Purchased on 16.09.2016	515	0.00	1,06,113	0.83
	Purchased on 23.09.2016	910	0.00	1,07,023	0.84
	Purchased on 30.09.2016	1,490	0.01	1,08,513	0.84
	Sold on 11.11.2016	500	0.00	1,08,013	0.84
	Purchased on 25.11.2016	1,350	0.01	1,09,363	0.84
	Purchased on 02.12.2016	1,577	0.01	1,10,940	0.86
	Purchased on 09.12.2016	890	0.00	1,11,830	0.86
	Purchased on 23.12.2016	351	0.00	1,12,181	0.87
	Sold on 20.01.2017	89	0.00	1,12,092	0.87
	Sold on 03.02.2017	201	0.00	1,11,891	0.87
	Sold on 10.02.2017	1,000	0.01	1,10,891	0.86
	Sold on 17.02.2017	921	0.00	1,09,970	0.85
	Sold on 24.02.2017	200	0.00	1,09,770	0.85
	At the end of the year on 31.03.2017			1,09,770	0.85
6	V.Sidda Reddy				
	At the beginning of the year 01.04.2016	1,17,482	0.91	1,17,482	0.91
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/transfer/bonus/sweat equity etc.):				
	Sold on 01.07.2016	82	0.00	1,17,400	0.91
	Sold on 08.07.2016	2,000	0.02	1,15,400	0.89
	Sold on 30.09.2016	6,400	0.05	1,09,000	0.84
	Sold on 28.10.2016	2,000	0.02	1,07,000	0.83
	At the end of the year on 31.03.2017			1,07,000	0.83

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
7	PadmavathiNoothalapati				
	At the beginning of the year 01.04.2016	1,12,600	0.87	1,12,600	0.87
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			1,12,600	0.87
8	MahendraGiridhar Lal				
	At the beginning of the year 01.04.2016	1,07,307	0.83	1,07,307	0.83
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			1,07,307	0.83
9	Amit Bhartia				
	At the beginning of the year 01.04.2016	96,005	0.74	96,005	0.74
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/bonus/sweat equity etc.):				
	Sold on 23.09.2016	96,000	0.74	5	0.00
	At the end of the year on 31.03.2017			5	0.00
10	Subba Lakshmi Pericherla				
	At the beginning of the year 01.04.2016	89,337	0.69	89,337	0.69
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/bonus/sweat equity etc.):				
	Sold on 10.02.2017	150	0.00	89,187	0.69
	At the end of the year on 31.03.2017			89,187	0.69
11	K.Swapna				
	At the beginning of the year 01.04.2016	84,356	0.65	84,356	0.65
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/ bonus/sweat equity etc.):	0	0	84,356	0.65
	At the end of the year on 31.03.2017			84,356	0.65

(v) Shareholding of Directors and Key Managerial Personnel (KMP):

Sl. No.	Name of the Director	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the Company
1	Prakash Challa				
	At the beginning of the year 01.04.2016	23,59,390	18.25	23,59,390	18.25
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/bonus/sweat equity etc.):	0	0.00	23,59,390	18.25
	At the end of the year on 31.03.2017			23,59,390	18.25
2	E.Bhaskar Rao				
	At the beginning of the year 01.04.2016	1,50,000	1.16	1,50,000	1.16
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):	0	0.00	1,50,000	1.16
	At the end of the year on 31.03.2017			1,50,000	1.16
3	K.Akmaluddin Sheriff				
	At the beginning of the year 01.04.2016	6,634	0.05	6,634	0.05
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/bonus/sweat equity etc.):	0	0	6,634	0.05
	At the end of the year on 31.03.2017			6,634	0.05
4	B.Lokanath				
	At the beginning of the year 01.04.2016	0	0.00	0	0.00
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g.allotment/ transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			0	0.00
5	Sridevi Challa				
	At the beginning of the year 01.04.2016	1,02,500	0.79	1,02,500	0.79
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/ transfer/bonus/sweat equity etc.):	0	0.00	1,02,500	0.79
	At the end of the year on 31.03.2017			1,02,500	0.79
6	Dr.T.Krishna Reddy				
	At the beginning of the year 01.04.2016	0	0.00	0	0.00
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g.allotment/ transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			0	0.00

(v) Shareholding of Directors and Key Managerial Personnel (KMP):

Sl. No.	Name of the Key Managerial Personnel	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	A.Shailendra Babu				
	At the beginning of the year 01.04.2016	0	0.00	0	0.00
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decreases (e.g. allotment/transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			0	0.00
2	USS Ramanjaneyulu N				
	At the beginning of the year 01.04.2016	0	0.00	0	0.00
	Date wise increase/Decrease in Shareholding during the year Specifying the reasons for Increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	0	0.00	0	0.00
	At the end of the year on 31.03.2017			0	0.00

(V) INDEBTEDNESS

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,66,775	13,35,62,269	-	13,48,29,044
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,603	1,60,86,394	-	1,60,89,997
Total (i+ii+iii)	12,70,378	14,96,48,663	-	15,09,19,041
Change in Indebtedness during the financial year				
Addition	-	80,00,000	-	80,00,000
Reduction	-	-	-	-
Net Change	-	80,00,000	-	80,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	8,73,165	14,96,48,663	-	15,05,21,828
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,484	1,78,08,645	-	1,78,11,129
Total (i+ii+iii)	8,75,649	16,74,57,308	-	16,83,32,957

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD Mr. Prakash Challa (In ₹)	Total Amount (In ₹)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	83,75,496	83,75,496
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	0.00	0.00
	- as % of profit	0.00	0.00
	- others, specify...	0.00	0.00
5	Others, please specify (P.F.)	24,504	24,504
	Total (A)	84,00,000	84,00,000
Over all Ceiling as per the Act ₹ 84,00,000 Lakhs (fixed) and contribution to Provident Fund, Gratuity, Earn Leave encashment.			

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount in ₹
1	Independent Directors	K.AKMALUDDIN SHERIFF	B.LOKANATH	Dr.T.KRISHNA REDDY	
	Fee for attending board /committee meetings	45,000	1,80,000	1,60,000	3,85,000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	45,000	1,80,000	1,60,000	3,85,000
2	Other Non-Executive Directors	E.BHASKAR RAO	SRIDEVI CHALLA	-	
	Fee for attending board / committee meetings	1,70,000	40,000	-	2,10,000
	Commission	0	0	-	0
	Others, please specify	0	0	-	0
	Total (2)	1,70,000	40,000	-	2,10,000
	Total (B)=(1+2)	2,15,000	2,20,000	1,60,000	5,95,000
	Total Managerial Remuneration				84,00,000
Over all Ceiling as per the Act: ₹ 84,00,000/- Lakhs (fixed) and contribution to Provident Fund, Gratuity, Earn Leave encashment and sitting fees payable to Non-executive Directors.					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (In ₹)
		CEO	Company Secretary	CFO	
1	Gross salary	-	A.Shailendra Babu	U.S.S.Ramanjaneyulu N	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	22,73,107	11,98,202	34,71,309
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	0	0	0
2	Stock Option	-	0	0	0
3	Sweat Equity	-	0	0	0
4	Commission	-	0	0	0
	- as % of profit	-	0	0	0
	- others, specify...	-	0	0	0
5	Others, please specify (P.F.)	-	24,504	0	24,504
	Total	-	22,97,611	11,98,202	34,95,813

(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 of Directorsof SSPDL Limited

Place: Hyderabad
Date : 17.08.2017

PRAKASH CHALLA
CHAIRMAN AND MANAGING DIRECTOR
(DIN: 02257638)

E.BHASKAR RAO
DIRECTOR
(DIN: 00003608)

'ANNEXURE - 2'
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

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

To,
The Members,
SSPDL Limited
CIN: L70100TG1994PLC018540
Hyderabad

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 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'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company during the year as there no relevant transactions during the audit period :

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) 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;

- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

I further report that the Company has complied with the following laws specifically applicable to the Company as declared by the Management of the Company:

- (i) Building and Other Construction Workers' (Regulation of Employment and Conditions of Services) Act, 1996

As regards Real Estate (Regulations and Development) Act, 2016 (Central Act 16 of 2016), The Government of Telangana notified Telangana Real Estate (Regulations and Development) Rules, 2017 vide Order dated August 4th, 2017 according to which the said Rules shall come in to force from the date of their publication in the Telangana Gazette. As per the provisions of the Rules Projects for which building permissions were approved prior to 01.01.2017 by the Competent Authorities are excluded from the applicability of the Rules.

As per the information given and explanations provided by the Company, the Company has only one Ongoing Project and permission for the same has been obtained prior to 01.01.2017. The Company has no other new project/projects which fall within the ambit of Telangana Real Estate (Regulations and Development) Rules, 2017 as on date and hence these Rules are not applicable to the Company for year under review.

I have also examined compliance with the Listing Agreements entered into by the Company with BSE Limited.

The Company has complied with Secretarial Standards Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) as issued by The Institute of Company Secretaries of India during the year under review.

I further report that

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

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

B.KRISHNAVENI

Place : Hyderabad

ACS No: 9686

Date : 17.08.2017

C P No.: 4286

'ANNEXURE 3' TO THE DIRECTORS' REPORT

CSR ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company's CSR Policy framework details the mechanisms for undertaking various programs in accordance with Section 135 of the Companies Act, 2013 (the Act) for the benefit of the community.

The Company's CSR activities relate to the following areas:

(i)	eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation,. Including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
(ii)	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
(iii)	promoting gender equality, empowering women, setting up homes and hotels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
(iv)	ensuing environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water, including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
(v)	protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
(vi)	measures for the benefit of armed forces veterans, war windows and their dependents;
(vii)	training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
(viii)	contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
(ix)	contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
(x)	rural development projects;
(xi)	slum area development;
	Explanation: For the purpose of this item, the term "Slum Area" shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

2. Composition of the CSR Committee:

The Committee comprises of following:

1. Sri Prakash Challa, Chairman
2. Sri E. Bhaskar Rao, Member, and
3. Sri B. Lokanath, Member

3. Average net profit/(loss) of the Company for the last three financial years : ₹ 3,87,25,161/-.
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above) : ₹ 7,74,503/-.
5. Details of CSR spent during the financial year :
 - a. Total amount to be spent for the financial year : Nil
 - b. Amount unspent, if any : ₹ 7,74,503/-.

c. Manner in which the amount was spent in the financial year is detailed below:

As no amount was spent on CSR activities in the financial year 2016-17, the details are not provided in the below table.

S.No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify the State and district where projects or program was undertaken	Amount outlay (budget) project or programme wise (₹ In Lakh)	Amount spent on the projects or programs Sub heads: (1) Direct Expenditure on projects or programs). (2) Overheads: (₹ In Lakh)	Cumulative expenditure upto the reporting period (₹ In Lakh)	Amount spent: Direct or through implementing agency

6. **Reasons for not spending the amount during the financial year:**

The management is fully committed to Corporate Social Responsibility and related efforts mandated by the regulation. Initially, the management decided to spend on CSR activities through agencies. The Company was in the process of evaluating the areas and locations for CSR activities to cater to the pressing needs of the society and deliver optimal impact.

However, some of the CSR activities and projects on which Company has decided to spend through agency are yet to be grounded, hence not spent any amount on the approved CSR activities during the financial year 2016-17. However, this year Company will spend the amounts on CSR activities.

7. **CSR Committee Responsibility Statement:**

The CSR Committee hereby affirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For SSPDL Limited

PRAKASH CHALLA
CHAIRMAN AND MANAGING DIRECTOR AND
CHAIRMAN – CSR COMMITTEE
(DIN: 02257638)

Place : Hyderabad
Date : 25.07.2017

ANNEXURE - 4

DETAILS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

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

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Sri Prakash Challa	23.44:1
2	Sri E.Bhaskar Rao	0.47:1
3	Sri K.Akmaluddin Sheriff	0.13:1
4	Sri B.Lokanath	0.50:1
5	Smt. Sridevi Challa	0.11:1
6	Dr. T.Krishna Reddy	0.45:1

Directors (other than Sri Prakash Challa) were paid sitting fees for attending the Meetings.

- (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

Sl. No.	Name	Designation	Percentage increase in remuneration
1	Sri Prakash Challa	Chairman and Managing Director	NIL
2	Sri E.Bhaskar Rao	Director	NIL
3	Sri K.Akmaluddin Sheriff	Director	NIL
4	Sri B.Lokanath	Director	NIL
5	Smt. Sridevi Challa	Director	NIL
6	Dr. T.Krishna Reddy	Director	NIL
7	Sri U.S.S. Ramanjaneyulu .N	Chief Financial Officer	16.00
8	Sri A.Shailendra Babu	Company Secretary	33.12

- (iii) The percentage increase in the median remuneration of employees in the financial year: There is a decrease in the median remuneration of employees in financial year 2016-17 by 30.53% as compared to financial year 2015-16.

- (iv) The number of permanent employees on the rolls of Company:

As on 31.03.2017, there are 40 permanent employees on the rolls of the Company.

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

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e., 2016-17 is 7.85%, however, there is no increase in the managerial remuneration for the same financial year.

- (vi) The Remuneration paid to Key Managerial Personnel is as per the Remuneration policy of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2016-17

1. ECONOMY OVERVIEW:

Global Economy: The financial year 2016-17 was marked by socio-economic uncertainty with widely unexpected outcomes such as UK's Brexit referendum and the US Presidential election.

The global economy regained some of the lost momentum during the year. While major economies benefitted from improving global demand, commodity exporting countries recovered on the back of a spike in commodity prices. Also, the US economy performed better than expectations during the year.

Global growth remained stagnant at 3.1% and the IMF expects the global economy to grow by 3.5% in 2017 and by 3.6% in 2018. The emerging markets and developing economies have a strong potential for growth over the medium term. However, it remains susceptible to deepening geo-political tensions and other macroeconomic risks i.e., faster than expected Fed rate hike and increase in protectionism policies by the advanced economies are the key risks that can put downward pressure on global economic activity. Nonetheless at the current juncture, the economic environment is largely pro-growth.

The Indian Economy:

The financial year 2016-17 was a year of Policy reforms and it has been a year marked with both excitement and challenges for the global as well as the Indian economy. The Central government's commitment to lead the country on a growth path has led to the materialisation of various policy measures.

In fiscal year 2017, India witnessed a number of major policy initiatives i.e.,

- In May 2016, the Insolvency and Bankruptcy Code, 2016 was enacted providing an institutional framework for recovery and resolution, and protection for investors and creditors,
- Foreign investment policies were further liberalised, and the dissolution of the Foreign Investment Promotion Board (FIPB) was announced,
- On November 8, 2016, the Government of India denotified ₹ 1,000 and ₹ 500 denomination currency notes and introduced new ₹ 500 and ₹ 2,000 denomination currency notes. This step was taken with the aim to curb the parallel economy, eliminate the use of counterfeit notes and encourage a shift to digital transaction modes.
- Government implemented the Goods and Services Tax from July 1st, 2017 and it will have a significant impact on the taxation structure in the country. The reform process would further help boost India's position in the global arena.

The Goods and Services Tax is a unified single tax replacing the various indirect taxes on goods and services such as central excise duty, service tax, central sales tax and state value added tax currently being collected by the central and state governments.

In spite of the above stated, global events and the initiatives, India remained the fastest growing major economy in the world and it registered a growth rate of 7.1% in FY 2016-17,

supported by strong consumption growth and government spending. Inflation eased sharply led by a decline in food inflation amidst government's astute food management, facilitating a 50 basis points rate cut by the RBI in FY 2016-17 before it adopted a neutral stance.

The GDP growth of the India is better than all developed countries and most emerging markets. However, it is not as good as the 7.9% GDP growth achieved in FY2016. There are three main reasons for this deceleration of growth i.e., (i) insufficient investments which translate to additional income and employment, (ii) the substantial overhang of non-performing loans across the banking system, especially the public sector banks, and (iii) related to the temporary effects of demonetising ₹ 500 and ₹ 1,000 notes, which came into effect on 8 November 2016.

The demonitisation came at a time when the Indian economy was just beginning to look up on the back of positive sentiments from private consumption and normal monsoon, the cash shortage and payment disruptions caused by demonetisation, strained the consumption and business activity for a major part of the second half of the year. The Central Government's decision to demonetise almost 86% of the currency notes in circulation, caused severe cash shortage in the domestic economy, which prefers cash as the mode of payments, even today. However, the demonetisation resulted in a temporary blip in the economic growth, but saw a relatively quick recovery in the following quarter. Despite temporary hardships (which marginally impacted growth), demonetisation holds potential for long-term benefits by paving the way towards a larger and a cleaner GDP, driven by digital channels.

The implementation of GST, paving the way for a unified national market in goods and services, must reach its logical conclusion during this year.

India, despite going through bold but disruptive demonetisation drive, experienced a reasonably good year with economy maintaining its growth momentum, outshining several of its emerging market peers.

OUTLOOK:

India's growth momentum is likely to accelerate in the second half of FY 2018, with continued focus on infrastructure creation and manufacturing, and trickle-down impact of past policy reforms. In addition, long-term economic growth will be driven by major factors: (i) low interest rates, (ii) benign inflation, (iii) favourable demographics (half of the population is below the age of 35), and (iv) reform and development orientation of the Government like, greater focus on formalisation and digitisation of the economy.

Also, the Indian Meteorological Department (IMD) has forecasted that this year monsoon would be "Normal" or around 96% of Long Period Average (LPA) with an error of +/- 5% and with a fair distribution of rainfall across major parts of country. If the forecast holds, it will boost rural demand and also alleviate rural distress.

Although uncertainties remain around the design as well as readiness of the entire economy to implement GST (structural

change), is poised to provide a fillip to India's economic growth as it will create a single national market and enhance the efficiency of inter-state movement of goods and services apart from moving a large part of the informal sector within the formal set-up of the economy. It is widely expected that GST implementation in FY 2017-18 would auger well for economic growth. Economists estimate potential long term GDP growth impact at 2-4 percentage points attributable to GST.

While the global events might appear to have limited direct consequences for our domestic economy, the inter-linkages of global trade and financial markets mean that no economy is totally insulated.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS:

It comprises four sub-sectors - housing, retail, hospitality, and commercial. Housing sector contributes to about six percent of India's gross domestic product (GDP). The total realty market in the country is expected to touch US\$ 180 billion by 2020. Real estate is a highly fragmented sector with only a few organized players. Now, the presence of large corporations in across the country is increasing.

Most of the growth in the Housing sector took place in upper and middle income groups. The Government is working to achieve housing for all by 2022. During the year, the Government has declared names of 98 cities which are to be developed as smart cities Government focus on affordable housing and increasing penetration in Tier II and III towns is likely to fuel the next leg of growth.

For many city dwellers townships are becoming the residential option of choice looking for a better lifestyle for their families. The supply pipeline for luxury home projects is now slowing down in reaction to the slow demand dynamics for these offerings.

The developments in real estate are:

- From 1 May 2017, the entire Act of the Real Estate (Regulation and Development) Act, 2016 has been brought into force by the Central Government and which has created a new era in the real estate sector of the country. Some of the state governments have made the law and started implementing the RERA law. This will improve transparency, customer-centricity and adherence to processes by developers. It will add velocity to construction activity which will create a win-win situation for the developers as well as the buyers.
- The GST will eliminate the conflicting and cascading tax structures. The tax rate applicable for real estate is 12%. However, the abatement rules as applicable under the service tax regime and the input tax credit facility for developers will determine if the effective tax incidence on real estate is lower or higher under GST. The 12% tax rate will increase the costs of home, in view of the same, the buyers and the developers are still waiting for clarity on this. If the costs go lower under the GST, the lower prevailing home loans rates will have a positive impact on real estate.
- The holding period for immovable assets, for capital gains tax, reduced from 3 years to 2 years and indexation to be shifted from 1.4.1981 to 1.4.2001.

Capital gains tax liability changed for Joint Development Agreement (JDA) signed for development of property.

If a joint development agreement is signed for the development of property, then the capital gains tax will only be paid in the year of completion of the project.

- The affordable housing segment has been accorded infrastructure status which will ensure more funding from the banking system. And, as per statistics, the shortage of housing currently stands at around 1.87 crore homes, and nearly 95% of the shortage is in the affordable segment. Now, developers can and will focus more on launching projects in this segment, where most of the demand lies.
- The interest subvention scheme on home loans for buyers in the budget segment will encourage a lot of buyers who are looking to purchase their first home i.e., the government has made changes on the facility of subsidizing home loan interest payment to the buyers. Earlier it was applicable for the buyers earning up to ₹ 6 lakh per annum, now it has been extended to the buyer earning up to ₹ 18 lakh per annum.
- The increased deduction on exemption for Income Tax on interest paid on home loans would give boost to the Real Estate sector.

A minor blip in the economy was noticed due to demonetization of high value currency and it affected the secondary housing market, the primary market with genuine players did not see much of a negative impact. Due to which and the perception of the home buyers, developer, the Real estate sector has lost some momentum initially but the recovery is noticed in the last quarter of FY 2016-17.

3. OPPORTUNITIES, THREATS / RISKS AND CONCERNS:

Opportunities:

The medium and long-term demand for residential housing is likely to remain strong led by buoyant economic growth, resulting in better job prospects, job security, enhanced affordability of houses and increased finance penetration. Any increase in population directly impacts demand for housing units and, through this, the floor space area requirements. India has a large base of middle class and lower middle class population and this section of the population require homes which are 'affordable'. Building such dwelling units for the masses require joint efforts of the government and the real estate developer community. It is expected that the gap between urban and rural population will narrow.

Private Equity (PE) funds and Non-Banking Financial Companies (NBFCs) are increasingly investing in real estate projects.

A normal monsoon and further rate cuts by RBI are expected to facilitate rural and urban consumption. The structural developments as stated above and the recent reforms announced by the Government, Housing for all by 2022 and development of Smart Cities, will have positive impact on real estate sector, however, the Government has to overcome the challenge of land acquisition to successfully achieve this target. Typically, there are five broad factors that influence real estate markets and these include the country's GDP and employment scene, credit availability, interest rates, housing supply dynamics and consumer confidence.

The implementation of the Real Estate (Regulation and Development) Act, 2016, will bring more transparency to the

sector with home buyers being the main beneficiaries and this would increase growth prospects for the large organised real estate companies. If the government expedites approval process, promoting single-window system of clearances for real estate projects and rationalising the labour laws then construction progress will speed up. Now, it has become imperative for developers to embrace changes as per the changing business environment. Increased compliance requirements under RERA, limited access to capital to unorganised smaller players, slowing sales and lack of financial prudence among developers are leading to consolidation in real estate Industry.

The Commercial Segment was mainly driven by demand from services sector. The consumption of office space in India is largely dominated by the IT/ITes sector contributing 50% of the demand. The government's campaign non Digitalization of India and Start-Up initiative will fuel growth of young entrepreneurs pushing up the need for commercial spaces for setting up offices.

Threats / Risks and Concerns:

Real estate being a cyclical industry and projects have a long gestation period, gets impacted more by the changes in macroeconomic variables like global and country's economy, changes in the market dynamics, availability of capital, interest rate, GDP Growth, employment, purchasing power, inflation, availability of skilled labour, etc., and the same directly impacts the project sales and profitability of the Company.

Execution delay may result in cost overruns and it can cost dearly in the form of higher than expected input cost and higher than anticipated interest burden. Further, such delays also negatively impact the Company's reputation and returns.

Also, intrinsic challenges that hinder growth of the sector and performance of your Company, factors such as high borrowing costs, lack of funding, liquidity issues and slow (and uneven) development of urban infrastructure.

4. SEGEMENT WISE PERFORMANCE:

The Company is engaged in construction and development of Commercial, residential properties in metropolitan and Tier II cities and infrastructure projects.

During the year under review, your company executing the housing project in Hyderabad. The projects under taken by the Company are under various stages of execution and the details of the status of these projects are mentioned in the Directors Report.

5. OUTLOOK

To accord the housing sector industry status has been a long-standing demand. Though only the affordable housing has been given infrastructure status, it is definitely a positive sign for the sector. The government's objective of providing Housing for all by 2022 looks very much achievable. Along with other impending regulatory breakthroughs such as RERA and GST will not only fuel demand, but make the sector more efficient and organized. Increased activity in the sector will lead to additional employment generation, which is good for the economy. Tax breaks and other sops will help builders cut their cost, improve their bottom-lines and get additional liquidity to improve efficiency.

Considering the past experiences, your Company primarily focusing on the development of land, plotted lands, mid-size houses, etc. and reduce the construction contracts work. However, on finding better opportunities it will take up and execute the construction contracts.

The above said economy conditions and broad factors that influence real estate markets portraying a positive picture for the real estate sector. In view of the projects of the Company under execution, the environment in which Company operates, Company will take up the appropriate projects. So, considering the opportunities and risks involved, the outlook for 2017-18 is cautiously optimistic.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has reasonably sound system of controls in the operational areas. Internal controls are in line with the size of the operations and organizational requirements. Which are adequate to protect the Company's resources. The Audit Committee reviews the adequacy of internal financial control and risk management systems from time to time.

The Company focuses on quality control in its operations and projects. Adhering to quality norms and standards will help minimizing risks and improve the efficiency of operations.

7. DISCUSSION ON FINANCIAL PERFORMANCE (CONSOLIDATED) WITH RESPECT TO OPERATIONAL PERFORMANCE:

Total Revenue: During the year under review the total revenue is ₹ 11485.97 lakhs, against ₹ 8543.37 lakhs in 2015-16.

Total Expenses: Total expenses for the year are ₹ 9212.53 lakhs, as against ₹ 7750.40 lakhs for 2015-16.

Profit/Loss Before Tax: Profit before Tax for the year is ₹ 2273.44 lakhs, as against profit of ₹ 792.97 lakhs in 2015-16.

Profit After Tax: The Profit after Tax and minority interest and Share of Results of Associates is ₹ 1363.38 lakhs as against profit of ₹ 939.31 lakhs in 2015-16.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT:

The Company continues to maintain cordial relations with its employees, vendors and other agencies. The Company strives to provide congenial atmosphere to the employees to enable them to offer their best in terms of performance. As on 31st March, 2017 your company has 40 employees on its payroll.

CAUTIONARY STATEMENT:

Statements in the Management Discussions and Analysis, the Directors Report, describing the Company's objectives, projections, estimates, expectations are "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors/developments that could affect the company's operations include a downward trend in the real estate sector, includes political and economic conditions of the country, in which the Company operates, and the changes in the Government regulations, tax laws, corporate and other laws, interest and other costs and other incidental factors.

REPORT ON CORPORATE GOVERNANCE - 2016-17

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company continues to adhere to the good corporate practices established by it, in all its business activities. The Company aims at achieving transparency, accountability and equity, in its operations, interactions with stakeholders, including shareholders, lenders and the Government through good governance and best business practices. The Company will continue to focus on maximizing its stakeholders' wealth, adopt best business practices and ensure fairness, transparency and ethical governance in its affairs. The Company adopts a Code of Conduct for its employees and the Board of Directors, Insider Trading Policy and Whistle Blower Policy to ensure compliances and fairness in all its operations and dealings. The Code of Conduct is available on the Company's website at www.sspdl.com. The Company is in compliance of requirements of Corporate Governance guidelines stipulated in the Listing Agreement entered with the Stock Exchanges and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

2. BOARD OF DIRECTORS

Composition and Meetings of the Board:

The Board of Directors ("Board") of the Company has an optimum combination of Executive, Non-Executive and Independent Directors.

As on 31st March, 2017, the Board comprised of six members. The Board consists of both promoter and external Directors.

During the year 2016-17 Five Meetings of the Board of Directors were held on 05th April, 2016, 28th May, 2016, 13th August, 2016, 14th November, 2016, and 14th February, 2017. The time gap between any two board meetings did not exceed 120 days. Minimum four Board Meetings are held in each year, which are tentatively pre-scheduled. And apart from the pre-scheduled Board Meetings, additional Board Meetings are convened to address specific business needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

Date of Board Meeting	Total Strength of the Board	No. of Directors Attended
05.04.2016	6	4
28.05.2016	6	4
13.08.2016	6	6
14.11.2016	6	5
14.02.2017	6	5

The details of the composition of the Board of Directors as at the end of the year under review and their attendance at the Board Meetings and the last AGM of the Company are given below:

Sl. No.	Name of the Director	Position / Category	No. of Board Meetings attended	Whether Attended last AGM	No. of other Directorships held other than SSPDL Limited		In other Committees as Member (or/ and) Chairman	Share-holding of the Directors
					Public	Private		
1	Sri Prakash Challa (DIN:02257638)	Chairman and Managing Director; Executive Promoter Director	5	Yes	Nil	13*	Nil	23,59,390
2	Sri E.Bhaskar Rao (DIN:00003608)	Non-Executive Promoter Director	5	Yes	Nil	19#*	Nil	1,50,000
3	Sri K.Akmaluddin Sheriff (DIN:01121372)	Independent Non-Executive Director	2	No	Nil	5	Nil	6,634
4	Sri B. Lokanath (DIN:00037303)	Independent Non-Executive Director	5	Yes	Nil	4	Nil	0
5	Smt. Sridevi Challa (DIN:01802477)	Non-Executive Promoter Director	2	No	Nil	2	Nil	1,02,500
6	Dr. T. Krishna Reddy (DIN:00003407)	Independent Non-Executive Director	5	yes	2	9	1	0

* Including one Limited Liability Partnership Firm.

Including Companies under liquidation and under process of striking off.

The details of pecuniary transactions with Non-Executive Directors' are provided in financial statement.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

Information placed before the Board

All major decisions involving new investments and capital expenditure, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. Inter-alia, the following information is regularly provided to the members of the Board as part of the agenda papers or is tabled in the course of the Board Meeting:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results of the company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the board of Directors.
- The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets, which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

3. BOARD COMMITTEES

As on 31.03.2017, the Board has four Committees viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The Board is responsible for constituting, assigning, co-opting and fixing terms of service for Committee Members. The Committees appointed by the Board focus on specific areas and make informed decisions within the authority delegated.

(A) AUDIT COMMITTEE

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, section 177 of the Companies Act, 2013 and the rules made thereunder the Companies Act, 2013.

Composition:

As on 31.03.2017, the Audit Committee comprises of Sri B.Lokanath, non-executive Independent Director as the Chairman, Sri E.Bhaskar Rao, Non-executive Director and Dr. T.Krishna Reddy, non-executive Independent Director as the members and Mr. Shailendra Babu Ande, Company Secretary is the Secretary to the Audit Committee. However, during the year under review Sri K.Akmaluddin Sheriff resigned as member of the Audit Committee on 28.05.2016.

All the members are financially literate and possess the requisite financial/business acumen to specifically look into the internal controls and audit procedures. The Managing Director, Auditors, and Chief Financial Officer are invitees to the meetings of the Audit Committee. The terms of reference of the Audit Committee are wide enough to cover all the aspects in accordance with the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 177 and other applicable provisions of the Companies Act, 2013 and the rules made there under.

The Committee periodically interacts with the 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 etc.

During the year under review, the Audit Committee met six times, i.e., on 05th April, 2016, 28th May, 2016, 13th August, 2016, 30th August, 2016, 14th November, 2016, and 14th February, 2017. The attendance records of the members at these meetings are given below:

Name	Designation	Meetings held during the year	Meetings attended during the Year
Sri B.Lokanath	Chairman	6	6
Sri E.Bhaskar Rao	Member	6	5
Sri K.Akmaluddin Sheriff*	Member	6	0
Dr. T.Krishna Reddy	Member	6	6

* Sri K.Akmaluddin Sheriff resigned as a member on 28.05.2016.

As per the Listing Agreement, the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and section 177 of the Companies Act, 2013, the Audit Committee has been entrusted with the following responsibilities.

Powers of Audit Committee

The Audit Committee shall have the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee

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. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
21. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company; and
22. The Audit Committee shall have authority to investigate into any matter in relation to the items specified or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.
23. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.

Review of information by Audit Committee

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the Statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

Further, carry out any other function, from time to time, as (i) mandated by the Board, (ii) required by the provisions of the Companies Act, 2013 and the rules made there under, Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and (iii) as may be necessary or appropriate for the performance of its duties.

(B) STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

The Stakeholders Relationship Committee comprises of Sri B. Lokanath (Non-executive Director) as its Chairman and Sri Prakash Challa and Sri E.Bhaskar Rao as its members. The Company Secretary, Mr. Shailendra Babu Ande is the Compliance Officer.

Terms of reference

- Attend to the share transfer formalities, issue of duplicate certificates, revalidation of dividend warrants,
- look into the redressal of grievances of shareholders, debenture holders and other security holders,
- shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, if any,
- Review the reports issued by the RTA relating to approval/confirmation of requests for share transfer/transmission/transposition/consolidation/issue of duplicate share certificates/sub-division, remat, demat of shares, other complaints received from the

shareholders, etc. from time to time. Also, review the reports/certificates issued by the professionals with regard to 'Reconciliation of Share Capital', etc.,

- The Committee oversees performance of the Registrars and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services,
- To further delegate any of its powers to any employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s),
- The Committee may invite other Directors / Officers of the Company to attend the meetings of the Committee as 'Invitees' from time to time as and when required,
- The Committee meets as and when the need arises. The chairperson of the committee or, in his absence, any other member of the committee authorised by him in this behalf shall attend the general meetings of the company.
- To carry out any other function, from time to time, as (i) mandated by the Board, (ii) required by the provisions of the Companies Act, 2013 and the rules made there under, Listing Agreement, and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and (iii) as may be necessary or appropriate for the performance of its duties.

During the year under review, the Committee met four times, i.e., on 28th May, 2016, 13th August, 2016, 14th November, 2016, and 14th February, 2017. The attendance records of the members at these meetings are given below:

Name	Designation	Meetings held during the year	Meetings attended during the Year
Sri B.Lokanath	Chairman	4	4
Sri E.Bhaskar Rao	Member	4	4
Sri Prakash Challa	Member	4	4

The status of shareholder's complaints during the financial year 2016-17 is as under:

Sl. No.	Nature of Complaint / Correspondence	Received	Cleared	Pending
1	SEBI	0	0	0
2	Stock Exchange	0	0	0
3	Change / Correction of Address	0	0	0
4	No. of transfers	0	0	0
5	No. of Transmissions	0	0	0
6	Loss of Securities and Issue of Duplicate Securities	0	0	0
7	Non-receipt of Annual Reports	1	1	0
8	Non-receipt of Dividend Warrant	0	0	0
9	Non-receipt of Refund order	0	0	0
10	Non-allotment of Rights issue Shares	0	0	0
	Total	1	1	0

SEBI Complaints Redress System (SCORES): During the financial year 2016-17, the Company has not received any investor complaints through the SCORES.

(C) NOMINATION AND REMUNERATION COMMITTEE

Composition

The Company has constituted the Nomination and Remuneration Committee as per the provisions of the Companies Act, 2013 and Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. As on 31st March, 2017 the Remuneration Committee comprises of Sri B.Lokanath as the Chairman, Sri K.Akmaluddin Sheriff and Sri E.Bhaskar Rao as its members.

Brief description of terms of reference

- 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;
- carry on the evaluation of every director's performance;
- formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; While formulating the policy consider the provisions of the Companies Act, 2013 and the rules made there under and the listing agreement.
- formulation of criteria for evaluation of the Board, Directors and Committees.
- devising a policy on Board diversity; succession plan; and

- any other matter as per the provisions of the Companies Act, 2013 and rules made there under and Listing Agreement and as the Board may decide from time to time.

During the year under review, the Nomination and Remuneration Committee met two times, i.e., on 13th August, 2016, and 14th February, 2017. The attendance records of the members at these meetings are given below:

Date of Committee Meeting	Total Strength of the Committee	No. of members Attended
13.08.2016	3	3
14.02.2017	3	3

Name	Designation	Meetings held during the year	Meetings attended during the Year
Sri B.Lokanath	Chairman	2	2
Sri K.Akmaluddin Sheriff	Member	2	2
Sri E.Bhaskar Rao	Member	2	2

Remuneration paid/payable to the Directors:

Currently the Non-Executive Directors do not receive any remuneration from the Company apart from sitting fee for attending Board and Committee meetings as decided by the Board. The details of remuneration paid/payable to the Directors of the Company during the year 2016-17 are given below:

Name of the Director	Sitting Fee (in ₹)					Salary and perquisites (in ₹)	Commission (in ₹)
	Board Meetings	Audit Committee Meetings	Stake-holders Relationship Committee Meetings	Nomination and Remuneration Committee Meetings	Corporate Social Responsibility Committee Meetings		
Sri Prakash Challa	Nil	Nil	Nil	Nil	Nil	84,00,000*	Nil
Sri E.Bhaskar Rao	1,00,000	50,000	10,000	5,000	5,000	Nil	Nil
Sri K. Akmaluddin Sheriff	40,000	Nil	Nil	5,000	Nil	Nil	Nil
Sri B. Lokanath	1,00,000	60,000	10,000	5,000	5,000	Nil	Nil
Smt Sridevi Challa	40,000	Nil	Nil	Nil	Nil	Nil	Nil
Dr. T.Krishna Reddy	1,00,000	60,000	Nil	Nil	Nil	Nil	Nil

* Includes, Salary of ₹ 83,75,496/- and Contribution to Provident Fund of ₹ 24,504/-. Total salary payable to Sri Prakash Challa is fixed salary only and performance linked no incentives are paid.

Details of all pecuniary relationship or transactions of the Non-Executive Directors with Company are disclosed in notes to the financial statements.

Service Contracts, notice period, severance fee and stock options are not applicable. Except the above, no other benefits including bonus, stock options, pension etc. are paid to any director of the Company.

Director's Familiarization Programme:

The details of Director's Familiarization Programme are provided on Companies. <http://sspdl.com/investors.php>

Criteria on payment of remuneration to Non-Executive Director:

The details are provided below. Presently company is paying only sitting fees to Non-Executive Directors for attending the meetings of the Board and Committees of the Board.

NOMINATION AND REMUNERATION POLICIES OF THE COMPANY:

(A) NOMINATION POLICY

1. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES & INDEPENDENCE OF A DIRECTOR:

i. Qualifications of a Director:-

- For the positions of Director – He/she is not disqualified as stated in section 164 of the Companies Act, 2013,
- For the position of an Independent Director, in addition to above, he/she should meet the criteria of an Independent Director as stated in section 149(6) of the Companies Act, 2013 and the Listing Agreement, the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015,

- For the position of Managing director or whole time director, the person is not disqualified as stated in section 196. And, he/she should satisfy all conditions stated in Part I of Schedule V to the Companies Act, 2013,
- Satisfies the above said qualifications from time to time, also as per the applicable law for the time being in force,
- Background, adequate educational qualifications,
- Preference should be given to persons who possess appropriate skills, experience and knowledge in field of the business in which company is engaged, one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations, etc.
- Any other qualification as may be specified in the Companies Act, 2013 or Listing Agreement or other applicable law, if any.

ii. Positive attributes of Directors:-

- High standards of ethical behaviour (Personal and professional), integrity, and values,
- Strong interpersonal and communication skills and soundness of judgement,
- Willing to devote sufficient time and attention for performing duties of a director, and
- Ability to read and understand basic financial statements i.e., balance sheet, profit and loss account and statement of cash flows, etc.

iii. Independence of Directors:-

- Director meets with the criteria prescribed for 'Independent Director' in the Companies Act, as laid down in the Act, 2013 and Clause 49 of the Listing Agreement.

2. CRITERIA FOR SELECTION OF SENIOR MANAGEMENT

- He/she possess appropriate skills, experience and knowledge in the functional area,
- Preferably possess relevant academic qualification,
- For the position of Company Secretary and Chief Financial Officer, individual shall possess the academic qualification as prescribed in the Companies Act, 2013 or the Listing Agreement, if any,
- Ensure that an individual proposed to be appointed in senior management shall not be disqualified as per the provisions of the Companies Act, 2013, rules made there under and the listing agreement.

The Nomination and Remuneration Committee at its discretion decides about whether a person has sufficient qualification, experience, and expertise for the position for which such person has been considered. Further, in addition to above mentioned criteria, the Nomination and Remuneration Committee may consider such other points in identifying a suitable person.

The Committee will ensure that, in selecting directors, the Board will have the composition that meets the legal requirements of the Companies Act, 2013 and the Listing Agreement, etc. from time to time.

The term of office of Directors (including, Alternate Director, Additional Director, Independent Directors, Managing Director, Rotational Directors, etc.) shall be governed by the provisions of the Companies Act, 2013 and the Listing Agreement. However, the term of office of senior management shall be decided based on the requirements of the Company and standard practices in the industry.

B) REMUNERATION POLICY

Guiding principles

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract, motivate, reward and retain competent Directors and Senior Management.

While designing the remuneration package, the Committee shall consider (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully, (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Remuneration to Non-Executive Directors:

The components of remuneration of Non-Executive Directors of the Company are sitting fees, commission and such other remuneration as permissible under and in compliance with, the provisions of Companies Act, 2013 (as amended from time to time). They shall be covered under the Directors and Officers Policy taken by the Company, if any.

Considering the important role to be played and duties to be performed by the Non-Executive Directors of the Company, they

will be paid the remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors/shareholders of the company, as may be applicable. However, the remuneration payable to the Non-Executive Directors of the Company shall be subject to the overall limit as prescribed in the Companies Act, 2013 and the rules made there under.

Remuneration to Key Managerial Personnel and other employees:

i. Remuneration to Managing Director:

Considering the role of the Managing Director in developing the business, executing the plans of the Company, etc., he/she shall be paid the remuneration. Subject to the provisions of the Companies Act, 2013 and the rules made there under (including the amendments made from time to time), the Nomination and Remuneration Committee shall recommend the remuneration payable to the Managing Director, including the components of such remuneration i.e., remuneration per month/per annum, commission, compensation, etc., Such recommended remuneration is paid as approved by the Board of Directors, shareholders of the Company, the Central Government, as may be applicable. Also, the Managing Directors is covered under the Directors and Officers Policy.

In case, Company is having no profit or inadequate profit under the Companies Act, 2013, the Nomination and Remuneration Committee while approving the remuneration of Managing Director, subject to compliance with other applicable provisions of the Companies Act, 2013, shall —

- (a) take into account, financial position of the company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.;
- (b) be in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.

ii. Remuneration to other Key Managerial Personnel (i.e., other than Managing Director, whole time director, Chief executive officer, if any), Senior Management and other employees:

The key components of remuneration package of the other Key Managerial Personnel and other employees (linked to their grade) of the Company shall comprise of basic salary, dearness allowance, house rent allowance, transport allowance, ex-gratia, bonus, contribution to provident fund and superannuation fund, gratuity, leave travel allowance, leave encashment, etc.

Subject to complying with the other provisions of the Companies Act, 2013 and other laws, the Managing Director of the Company is authorised to decide the remuneration of other Key Managerial Personnel, Senior Management and other employees, considering the standard market practice and prevailing HR policies of the Company.

Revision in remuneration/Increments: After doing the performance appraisal (annual or as and when needed) the Managing Director of the Company will determine the remuneration revision/increments of other Key Managerial Personnel, Senior Management and other employees of the Company.

Subject to compliance with the applicable law, deviations on elements of this policy may be made when deemed necessary in the interests of the Company and if there are specific reasons in an individual case.

C) CRITERIA FOR EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS, ETC.

Criteria for evaluation of the Board as a whole:

- The frequency of meetings,
- The length of meetings,
- The administration of meetings,
- Appropriate mix of knowledge and skills in the composition of the Board and its Committees,
- Access to appropriate, quality and timely information,
- Disclosure of information to the stakeholders,
- Framing necessary policies and implementation,
- According and obtaining the approval as may be required under the Companies Act, 2013, the rules made there under, and the Listing Agreement,
- Statutory Compliances and Corporate Governance, etc.

Criteria for evaluation of the Individual Directors (Executive and Non-Executive Directors):

(a) All Directors:

- Knowledge of business of the Company, updating with changes in business environment and the regulatory environment,
- Attendance at meetings of the Board, Committees and Shareholders,

- Having knowledge and commitment to fulfil fiduciary duties of directors,
- Making statutory disclosures, declarations and conflict of interest, if any,
- Level of preparedness for the meetings of the Board and Committees,
- Contributing their knowledge and experience in developing strategy at the meetings of the Board and Committees, including expressing dissent, if any, on any item,
- Relationship with fellow board members, etc.

(b) Executive Directors: In addition to criteria mentioned above in (a) –

- Initiatives taken for bringing new business and developing new business ideas,
- Executing the Business Plan of the Company and strategy set by the Board,
- Knowledge of the industry in which company operating and understanding changes/developments in the industry and market conditions,
- Contribution in identifying and mitigating the risks associated with the business of the Company,
- Providing appropriate, quality information in time, explanation to the members of the Board and Committees,
- Implementation of the Policies of the Company, developing the necessary systems,
- Guiding the Senior Management in performing their duties,
- Handling customers, employees and other stakeholder's matters, etc.

(c) Independent Directors: In addition to criteria mentioned above in (a) -

- Meeting the criteria of Independent Director as per the Companies Act, 2013 and the Listing Agreement,
- Attendance at meetings of the Board, Committees and Shareholders,
- Participate constructively and actively in the committees of the Board in which they are chairpersons or members,
- Exercise independent judgement,
- Participating in separate meeting of the Independent Directors,
- help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct, and
- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company, etc.

In addition to above, the Board may consider such other criteria as it may deem fit to evaluate the Directors, Committees, and the Board.

(D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

The Company has constituted the Corporate Social Responsibility ("CSR") Committee as per the provisions of the Companies Act, 2013. As on 31st March, 2017 the Corporate Social Responsibility Committee comprises of Sri Prakash Challa as the Chairman, Sri E.Bhaskar Rao and Sri B.Lokanth as its members.

Terms of Reference

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in compliance with the provisions of the Companies Act, 2013 and rules made thereunder;
- Recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- Carry out any other function, from time to time, as (i) mandated by the Board, (ii) required by the provisions of the Companies Act, 2013 and the rules made there under, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, and (iii) as may be necessary or appropriate for the performance of its duties.

During the year under review, the Corporate Social Responsibility Committee met two times, i.e., on 12th August, 2016, and 25th October, 2016. The attendance records of the members at these meetings are given below:

Date of Committee Meeting	Total Strength of the Committee	No. of members Attended
12.08.2016	3	3
25.10.2016	3	3

Name	Designation	Meetings held during the year	Meetings attended during the Year
Sri Prakash Challa	Chairman	2	2
Sri E.Bhaskar Rao	Member	2	2
Sri B.Lokanath	Member	2	2

Other details with regard to CSR Committee, activities and Policy are provided in the Directors Report and Annexure - 3 to the Directors Report.

4. GENERAL BODY MEETINGS

The details of Annual General Meetings are as follows:

Year	Location	Nature of Meeting (AGM)	Date	Time	No. of Special Resolutions passed
2015-2016	Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana	AGM	29 th September, 2016	12.00 P.M.	No Special Resolution was passed
2014-2015	Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana	AGM	30 th September, 2015	12.00 P.M.	No Special Resolution was passed
2013-2014	Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana	AGM	30 th September, 2014	12.00 P.M.	1 Special Resolution was passed *

* A Special Resolution was passed by the shareholders with requisite majority, with regard to amendment of Articles of Association i.e., article 166 was substituted with new article.

No Special Resolution is proposed to be conducted through Postal Ballot.

Procedure of Postal Ballot: As per the provisions of the Companies Act, 2013 and Rules made there under from time to time.

5. DISCLOSURES

- i) During the Financial Year 2016-17, there are no materially significant related party transaction with related parties that may have potential conflict with the interests of the Company at large. Further, the details of related party transactions are provided in Notes to the Financial Statements in the Annual Report.
- ii) In terms of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board of Directors has formulated a Policy on Related Party Transactions which can be accessed from the website of the Company at <http://sspdl.com/investors.php>.
- iii) In terms of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board of Directors has formulated a policy for determining material subsidiaries and the Policy is available on the website of the Company at <http://sspdl.com/investors.php>.
- iv) No penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years.
- v) Whistle Blower Policy: The Company established a vigil mechanism to report concerns about unethical behaviour, actual or suspected fraud or violation of code of conduct policy etc. The mechanism also provides for adequate safe guards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel have been denied access to the Audit Committee. Policy is available on the website of the Company at <http://sspdl.com/investors.php>.
- vi) Details of Compliance with mandatory requirements and non-mandatory requirements:

The Company has complied with the requirements of Corporate Governance Report of Paragraphs (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations and disclosed necessary information.

Also, the Company has complied with corporate governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

With regard to Non-Mandatory Requirements:

1. The Board

The Board - A non-executive Chairman may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties: Not applicable, as Company is having Executive Chairman.

2. Shareholder Rights

A half-yearly declaration of financial performance including summary of the significant events in last six-months are presently, not being sent to shareholders of the Company.

3. Modified opinion(s) of in audit report

During the year under review, there is no audit qualification in your Company's standalone financial statements nor has there been a matter of emphasis made during the year. Your Company continues to adopt best practices to ensure a regime of unqualified financial statements.

4. Separate posts of Chairman and CEO

The company has not appointed separate persons to the post of Chairman and Managing Director/CEO.

5. Reporting of Internal Auditor

The Internal Auditors are invited to the meetings of the Audit Committee wherein they report to the Audit Committee. Also, the Internal Auditors are invited to the meetings of the Board.

vii) Commodity price risks or foreign exchange risk and hedging activities:- Company business requires steel and cement and this risk is managed through operating procedures. And, Company is not having any exposure to foreign exchange.

6. SUBSIDIARY COMPANIES

As per the provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, no subsidiary of the Company is a material non-listed Indian subsidiary to the company as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

7. MEANS OF COMMUNICATION

The Quarterly/Half Yearly and Annual Financial Results of the Company are submitted to the BSE Limited, where the shares of the Company are listed. The financial results are normally published in leading newspapers like "Business Standard" (English) and "Andhra Prabha" (Telugu).

The information relating to Company's results, etc. are displayed on the BSE web site (www.bseindia.com) and the Company's website www.sspdl.com. Further, the Company's web site displays the Press releases made by the Company, and the presentations made to the institutional investors or to the analysts as and when they are made.

8. GENERAL SHAREHOLDER'S INFORMATION

Sl. No.	Item	Details
1	AGM Date, Time and Venue	On 28 th September, 2017 the Thursday, at 12.00 P.M At Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana.
2	Financial Year	1st April, 2017 to 31 st March, 2018
3	Financial Calendar (tentative and subject to change)	For the Quarter ending :
		<ul style="list-style-type: none"> ● 30th June, 2017 : by 17.08.2017 ● 30th September, 2017 : by 14.11.2017 ● 31st December, 2017 : by 14.02.2018 ● 31st March, 2018 : by 30.05.2018, Audited Results. Annual General Meeting for the year ending 31 st March, 2018 : by 30.09.2018
4	Dates of Book Closure	From 22 nd September, 2017 to 28 th September, 2017 (Both days inclusive).
5	Dividend Payment Date	Not Applicable
6	Listing on Stock Exchange	<ul style="list-style-type: none"> - The Company's Shares are listed on BSE Limited. The Address of the Exchange is as given below: - Bombay Stock Exchange Limited, 25th Floor, Phiroze Jee jeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. - The Company has duly paid the Listing fees for the year 2017-18.
7	Stock Code	(BSE) 530821 SCRIP ID OF BOLT SYSTEM SSPDL

Green Initiative

As a green initiative measure, the provisions of the Companies Act, 2013 and the SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 have permitted Companies to deliver annual reports to investors through electronic mode who have registered their e-mail address.

In view of the same, shareholders are requested to update their email IDs with their depository participants where shares are held in dematerialized mode and where the shares are held in physical form to update the same in the records of the Company so as to facilitate electronic servicing of Annual Reports and other documents as per the applicable law.

9. Market Price Data (BSE): Source: BSE web site

Month and Year	High (In ₹)	Low (In ₹)
April, 2016	65.00	49.00
May, 2016	65.00	52.05
June, 2016	85.00	53.15
July, 2016	100.60	75.00
August, 2016	96.90	75.15
September, 2016	89.70	73.00
October, 2016	118.00	76.25
November, 2016	102.60	60.25
December, 2016	86.90	71.00
January, 2017	85.70	73.60
February, 2017	91.00	74.00
March, 2017	89.85	75.00

10. Performance in Comparison to BSE Index (Source: www.moneycontrol.com)



● SSPDL ● Sensex

Historical Graph 01.04.2016 to 31.03.2017

11. Registrar and Transfer Agents
[for both physical and
electronic (demat) segments]

M/s. Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Phone Nos : 040 6716 2222
Fax Nos : 040 2342 0814.
E-mail : einward.ris@karvy.com

12. Share Transfer System

Shares lodged for Physical Transfer would be processed and approved by the Stakeholders Relationship Committee within a period of 15 days if the documents are order in all respects.

13. Shareholding Information:

i) Distribution Schedule as on 31.03.2017:

Sl. No.	Category (No. of Shares)	No. of Shareholders	% of Shareholders	Total Shares	Amount (₹)	% of Shareholding
1	Upto 500	2,788	77.49	4,12,055	41,20,550	3.19
2	501 - 1000	301	8.36	2,46,055	24,60,550	1.90
3	1001 - 2000	178	4.95	2,73,867	27,38,670	2.12
4	2001 - 3000	82	2.28	2,08,259	20,82,590	1.61
5	3001 - 4000	37	1.03	1,29,343	12,93,430	1.00
6	4001 - 5000	32	0.89	1,49,946	14,99,460	1.16
7	5001 - 10000	64	1.78	4,65,465	46,54,650	3.60
8	10001 and above	116	3.22	1,10,44,260	11,04,42,600	85.42
	Total	3,598	100.00	1,29,29,250	12,92,92,500	100.00

ii) Shareholding Pattern as on 31.03.2017:

Sl. No.	Category	No. of Shareholders	Total Shares	% to Equity
1	PROMOTERS	15	69,93,492	54.09
2	RESIDENT INDIVIDUALS	3,348	45,88,549	35.49
3	BODIES CORPORATE	96	4,27,251	3.30
4	NON-RESIDENT INDIANS	33	7,24,738	5.61
5	HUF	96	1,92,614	1.49
6	CLEARING MEMBERS	10	2,606	0.02
	Total	3,598	1,29,29,250	100.00

- 14. Dematerialization of Shares and Liquidity** The Company's equity shares are compulsorily traded 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 list of depository participants is available with NSDL and CDSL. The ISIN allotted to the Company's Scrip is INE838C01011. 98.33% of Company's shares are now held in Electronic form. The Company's shares are currently traded in XC Group on the BSE, Mumbai.

Shareholding Summary: As of 31st March, 2017 the shareholding summary is as under:

Category	No. of Holders	Total Shares	% to Equity
Physical	218	2,17,149	1.67
NSDL	2,064	85,01,687	65.76
CDSL	1,316	42,10,414	32.57
Total	3,598	1,29,29,250	100.00

In terms of Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996, reconciliation of Share Capital Audit is conducted every quarter, by Savita Jyoti Associates, Practicing Company Secretaries, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and the report is forwarded to the Stock Exchanges where the shares of the Company are listed. And, Corporate Governance compliance report for the quarter ended 30.06.2016, 30.09.2016, 31.12.2016 and 31.03.2017 were submitted to the BSE Limited.

- 15. Outstanding ADRs/GDRs** As on March 31, 2017, the Company has not issued any ADR/GDR.

- 16. Plant Locations** Not applicable

- 17. Addresses for Correspondence**

Registered Office:

SSPDL Limited (CIN: L70100TG1994PLC018540)
8-2-595/3/6, Eden Gardens, Road No.10,
Banjara Hills, Hyderabad - 500 034, Telangana.
Phone No.: 040 - 6663 7560
Fax No.: 040 - 6663 7969
www.sspdl.com

Registrars and Transfer Agents:

M/s. Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Phone Nos : 040 6716 2222
Fax Nos : 040 2342 0814.
E-mail : einward.ris@karvy.com

- 18. Designated Exclusive email-Id: The Company has designated the following email-ids exclusively for investor servicing.**

- (a) For complaints/queries - einward.ris@karvy.com and investors@sspdl.com
(b) For registering e-mail id for receiving communication in electronic mode - einward.ris@karvy.com

DECLARATION BY THE MANAGING DIRECTOR

[Under Regulation 34(3) read with paragraph D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

I, Prakash Challa, Chairman and Managing Director of SSPDL Limited is hereby confirm that the Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. Further, I hereby declare that all the members of board of directors and senior management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management during the financial year 2016-17.

Place : Hyderabad
Date : 17.08.2017

PRAKASH CHALLA
CHAIRMAN AND MANAGING DIRECTOR

COMPLIANCE CERTIFICATE

To,
The Board of Directors,
SSPDL Limited,
Hyderabad.

In pursuance of provisions of Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Prakash Challa, Chairman and Managing Director and U.S.S. Ramanjaneyu .N, Chief Financial Officer of M/s. SSPDL Limited ("the Company"), we hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended 31.03.2017 and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) 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 the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
 - (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **SSPDL Limited**
PRAKASH CHALLA
Chairman And Managing Director

For **SSPDL Limited**
U S S RAMANJANEYULU .N
Chief Financial Officer

Place : Hyderabad
Date : 15.05.2017

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

To
The Members of
SSPDL LIMITED

1. We, M/s.KARVY & Co., Chartered Accountants, the Statutory Auditors of SSPDL LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2017.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For KARVY & CO.,
Chartered Accountants
ICAI Firm Registration No: 017575

(AJAYKUMAR KOSARAJU)
Partner
Membership No. 021989

Place: Hyderabad
Date: 15-05-2017

INDEPENDENT AUDITORS' REPORT

To the Members of SSPDL Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SSPDL Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 and the Companies (Accounting standards) amendment Rules, 2016.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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. 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2017 and 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 section 143(11) 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone 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 (Accounting standards) amendment Rules, 2016.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 27 to the financial statements.
- ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iii. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 33 to the standalone financial statements. Based on our enquiries, test check of the books of account and other details maintained by the Company

and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company.

For **KARVY & CO.**,
Chartered Accountants
ICAI Firm Registration No: 017575

(AJAYKUMAR KOSARAJU)

Place: Hyderabad

Date: 15-05-2017

Partner

Membership No. 021989

Annexure to the Independent Auditors' Report

Annexure - A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements section of our report of even date

Re: SSPDL Limited ('the Company')

- i. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the management has physically verified a substantial portion of the fixed assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of fixed assets as compared to the books of accounts were not material and have been properly dealt with in the books of accounts.
 - (c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the company.
- ii. According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the books of accounts were not material and have been properly dealt with in the books of accounts.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to four wholly owned subsidiaries and one LLP covered in the register maintained under section 189 of the Act.
 - (a) The terms and conditions of grant of such loans are, in our opinion prima facie, not prejudicial to interest of the shareholders.
 - (b) The said loans are repayable on demand and are interest free.
 - (c) There are no overdue on the loans mentioned above.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. According to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules made by the Central Government of India for the maintenance of cost records prescribed under sub-section (1) of section 148 of the Act in respect of production and processing activities of the Company and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory dues:
 - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues outstanding of income-tax, sales-tax, service tax, customs duty, value added tax and cess on account of dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount Rs. In Lakhs	Period to which the amount relates	Forum where dispute is pending
Tamil Nadu General Sales Tax Act.	Disallowances of Input tax credit	0.33	2006-07	Supreme court
Tamil Nadu General Sales Tax Act.	Disallowances of Input tax credit	1.25	2007-08	Supreme court
Finance Act, 1994	Service tax demand	7.53	2006-11	CESTAT, Chennai
Finance Act, 1994	Service tax demand	0.19	2010-12	CESTAT, Chennai

- viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks and financial institutions. The Company did not have any debentures outstanding as at the year end.
- ix. Based on the information and explanations given to us by the management, the company has not raised any moneys by way of initial public offer or further public offer of equity shares, convertible securities and debt securities. No term loans were taken during the year by the Company.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no material fraud, by the Company or on the Company by its officers or employees, has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For KARVY & CO.,
Chartered Accountants
ICAI Firm Registration No: 017575

(AJAYKUMAR KOSARAJU)
Partner
Membership No. 021989

Place: Hyderabad
Date: 15-05-2017

Annexure - B to the Our Report of even date on the Standalone Financial Statements of SSPDL Limited

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **KARVY & CO.,**
Chartered Accountants
ICAI Firm Registration No: 017575

(**AJAYKUMAR KOSARAJU**)

Place: Hyderabad
Date: 15-05-2017

Partner
Membership No. 021989

BALANCE SHEET AS AT MARCH 31, 2017

(Amount in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	129,292,500	129,292,500
(b) Reserves and Surplus	3	622,601,387	459,549,733
2 Non-current Liabilities			
(a) Long-term Borrowings	4	437,305	873,165
(b) Other Long-term Liabilities	5	100,000	100,000
(c) Long-term Provisions	6	6,479,980	3,234,397
3 Current Liabilities			
(a) Short-term Borrowings	7	175,457,308	149,648,663
(b) Trade Payables	8	297,826,581	150,667,696
(c) Other Current Liabilities	9	307,674,175	263,091,527
(d) Short-term Provisions	10	111,982,113	225,669,076
Total		<u>1,651,851,349</u>	<u>1,382,126,757</u>
II. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment			
Tangible Assets	11	3,845,966	5,458,693
(b) Non-current Investments	12	151,437,238	174,437,238
(c) Deferred Tax Assets (Net)	13	27,000,841	50,691,265
(d) Long-term Loans and Advances	14	49,236,393	38,037,858
2 Current Assets			
(a) Inventories	15	317,646,225	373,147,854
(b) Trade Receivables	16	407,578,152	337,260,347
(c) Cash and Bank Balances	17	9,495,701	49,254,917
(d) Short-term Loans and Advances	18	434,685,734	351,349,033
(e) Other Current Assets	19	250,925,099	2,489,552
Total		<u>1,651,851,349</u>	<u>1,382,126,757</u>
III. Summary of significant accounting policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our attached report of even date

For Karvy & Co.,

Chartered Accountants

Firm Registration No : 001757S

Ajaykumar Kosaraju

Partner

Membership No : 021989

Place : Hyderabad

Date :15-05-2017

For and on behalf of the Board of Directors

Prakash Challa

Chairman and Managing Director
(DIN: 02257638)

E.Bhaskar Rao

Director
(DIN: 00003608)

U S S Ramanjaneyulu N

Chief Financial Officer

A.Shailendra Babu

Company Secretary

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

(Amount in ₹)

Particulars	Note No.	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Revenue:			
1 Revenue from Operations	20	1,125,030,498	797,279,279
2 Other Income	21	9,993,681	41,268,746
Total Revenue (1+2)		1,135,024,179	838,548,025
3 Expenses:			
a) Construction Expenses	22.a	806,991,854	656,326,756
b) Employee Benefits Expense	23	27,446,502	23,646,278
c) Finance Costs	24	21,748,727	19,148,126
d) Depreciation and Amortization Expenses	11	1,800,413	2,010,254
e) Other Expenses	25	22,978,556	20,939,831
Total Expenses		880,966,052	722,071,245
4 Profit / (Loss) before Exceptional and Extraordinary Items and Tax (1+2-3)		254,058,127	116,476,780
5 Exceptional Items		-	-
6 Profit / (Loss) before Extraordinary Items and Tax (4-5)		254,058,127	116,476,780
7 Extra Ordinary Items		-	-
8 Profit / (Loss) before Tax (5-6)		254,058,127	116,476,780
9 Tax Expense:			
(a) Current Tax		57,440,000	25,398,000
(b) Deferred Tax for the year		23,690,424	34,395,090
(c) Deferred Tax for earlier years		-	(50,694,307)
(d) MAT Credit Utilisation/(Entitlement)		9,876,050	(24,858,000)
10 Profit/ (Loss) for the Period/Year		163,051,654	132,235,997
11 Earnings Per Share (Face value of ₹10 each)			
- Basic and Diluted	26	12.61	10.23
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our attached report of even date

For Karvy & Co.,

Chartered Accountants

Firm Registration No : 0017575

Ajaykumar Kosaraju

Partner

Membership No : 021989

Place : Hyderabad

Date :15-05-2017

For and on behalf of the Board of Directors

Prakash Challa

Chairman and Managing Director

(DIN: 02257638)

E.Bhaskar Rao

Director

(DIN: 00003608)

U S S Ramanjaneyulu N

Chief Financial Officer

A.Shailendra Babu

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in ₹)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
A CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary Items	254,058,127	116,476,780
Adjustments for:		
Depreciation	1,800,413	2,010,254
Interest income	(6,174,530)	(2,810,115)
Dividend Income	-	(379,791)
Interest on borrowings	21,748,727	19,148,126
Liabilities & Provisions no longer required - written back	(8,959)	(37,880,547)
Provision for future contract losses - Provided / (Reversal) - Net	(114,076,273)	(178,282,966)
Provision for Defect Liability Period	3,245,583	3,234,397
	<u>(93,465,038)</u>	<u>(194,960,642)</u>
Operating Profit before Working Capital Changes	160,593,089	(78,483,862)
Adjustments for:		
Decrease/(increase) in inventories	55,501,629	(48,521,724)
Decrease/(increase) in trade receivables	(70,317,805)	(94,717,131)
Decrease/(increase) in other current assets	(247,848,184)	51,098,336
Decrease/(increase) in Short Term loans and advances	(112,583,841)	-
Decrease/(increase) in Long term loans and advances	(11,198,535)	(8,543,861)
Increase/(decrease) in trade payables	147,167,844	-
Increase/(decrease) in Short term Provisions	389,309	-
Increase/(decrease) in other current liabilities	44,582,648	87,991,793
(Increase) / Decrease in Net Current Assets	(194,306,935)	(12,692,588)
Cash Generated from Operation	(33,713,846)	(91,176,450)
Adjustments for income tax (paid)/refund	(38,068,909)	(23,100,167)
Net Cash from Operating Activities	A (71,782,755)	(114,276,617)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	-	30,299,301
Disposal of investments	23,000,000	27,732,498
Purchase of fixed assets	(187,686)	(3,792,049)
Interest received	5,587,167	2,988,168
Dividend Received	-	379,791
Bank balances not considered as cash equivalents	3,590,530	2,731,072
Net Cash from Investing Activities	B 31,990,011	60,338,781
C CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid on borrowings	-	(19,148,126)
Proceeds/(repayment) of Short Term borrowings	4,059,918	-
Proceeds/(repayment) of Long term borrowings	(435,860)	46,959,559
Net Cash used in Financing Activities	C 3,624,058	27,811,433
Net Increase/(Decrease) in Cash and Cash Equivalent	A+B+C (36,168,686)	(26,126,403)
Cash and cash equivalents at the beginning of the year	45,506,715	71,633,118
Cash and cash equivalents at the end of the year	9,338,029	45,506,715

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard-3 on Cash Flow Statement prescribed under the Companies (Accounting Standards) Rules, 2006.
- 2) Figures in brackets indicates outflow.
- 3) Previous year's figures have been regrouped and recasted wherever required.

As per our attached report of even date

For Karvy & Co.,

Chartered Accountants

Firm Registration No : 001757S

For and on behalf of the Board of Directors**Ajaykumar Kosaraju**

Partner

Membership No : 021989

Prakash Challa

Chairman and Managing Director

(DIN: 02257638)

E.Bhaskar Rao

Director

(DIN: 00003608)

Place : Hyderabad

Date : 15-05-2017

U S S Ramanjaneyulu N

Chief Financial Officer

A.Shailendra Babu

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

SSPDL Limited ("the Company") was incorporated on October 17, 1994. The Company is a leading real estate developer engaged primarily in the business of real estate, property development, construction and other related activities. The company is domiciled in India and listed on BSE Limited (BSE).

1.1 Significant Accounting Policies

a. Basis of Accounting and Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Property, Plant and Equipment:

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and

depreciated over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d. Depreciation on Property, Plant and Equipment:

Depreciation on Property, Plant and Equipment is computed on the straight line method over their estimated useful lives as prescribed under Schedule II of the Companies Act, 2013 of India. Depreciation is charged on pro-rata basis for the assets purchased during the year.

The basis for the estimated useful life of the fixed assets given below:

(a) Computers	- based on obsolescence and technological changes
(b) Office equipment	- based on wear and tear
(c) Furniture & fixtures	- based on wear and tear
(d) Vehicles	- based on wear and tear and technological changes
(e) Construction Equipment's	- based on wear and tear and technological changes

The estimated useful lives of fixed assets are as follows:

(a) Computers	- 3 years
(b) Office equipment	- 5 years
(c) Furniture & fixtures	- 10 years
(d) Vehicles –Mopeds	- 10 years
(e) Vehicles –Motor Cars	- 8 years
(f) Construction Equipment	- 15 years

e. Capital work-in-progress:

Assets under installation or under construction as at the Balance sheet date are shown as Capital work-in-progress.

f. Borrowing costs:

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

g. Impairment of tangible and intangible fixed assets:

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent

of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited, so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

h. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition cost is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit & Loss.

i. Inventories:

i. Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/approximate average cost/ as revalued on conversion to stock and net realisable value. Cost includes land (including

development rights and land under agreements to purchase) acquisition cost, estimated internal development costs and external development charges.

- ii. Construction/development material is valued at lower of cost and net realizable value.
- iii. Work-in-progress with respect to construction contracts is valued at the contract rates and with respect to development projects is valued at cost.

j. Revenue Recognition:

i. Construction Contracts:

In accordance with AS -7 (Revised), the Company recognizes contract revenue at cost of work performed on the contract plus proportionate margin, using percentage completion method stated on the basis of proportionate cost of work performed to-date, to the total estimated contract costs at the balance sheet date, taking in to account the contractual price and revision thereto. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Expenditure incurred in respect of additional cost/delays is accounted in the year in which they are incurred. Claims made in respect thereof are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client.

ii. Development Projects:

Revenue from Developing/Constructing properties for all projects commenced on or before March 31, 2012 and where revenue recognition commenced on or before the above date, is recognized in accordance with the provisions of Accounting Standard (AS) 9 on Revenue Recognition, read with Guidance Note on "Recognition of Revenue by Real Estate Developers". Revenue is computed based on the "percentage of completion method" and on the percentage of actual project costs incurred thereon to total estimated project cost.

Revenue from Developing /Constructing properties for all projects commenced on or after April 1, 2012 or project where the revenue is recognized for the first time on or after the above date, is recognized in accordance with the Revised Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI") on "Accounting for Real Estate Transactions (Revised, 2012)".

As per this Guidance Note, the revenue has been recognized on percentage of completion method provided all of the following conditions are met at the reporting date.

- Required critical approvals for commencement of the project have been obtained,
- At least 25% of estimated construction and development costs (excluding land cost) has been incurred,
- At least 25% of the saleable project area is

secured by the Agreements to sell/application forms (containing salient terms of the agreement to sell); and

- At least 10% of the total revenue as per agreement to sell is realized in respect of these agreements.

iii. Real Estate Projects;

Sale of land and plots (including development rights) is recognized in the financial year in which the legal title passes to the buyer. Where the Company has any remaining substantial obligations as per the agreements, revenue is recognized on the percentage of completion method of accounting.

iv. Interest Income;

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

v. Dividend Income;

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

vi. Rental Receipts;

Rent, service receipts, income from forfeiture of properties and interest from customers under agreement to sell is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

k. Unbilled Revenue

Unbilled Revenue disclosed under Note No.19 - "Other Current Assets" represents revenue recognized based on percentage of completion method (as per para no. j (i) and j (ii) above), over and above the amount due as per the payment plans agreed with the customers.

l. Employee benefits:

- (a) **Provident Fund:** The Company has defined contribution plan for its employees' retirement benefits comprising of Provident Fund. The company contributes to State plans namely Employees pension Scheme, 1995.
- (b) **Gratuity:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the payment of gratuity act 1972. The company contributes to Gratuity Fund administrated by LIC. The gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit & loss in the year in which they arise.

m. Income Taxes:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the

respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

n. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Provisions:

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

p. Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain

future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

q. Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less.

Particulars	As at March 31, 2017	As at March 31, 2016
2) Share Capital		
Authorised Capital		
25,000,000 (Previous Year: 25,000,000) Equity share of ₹10 each	250,000,000	250,000,000
Issued, Subscribed and Paid up		
12,929,250 (Previous Year:12,929,250) Equity shares of ₹10 each fully paid up	129,292,500	129,292,500
	129,292,500	129,292,500

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

Equity shares	As at March 31, 2017		As at March 31, 2016	
	Number of shares	Value	Number of shares	Value
At the beginning of the period	12,929,250	129,292,500	12,929,250	129,292,500
Issued during the period	-	-	-	-
Outstanding at the end of the period	12,929,250	129,292,500	12,929,250	129,292,500

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares referred to as equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

(c) Shares in the Company held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of shares	% holding	Number of shares	% holding
Prakash Challa	2,359,390	18.25	2,359,390	18.25
Edala Padmaja	895,000	6.92	895,000	6.92
Sri Krishna Devaraya Hatcheries Private Limited	2,402,652	18.58	2,402,652	18.58
Suresh Challa	887,600	6.87	887,600	6.87

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
3) Reserves and Surplus		
(a) General Reserve		
Opening balance	18,241,459	18,241,459
Addition during the year	-	-
	(A) 18,241,459	18,241,459
(b) Securities Premium Account		
Opening balance	220,887,000	220,887,000
Addition during the year	-	-
	(B) 220,887,000	220,887,000
(c) Surplus in Statement of Profit and Loss		
Opening balance	220,421,274	88,185,277
Add: Profit for the year	163,051,654	132,235,997
	(C) 383,472,928	220,421,274
Total	(A)+(B)+(C) 622,601,387	459,549,733

Particulars	As at March 31, 2017	As at March 31, 2016
4) Long-term Borrowings		
Secured		
Vehicle loans *	437,305	873,165
Total	437,305	873,165
* Vehicle loans are secured by hypothecation of respective vehicles		
5) Other Long-term Liabilities		
Security deposits	100,000	100,000
	100,000	100,000
6) Long-term Provisions		
Provision for Defect Liability Period	6,479,980	3,234,397
	6,479,980	3,234,397
7) Short-term Borrowings		
Unsecured		
Loans and advances from related parties and others	175,457,308	149,648,663
	175,457,308	149,648,663
8) Trade Payables		
- Dues to micro and small enterprises (*See below)	-	-
- Others	297,826,581	150,667,696
	297,826,581	150,667,696

*The Company is seeking confirmation from its suppliers whether they fall under the category of micro and small enterprises as mentioned under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"). Based on confirmations received till date, the Company believes that it does not have any outstanding dues towards Micro and Small Enterprises. Further the Company has not paid/accrued any interest under the MSMED Act, 2006.

9) Other Current Liabilities

Current maturities of long-term debts *	435,860	393,610
Advance received from clients **	244,086,688	198,905,708
Security Deposits Received	47,923,600	47,923,600
Statutory liabilities	10,720,656	9,595,049
Billing excess revenue	-	1,038,353
Outstanding expenses and others	4,507,371	5,235,206
	307,674,175	263,091,527

* Current maturities of long-term debts represents vehicle loan taken from Toyota Financial Services India Ltd and are secured by the respective vehicles.

** Advance received from client includes ₹13.76 crores from directors and ₹5.00 crores from others for sale of land.

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

10) Short-term Provisions

Provision for employee benefits

Gratuity	389,309	-
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Other provisions

Provision for Estimated Future contract losses	41,624,133	155,700,405
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Provision for Service tax Demand	54,128,467	54,128,467
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Provision for Sales tax Demand	15,840,204	15,840,204
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111,982,113	225,669,076
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11 Property, Plant and Equipment

Description	Construction Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
Cost or Valuation at April 1, 2015	977,274	4,099,078	3,268,605	3,019,372	6,690,533	18,054,862
Additions	1,269,575	32,350	28,250	865,718	1,596,156	3,792,049
Disposals	-	-	-	-	-	-
At March 31, 2016	2,246,849	4,131,428	3,296,855	3,885,090	8,286,689	21,846,911
Additions	-	-	72,350	115,337	-	187,687
Disposals	-	-	-	-	-	-
At March 31, 2017	2,246,849	4,131,428	3,369,205	4,000,427	8,286,689	22,034,598
Depreciation at April 1, 2015	240,277	2,786,415	3,201,973	2,834,389	5,314,910	14,377,964
Charge for the year	138,725	536,297	55,917	227,444	1,051,872	2,010,255
Adjustments	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At March 31, 2016	379,002	3,322,712	3,257,890	3,061,833	6,366,782	16,388,219
Charge for the year	154,286	779,738	57,796	278,294	530,300	1,800,414
Adjustments	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At March 31, 2017	533,288	4,102,450	3,315,686	3,340,127	6,897,082	18,188,633
Net block						
At March 31, 2016	1,867,847	808,716	38,965	823,257	1,919,907	5,458,692
At March 31, 2017	1,713,561	28,978	53,519	660,300	1,389,607	3,845,965

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

12) Non-current Investments

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Investments		
A In Equity shares of Subsidiary Companies - Unquoted, Fully Paid-up		
SSPDL Resorts Private Limited	100,000	100,000
- 10,000 (Previous Year: 10,000) Equity shares of ₹10 each		
SSPDL Realty India Private Limited	100,000	100,000
- 10,000 (Previous Year: 10,000) Equity shares of ₹10 each		
SSPDL Real Estates India Private Limited	100,000	100,000
- 10,000 (Previous Year: 10,000) Equity shares of ₹10 each		
SSPDL Infra Projects India Private Limited	100,000	100,000
- 10,000 (Previous Year: 10,000) Equity shares of ₹10 each		
SSPDL Infratech Private Limited	19,575,287	19,575,287
- 1,196,000 (Previous Year: 1,196,000) Equity shares of ₹1 each		
B In Equity shares of Associates - Unquoted, Fully Paid-up		
Northwood Properties India Private Limited		
22,500 (Previous Year: 22,500) Equity shares of ₹10 each	225,000	225,000
90,000 (Previous Year: 90,000) Class B equity shares of ₹10 each	900,000	900,000
C Investments in Limited Liability Partnership		
SSPDL Green Acres LLP	250,000	250,000
D In Equity shares of Other Enterprises - Unquoted, Fully Paid-up		
Alphacity Chennai IT Park Projects Private Limited		
9,980 (Previous Year: 9,980) Equity shares of ₹10 each	99,800	99,800
SSPDL Infrastructure Developers Private Limited		
36,422 (Previous Year :36,422) Class A equity shares of ₹10 each	10,956,710	10,956,710
1 (Previous Year: 1) Class B Equity shares of ₹10 each	10	10
SSPDL Properties Private Limited		
168,796 (Previous Year: 168,796) Equity shares of ₹10 each	1,687,960	1,687,960
E Debentures of Associate Company - Unquoted, Fully Paid-up		
Optionally Convertible 15% Debentures (Series B) ("OCD's);		
- Northwood Properties India Private Limited	117,042,471	140,042,471
11,704,247 (Previous Year 14,004,247) OCD's of ₹10 each		
Non-trade Investments		
F In Government Securities-Unquoted		
National Savings Certificate	300,000	300,000
Total	151,437,238	174,437,238
Aggregate Value of		
- Quoted Investments	-	-
- Unquoted Investments	151,437,238	174,437,238

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
13) Deferred Tax Assets (Net)		
a) Deferred Tax Asset		
On account of;		
Unabsorbed depreciation losses carry forward	-	187,919
Carry forward business losses	-	10,429,836
Provision for Future Contract Losses as per AS-7	-	14,521,944
Provision for Defect Liability Period	2,242,592	1,119,360
Section 43 B { Provision for Service Tax}	18,732,780	18,732,780
Section 43 B { Provision for Sales Tax}	5,481,978	5,481,978
Difference of Depreciation between Books and Tax laws	543,492	217,449
Total (a)	<u>27,000,841</u>	<u>50,691,265</u>
b) Deferred Tax Liability		
On account of;		
Difference of Depreciation between Books and Tax laws	-	-
Total (b)	<u>-</u>	<u>-</u>
c) Net Deferred Tax Asset / (Liability) (a-b)	<u>27,000,841</u>	<u>50,691,265</u>
14) Long-term Loans and Advances		
Advance to suppliers/contractors	6,449,624	6,555,482
Security deposits	8,664,928	8,614,804
Others	34,121,841	22,867,572
	<u>49,236,393</u>	<u>38,037,858</u>
15) Inventories		
Work-in-progress	202,728,212	166,371,651
Cost of land under development	96,179,544	200,205,055
Cost of Materials	18,738,469	6,571,148
	<u>317,646,225</u>	<u>373,147,854</u>
16) Trade Receivables		
Outstanding for a period exceeding six months from the day they became due for payment		
- Unsecured, considered good		
Due by private companies in which directors are interested	210,123,438	205,478,190
Others		
- Unsecured, considered good	197,454,714	131,782,157
	<u>407,578,152</u>	<u>337,260,347</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
17) Cash and Bank Balances		
Cash and cash equivalents		
Cash on hand	244,169	70,023
Balances with banks		
- In current account	8,458,522	34,236,692
- In deposits accounts (Original maturity of 3 months or less)	635,337	11,200,000
	<u>9,338,029</u>	<u>45,506,715</u>
Other banks balances		
- In margin money account	157,672	3,748,202
	<u>157,672</u>	<u>3,748,202</u>
	<u>9,495,701</u>	<u>49,254,917</u>
18) Short-term Loans and Advances		
Unsecured, considered good		
Loans and advances to employees	601,295	123,128
Loans and advances to related parties [Refer note 18 (1)]	221,380,072	149,629,473
Advance to suppliers and contractors	77,231,591	36,743,092
Other loans and advances	44,555,370	45,237,641
Balance with statutory/government authorities	52,986,738	72,357,829
MAT Credit Entitlement	36,973,323	46,849,373
Prepaid expenses	957,344	408,497
	<u>434,685,734</u>	<u>351,349,033</u>

18 (1) Loans and Advances include

Particulars	Maximum Amount Outstanding at any time during the year		As At March 31, 2017	As At March 31, 2016
	2016-17	2015-16		
a) Advances to subsidiaries :				
SSPDL Realty India Private Limited	49,798,096	45,371,341	49,798,096	45,371,341
SSPDL Real Estates India Private Limited	64,049,094	46,544,656	64,049,094	46,544,656
SSPDL Infra Projects India Private Limited	33,161,784	32,072,469	33,161,784	32,072,469
SSPDL Resorts Private Limited	58,339,726	24,609,635	58,339,726	24,609,635
b) Advances to Associates:				
Northwood Properties India Private Limited	268,025	268,025	268,025	268,025
c) Advances to Others				
Sri Satya Sai Constructions	15,000,000	-	15,000,000	-
SSPDL Infrastructure Developers Private Limited	763,348	763,348	763,348	763,348
Total	221,380,072	149,629,473	221,380,072	149,629,473

Since the above details meet the requirements of Regulation 34(3) of the SEBI (LODR) Regulations, 2015, no separate disclosure is made.

Particulars	As at March 31, 2017	As at March 31, 2016
19) Other Current Assets		
Interest accrued on deposits	3,076,915	2,489,552
Unbilled Revenue	247,848,183	-
	<u>250,925,098</u>	<u>2,489,552</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	For the Year Ended March 31,2017	For the Year Ended March 31,2016
20) Revenue From Operations		
Sale of Flats and Villas	269,290,189	26,419,070
Sale of Land / Plots	20,000,000	-
Contract Revenue	835,740,309	757,632,280
Other operating revenues	-	13,227,929
	<u>1,125,030,498</u>	<u>797,279,279</u>
21) Other Income		
a) Interest and Dividend Income		
Interest on deposits with banks	2,048,105	1,435,211
Interest on Loans and advances	3,907,361	1,374,904
Interest on income tax refund	219,064	-
Dividend on Investments	-	379,791
b) Other Non Operative Income		
Liabilities no longer required written back	8,959	14,346,713
Provisions no longer required written back	-	23,533,834
Other income	3,810,192	198,293
	<u>9,993,681</u>	<u>41,268,746</u>
22) Construction Expenses		
Works contract including contractor's bills	710,667,978	674,314,737
Masonry and other works	832,230	3,772,079
Power and fuel charges	115,810	178,592
Rates and taxes	-	8,575
Project consultancy charges	15,463,750	16,803,175
Land cost and development charges	12,243,100	3,200,174
	<u>739,322,868</u>	<u>698,277,332</u>
22 (a) Changes in Inventories of Work-in-progress and Stock-in-trade		
Inventories at the end of the year		
- Work-in-progress	202,728,212	166,371,687
- Cost of land under development	96,179,544	200,205,055
	<u>(A) 298,907,756</u>	<u>366,576,742</u>
Inventories at the beginning of the year		
- Work-in-progress	166,371,687	124,421,075
- Cost of land under development	200,205,055	200,205,055
	<u>(B) 366,576,742</u>	<u>324,626,130</u>
Net (increase)/decrease in inventories	(B) - (A) 67,668,986	(41,950,612)
Construction expenses	806,991,854	656,326,720
23) Employee Benefits Expense		
Salaries and wages	25,900,925	22,299,169
Contribution to provident and other funds	625,738	485,881
Staff welfare expenses	919,839	861,228
	<u>27,446,502</u>	<u>23,646,278</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	For the Year Ended March 31,2017	For the Year Ended March 31,2016
24) Finance Costs		
a) Interest expense :		
i) Borrowings	21,703,907	18,711,141
ii) Others		
- Interest on deferred payment of income tax	38,403	20,431
b) Other borrowing costs	6,417	416,554
	<u>21,748,727</u>	<u>19,148,126</u>
25) Other Expenses		
Rent	3,865,500	3,780,000
Electricity charges	1,058,615	932,380
Repairs and maintenance - others	265,532	340,943
Insurance	1,170,640	990,742
Rates and taxes	1,598,326	635,371
Communication expenses	574,953	614,024
Travelling and conveyance	1,971,027	1,906,541
Printing and stationery	309,007	311,133
Business promotion	95,036	89,376
Security charges	4,628,465	3,768,050
Director sitting fees	600,000	520,000
Legal and professional	2,996,560	3,247,099
Payments to auditors:		
As auditor - Statutory audit fee	500,000	500,000
- Tax audit fee	100,000	100,000
-for Other services	120,000	80,000
-for Reimbursement of expenses	99,219	99,499
Vehicle running and maintenance	1,137,851	1,164,773
Bank charges	37,716	141,248
Miscellaneous expenses	1,850,109	1,718,652
Total	<u>22,978,556</u>	<u>20,939,831</u>
26) Earnings Per Share ("EPS")		
Net profit/(loss) for the year after tax	(a) 163,051,654	132,235,997
Weighted average number of equity shares outstanding during the year used for calculating EPS	(b) 12,929,250	12,929,250
Basic and diluted EPS (Face value ₹10 each)	(a)/(b) 12.61	10.23
27) Contingent Liabilities:		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ Nil (Previous Year ₹ Nil).		
ii) Company has given a corporate guarantee in favour of Federal Bank Limited towards the working capital loans taken by SSPDL Infra Projects Private Limited, SSPDL Real Estates India Private Limited and SSPDL Reality India Private Limited (the wholly owned subsidiaries) for ₹ 40.00 Lakhs, ₹ 120.00 Lakhs and ₹ 140.00 Lakhs respectively.		
iii) Company has given a corporate guarantee in favour of Federal Bank Limited towards the term loans taken by SSPDL Infra Projects Private Limited, SSPDL Real Estates India Private Limited, SSPDL Reality India Private Limited and SSPDL Resorts Private Limited (the wholly owned subsidiaries) for ₹ 0.25 Lakhs, ₹ 1.85 Lakhs, ₹ 1.30 Lakhs and ₹ 1.60 Lakhs respectively.		

28) Expenditure in Foreign currency (Amounts in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
On account of Travel	50,077	-
Others	-	-

29) Disclosure in accordance with Accounting Standard - 7 (Revised): (Amounts in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Contract Revenue recognized as revenue in the period	722,401,274	537,388,080
Cost incurred and Recognized Profit or Losses up to the reporting period	1,310,709,636	474,969,327
Advances received	-	-
Retention Money	-	-
Gross amount due from customers for contract work as asset	247,848,184	-
Gross amount due to customers for contract work as liability	-	114,377,388

30) As per Accounting Standard 15 "Employees Benefits", the disclosures of Employees benefits as defined in the Accounting Standard are given below:

- a. **Defined Contribution Plans:** Contribution to Defined Contribution Plan, recognized as expense for the year are as under

(Amounts in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Employer's Contribution to Provident Fund	532,557	422,863

- b. **Defined Benefit Plans:** The following table sets out the disclosures are required under Accounting Standard 15 Employee Benefits in respect of Gratuity:

(Amount in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
A. Change in present value of obligation		
Present value of obligation at the beginning of the year	1,794,092	1,887,271
Current service cost	341,559	228,576
Interest cost	143,527	150,982
Benefits paid	-	(253,239)
Net actuarial (gain) /loss recognized during the year	(68,033)	(219,498)
Present value of obligation at the end of the year	2,211,145	1,794,092
B. Changes in the fair value of plan assets		
Present value of plan assets at the beginning of the year	2,145,371	2,049,813
Expected return on plan assets	143,726	172,140
Actuarial gain/ (loss) on plan assets	-	-
Contributions	-	176,658
Benefits paid	-	(253,239)
Fair value of plan assets at the end of the year	2,289,097	2,145,372
C. Net (asset)/liability recognized in the Balance Sheet		
Present value of obligation at the end of the year	2,211,145	1,794,092
Fair value of plan assets at the end of the year	2,289,097	2,145,372
Funded status surplus/ (deficit)	77,953	351,280
Net asset / (liability) recognized in the Balance Sheet	77,953	351,280
D. Expenses recognized in the Statement of Profit and Loss		
Service cost	341,559	228,576
Interest cost	143,527	150,982

(Amount in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Expected return on plan assets	(143,726)	172,140
Net actuarial (gain)/loss recognized during the year	(68,033)	(219,498)
Total expenses/ (income) recognized in Statement of Profit and Loss	273,327	(12,080)
E. Actuarial assumptions :		
Discount rate	8%	8%
Salary escalation – over a long term	7%	5%
Attrition Rate	5%	5%
Expected return of the planned assets	8%	8%

31) Segment Information:

Since the Company has only one segment, i.e. Property Development and operations of the Company has been carried out in India, separate information on Segment Reporting as per the Accounting Standard -17 issued by the ICAI is not required.

32) Related Party Disclosures;

As required under Accounting Standard 18 "Related Party Disclosures" (AS-18), following are details of transactions during the year with the related parties of the Company as defined in AS-18:

The management has identified the following as related parties	
Relationship	Name of Related Party
Subsidiaries	SSPDL Resorts Private Limited SSPDL Reality India Private Limited SSPDL Real Estates India Private Limited SSPDL Infra Projects India Private Limited SSPDL Infratech Private Limited
Associates	Northwood Properties India Private Limited
Enterprises owned/significantly influenced by Key Management Personnel	Alpha City Chennai IT Park Projects Private Limited Sri SatyaSai Constructions (Partnership Firm) Sri SatyaSai Constructions (Sole Proprietary Concern) Sri Krishna Devaraya Hatcheries Private Limited SSPDL Ventures Private Limited Edala Estates Private Limited SSPDL Infrastructure Developers Private Limited
Key Managerial Personnel	Mr. Challa Prakash, Managing Director Mr. E. BhaskarRao, Director Mrs. Sridevi Challa, Director Mr. Suresh Challa (Relative of KMP)

a. Transactions with related parties are as follows:

(Amount in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Construction services received		
SSPDL Infratech Private Limited (Formerly known as SSPDL Interserve Private Limited)	-	2,608,507
Unsecured Loan Taken		
Srinivas Hatcheries Limited	38,000,000	-
Repayment of Unsecured Loan		
Srinivas Hatcheries Limited	30,000,000	-
Interest accrued on unsecured loans		

(Amount in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Sri Krishna Devaraya Hatcheries Private Limited	4,724,046	4,257,392
E. Bhaskar Rao	9,647,557	8,719,393
SSPDL Ventures Private Limited	5,400,001	4,407,288
Srinivas Hatcheries Limited	15,781	-
Payment of Accrued Interest on Unsecured Loan		
Srinivas Hatcheries Limited	1,804,932	-
Advance given/(recovered)		
SSPDL Real Estates India Private Limited	17,504,438	12,435,758
SSPDL Infra Projects India Private Limited	1,089,315	1,092,337
SSPDL Realty India Private Limited	4,426,755	4,492,283
SSPDL Resorts Private Limited	33,730,091	13,599,359
SSPDL Infrastructure Developers Private Limited	-	763,348
Sri Krishna Devaraya Hatcheries Private Limited	-	(15,000,000)
Advance received / (repaid) towards sale of land		
E. Bhaskar Rao	15,000,000	-
Padmaja Edala	20,000,000	-
Advance Given / (Recovered) towards purchase of land		
Sri Satya Sai Constructions	15,000,000	-
Rent paid		
Suresh Challa	1,225,500	1,140,000
Remuneration		
Prakash Challa	8,400,000	8,400,000

b Year end balances

(Amounts in ₹)

Particulars	As At March 31, 2017	As At March 31, 2016
Trade payables		
SSPDL Infratech Private Limited (Formerly known as SSPDL Interserve Private Limited)	57,482,965	58,277,965
Unsecured loan Taken		
Sri Krishna Devaraya Hatcheries Private Limited	42,059,750	37,808,110
E. Bhaskar Rao	86,116,066	77,433,265
Srinivas Hatcheries Limited	8,000,000	-
SSPDL Ventures Private Limited	30,000,000	30,000,000
Interest Accrued on Unsecured loan		
SSPDL Ventures Private Limited	9,267,289	4,407,288
Srinivas Hatcheries Limited	14,203	-
Trade receivables		
Alpha City Chennai IT Park Projects Private Limited	210,122,788	205,789,990
Sri Satya Sai Constructions (Partnership Firm)	480,843	480,843
Loans and advance recoverable		
SSPDL Realty India Private Limited	49,798,096	45,371,341
SSPDL Resorts Private Limited	58,339,726	24,609,635
SSPDL Real Estates India Private Limited	64,049,094	46,544,656

SSPDL Infra Projects India Private Limited	33,161,784	32,072,469
SSPDL Infrastructure Developers Private Limited	763,348	763,348
Northwood Properties India Private Limited	268,025	268,025
Sri Satya Sai Constructions	15,000,000	-
Loans and advance payable		-
E. Bhaskar Rao	15,25,62,507	13,75,62,478
Padmaja Edala	2,00,00,000	-
SSPDL Ventures Private Limited	9,00,000	9,00,000
Rent deposits		
Suresh challa	90,000	90,000

33) Detail of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016

(Amounts in ₹)

Particulars	SBN	Other Denominations notes	Total
Closing cash in hand as on November 8, 2016	17,000	16,788	33,788
Add: Permitted Receipts	-	158,800	158,800
Less: Permitted Payments	-	159,733	159,733
Less: Amount deposited in Banks	17,000	-	17,000
Closing cash in hand as on December 30, 2016	-	15,855	15,855

34) Comparatives

Previous year figures have been regrouped/reclassified wherever considered necessary to conform to this year's classification.

As per our attached report of even date

For Karvy & Co.,
Chartered Accountants
Firm Registration No : 001757S

For and on behalf of the Board of Directors

Ajaykumar Kosaraju
Partner
Membership No : 021989

Prakash Challa
Chairman and Managing Director
(DIN: 02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date :15-05-2017

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

SSPDL LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

AS ON

31ST MARCH, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of SSPDL Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SSPDL Limited** ('the Holding Company'), and its subsidiary (the Holding Company and its subsidiary together referred to as the Group), and its associates, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information ('the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates 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 and the Companies (Accounting standards) amendment Rules, 2016.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of four subsidiaries whose financial statements reflect total assets of ₹3029.99 Lakhs as at March 31, 2017, total revenues of ₹111.58 Lakhs and net cash flows amounting to ₹ "NIL" for the year ending on that date, as considered in the consolidated financial statements. The consolidated financial statements also include group share of net Loss of NIL for the year ended March 31, 2017, as considered in the financial statements, in respect of one associate whose financial statements have not been audited by us. These financial statements are audited by other auditors, whose reports have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law, relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

- c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated 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 (Accounting standards) amendment Rules, 2016.
- e) On the basis of written representations received from the directors of the Holding Company and its subsidiary as on 31st March, 2017, taken on record by the Board of Directors of the Holding Company and its subsidiary and the reports of the statutory auditors of its associate companies, none of the Group and its associates incorporated in India is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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 Consolidated financial statements disclose the impact of pending litigations on the consolidated position of the Group and its associates - Refer Note 30 to the financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company, its subsidiary and associates incorporated in India.
- iv. The Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 36 to the consolidated financial statements. Based on our enquiries, test check of the books of account and other details maintained by the Company and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company.

For KARVY & CO.,
Chartered Accountants
ICAI Firm Registration No: 017575

(AJAYKUMAR KOSARAJU)
Partner
Membership No. 021989

Place: Hyderabad
Date: 15-05-2017

Annexure - B to the Our Report of even date on the Consolidated Financial Statements of SSPDL Limited

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

We have audited the internal financial controls over financial reporting of **SSPDL Limited** ("the Holding Company") as of 31 March, 2017 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 **KARVY & CO.**,
Chartered Accountants
ICAI Firm Registration No : 017575

(AJAYKUMAR KOSARAJU)

Place: Hyderabad
Date :15-05-2017

Partner
Membership No. 021989

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(Amount in ₹)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	129,292,500	129,292,500
(b) Reserves and Surplus	3	600,592,341	464,254,452
(c) Minority Interest	4	-	-
2 Non-current Liabilities			
(a) Long-term Borrowings	5	27,481,464	35,458,317
(b) Other Long-term Liabilities	6	100,000	100,000
(c) Long-term Provisions	7	6,526,102	3,641,514
3 Current Liabilities			
(a) Short-term Borrowings	8	209,091,623	182,926,272
(b) Trade Payables	9	207,844,952	100,181,932
(c) Other Current Liabilities	10	345,671,745	333,511,395
(d) Short-term Provisions	11	111,982,113	225,669,076
TOTAL		1,638,582,840	1,475,035,458
II. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment			
Tangible Assets	12.a	8,878,983	13,046,599
Intangible Assets	12.b	265,478	884,930
(b) Non-current Investments	13	130,336,951	153,336,951
(c) Deferred Tax Assets (Net)	14	27,000,841	50,691,265
(d) Long-term Loans and Advances	15	82,071,030	76,276,311
(e) Other Non-current assets	16	46,718	1,233,830
2 Current Assets			
(a) Inventories	17	548,126,341	603,565,970
(b) Trade Receivables	18	408,448,481	339,390,405
(c) Cash and Bank Balances	19	11,180,321	51,340,643
(d) Short-term Loans and Advances	20	169,256,726	181,687,795
(e) Other Current Assets	21	252,970,970	3,580,759
TOTAL		1,638,582,840	1,475,035,458
III. Summary of significant accounting policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our attached report of even date

For Karvy & Co.,

Chartered Accountants

Firm Registration No : 001757S

Ajaykumar Kosaraju

Partner

Membership No : 021989

Place : Hyderabad

Date :15-05-2017

For and on behalf of the Board of Directors

Prakash Challa

Chairman and Managing Director

(DIN: 02257638)

E.Bhaskar Rao

Director

(DIN: 00003608)

U S S Ramanjaneyulu N

Chief Financial Officer

A.Shailendra Babu

Company Secretary

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

(Amount in ₹)

Particulars		Notes	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
1	Revenue from operations	22	1,136,188,069	807,610,967
2	Other Incomes	23	12,409,430	46,725,904
3	Total Revenue (1 + 2)		1,148,597,499	854,336,871
4	Expenses:			
a)	Construction Expenses	24.a	813,709,731	668,919,946
b)	Employee Benefits Expense	25	43,282,422	38,204,900
c)	Finance Costs	26	29,106,059	34,944,522
d)	Depreciation and Amortization Expense	27	5,148,133	9,022,208
e)	Other Expenses	28	30,006,792	23,948,450
	Total Expenses		921,253,137	775,040,026
5	Profit/(Loss) before Exceptional and Extraordinary Items and Tax (3-4)		227,344,362	79,296,845
6	Exceptional Items		-	-
7	Profit / (Loss) before Extraordinary Items and Tax (5 -6)		227,344,362	79,296,845
8	Extra Ordinary Items		-	-
9	Profit / (Loss) before Tax (7-8)		227,344,362	79,296,845
10	Tax Expense:			
(a)	Current Tax		57,440,000	25,398,000
(b)	Deferred tax for the year		23,690,424	34,395,090
(c)	Deferred tax for earlier years		-	(50,694,307)
(d)	MAT Credit Utilisation/(Entitlement)		9,876,050	(24,858,000)
11	Profit/ (Loss) for the year before Minority Interest and Share of Results of Associates (9-10)		136,337,889	95,056,062
12	Less : Share of Profit /(Loss) of Minority Interest		-	-
13	Add : Share of Net Profit / (Loss) of Associates		-	(1,125,000)
14	Profit / (Loss) for the year (11 ±12±13)		136,337,889	93,931,062
15	Earnings Per Share (Face value of ₹10 each)			
	- Basic and Diluted	29	10.54	7.26
16	Summary of significant accounting policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our attached report of even date

For **Karvy & Co.,**

Chartered Accountants

Firm Registration No. : 001757S

Ajaykumar Kosaraju

Partner

Membership No : 021989

Place : Hyderabad

Date :15-05-2017

For and on behalf of the Board of Directors

Prakash Challa

Chairman and Managing Director

(DIN: 02257638)

E.Bhaskar Rao

Director

(DIN: 00003608)

U S S Ramanjaneyulu N

Chief Financial Officer

A.Shailendra Babu

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017		(Amount in ₹)	
Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	
A CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit before Tax and Extraordinary Items	227,344,362	79,296,845	
Adjustments for:			
Depreciation	5,148,133	9,022,208	
Interest income	(5,977,581)	(3,039,512)	
Dividend Income	-	(379,791)	
Interest on borrowings	29,106,059	34,944,522	
Liabilities & Provisions no longer required written back	(1,407,353)	(42,935,945)	
Preliminary & Preoperative Expenses written off	1,317,518	-	
Liabilities no longer required written back	-	(19,402,111)	
(Profit)/loss on sale of fixed assets (net)	(192,972)	(172,363)	
Provision for future contract losses - Provided / (Reversal)	(114,076,273)	(178,282,966)	
- Net			
Provision for Defect Liability Period	3,245,583	3,234,397	
	<u>(82,836,885)</u>	<u>(197,011,561)</u>	
	144,507,477	(117,714,716)	
Operating Profit before Working Capital Charges			
Adjustments for:			
Decrease/(increase) in inventories	55,439,629	(48,521,760)	
Decrease/(increase) in trade receivables	(69,058,076)	(94,651,212)	
Decrease/(increase) in other current assets	(248,900,935)	52,147,756	
Decrease/(increase) in Short Term loans and advances	(16,866,995)	18,347,686	
Decrease/(increase) in Long term loans and advances	(5,794,719)	-	
Increase/(decrease) in trade payables	109,070,373	113,748,455	
Increase/(decrease) in Long term Provisions	(360,995)	-	
Increase/(decrease) in Short term Provisions	389,310	-	
Increase/(decrease) in other current liabilities	12,128,027	-	
Increase/(Decrease) in Net current Assets	<u>(163,954,382)</u>	<u>41,070,925</u>	
Cash Generated from Operation	<u>(19,446,905)</u>	<u>(76,643,791)</u>	
Adjustments for income tax (paid)/refund	<u>(38,017,985)</u>	<u>(23,100,167)</u>	
Net Cash from Operating Activities	<u>(57,464,890)</u>	<u>(99,743,958)</u>	
B CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	-	58,031,799	
Purchase of fixed assets	(187,686)	(4,128,833)	
Proceeds from sale of fixed assets	19,593	872,180	
Disposal of investments	23,000,000	-	
Interest received	5,390,218	3,217,565	
Bank balances not considered as cash equivalents	3,590,531	2,731,072	
Net Cash from Investing Activities	<u>31,812,656</u>	<u>60,723,783</u>	
C CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid on borrowings	-	(34,944,522)	
Proceeds from issue of / (redemption) of debentures	-	-	
Proceeds/(repayment) of Short Term borrowings	(2,940,708)	-	
Proceeds/(repayment) of Long Term borrowings	(7,976,853)	40,365,771	
Net Cash used in Financing Activities	<u>(10,917,561)</u>	<u>5,421,249</u>	
Net Increase/(Decrease) in Cash and Cash Equivalent	<u>(36,569,795)</u>	<u>(33,598,926)</u>	
Cash and Cash Equivalents at the beginning of the Year	47,592,444	81,191,370	
Cash and Cash Equivalents at the end of the Year	11,022,649	47,592,444	

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard-3 on Cash Flow Statement prescribed under the Companies (Accounting Standards) Rules, 2006.
- 2) Figures in brackets indicates outflow.
- 3) Previous year's figures have been regrouped and recasted wherever required.

As per our attached report of even date

For Karvy & Co.,

Chartered Accountants

Firm Registration No : 001757S

Ajaykumar Kosaraju

Partner

Membership No : 021989

Place : Hyderabad

Date :15-05-2017

For and on behalf of the Board of Directors

Prakash Challa

Chairman and Managing Director

(DIN: 02257638)

E.Bhaskar Rao

Director

(DIN: 00003608)

U S S Ramanjaneyulu N

Chief Financial Officer

A.Shailendra Babu

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

SSPDL Limited ("the Company") including its subsidiaries and associates collectively referred to as ("the Group") is engaged primarily in the business of real estate, Property development, construction, and other related activities. The company is domiciled in India and listed on BSE Limited (BSE).

1.1 Significant Accounting Policies

a. Basis of Accounting and Preparation of Financial Statements:

The financial statements of the group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The group has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Principles of Consolidation:

The consolidated financial statements relate to SSPDL Limited and its subsidiaries and associate companies. The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the company and its subsidiary are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions, except wherever otherwise stated in accordance with accounting standard (AS-21) "Consolidated Financial Statements" notified under the Companies (Accounting Standards), Rules 2014 ("the rules").
- ii. The difference between the costs of investments in the subsidiaries, over the net assets at the time of acquisition of the shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- iii. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in consolidated balancesheet separately from liabilities and equity of company's shareholders.
- iv. Minority Interest in the net assets of consolidated subsidiaries consists of:
 - a) The amount of equity attributable to minority at the date on which investment in subsidiaries is made; and
 - b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.
- v. Minority Interest's share of net profit for the year of consolidated subsidiaries is identified and against the profit after tax of the group. Investment in equity method as per (AS 23) – "Accounting for Investments in Associates in Consolidation Financial Statements".
- vi. The company accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance, based on available information.
- vii. The difference between the costs of investments in the associates and the share of net assets at the time of acquisition of the shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- viii. The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar and are presented in the same manner as the Company's separate financial statements.

c. The Subsidiary Companies considered in the consolidated financial statements are:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest
SSPDL Resorts Private Limited	India	100%
SSPDL Realty India Private Limited	India	100%
SSPDL Real Estate India Private Limited	India	100%
SSPDL Infra Projects India Private Limited	India	100%
SSPDL Infratech Private Limited	India	100%

d. The significant Associates considered in the consolidated financial statements are:

Name of the Associate	Country of Incorporation	Proportion of Ownership Interest
Northwood Properties India Private Limited	India	25.00%

e. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

f. Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

g. Depreciation on Property, Plant and Equipment:

Depreciation on Property, Plant and Equipment is computed on the straight line method over their estimated useful lives as prescribed under Schedule II of the Companies Act, 2013 of India. Depreciation is charged on pro-rata basis for the assets purchased during the year.

The basis for the estimated useful life of the fixed assets given below:

- (a) Computers - based on obsolescence and technological changes
- (b) Office equipment - based on wear and tear
- (c) Furniture & fixtures - based on wear and tear
- (d) Vehicles - based on wear and tear and technological changes
- (e) Construction Equipment's - based on wear and tear and technological changes

h. Intangible Assets and Amortization:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are amortized over their economic useful lives. Management's estimate of useful life of intangible assets-

Assets category	Amortization period
Software	5Years

i. Capital work-in-progress:

Assets under installation or under construction as at the Balance sheet date are shown as Capital work-in-progress

j. Borrowing costs:

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

k. Impairment of tangible and intangible fixed assets:

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

l. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit & Loss.

m. Inventories:

i. Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/approximate average cost/ as revalued on conversion to stock and net realizable value. Cost includes land (including development rights and land under agreements to purchase) acquisition cost, estimated internal development costs and external development charges.

ii. Construction/development material is valued at lower of cost and net realizable value.

iii. Work-in-progress with respect to construction contracts is valued at the contract rates and with respect to development projects is valued at cost.

n. Revenue Recognition:

i. Construction Contracts

In accordance with AS -7 (Revised), the Company recognizes contract revenue at cost of work performed on the contract plus proportionate margin, using percentage completion method stated on the basis of proportionate cost of work performed to-date, to the total estimated contract costs at the balance sheet date, taking in to account the contractual price and revision thereto. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Expenditure incurred in respect of additional cost/delays is accounted in the year in which they are incurred. Claims made in respect thereof are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client.

ii. Development Projects

Revenue from Developing /Constructing properties for all projects commenced on or before March 31, 2012 and where revenue recognition commenced on or before the above date, is recognized in accordance with the provisions of Accounting Standard (AS) 9 on Revenue Recognition, read with Guidance Note on "Recognition of Revenue by Real Estate Developers". Revenue is computed based on the "percentage of completion method" and on the percentage of actual project costs incurred thereon to total estimated project cost.

Revenue from Developing /Constructing properties for all projects commenced on or after April 1, 2012 or project where the revenue is recognized for the first time on or after the above date, is recognized in accordance with the Revised Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI") on "Accounting for Real Estate Transactions (Revised 2012)".

As per this Guidance Note, the revenue has been recognized on percentage of completion method provided all of the following conditions are met at the reporting date.

- Required critical approvals for commencement of the project have been obtained,
- Atleast 25% of estimated construction and development costs (excluding land cost) has been incurred,
- Atleast 25% of the saleable project area is secured by the Agreements to sell/application forms (containing salient terms of the agreement to sell); and
- Atleast 10% of the total revenue as per agreement to sell are realized in respect of these agreements.

iii. Real Estate Projects

Sale of land and plots (including development rights) is recognized in the financial year in which the legal title passes to the buyer. Where the Company has any remaining substantial obligations as per the agreements, revenue is recognized on the percentage of completion method of accounting.

iv. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

v. Dividend Income

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

vi. Rental Receipts

Rent, service receipts, income from forfeiture of properties and interest from customers under agreement to sell is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

o. Unbilled Revenue

Unbilled Revenue disclosed under Note No. 21 - "Other Current Assets" represents revenue recognized based on percentage of completion method (as per para no. n (i) and n (ii) above), over and above the amount due as per the payment plans agreed with the customers.

p. Employee benefits

(a) **Provident Fund:** The Company has defined contribution plan for its employees' retirement benefits comprising of Provident Fund. The company contributes to State plans namely Employees pension Scheme, 1995.

(b) **Gratuity:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the payment of gratuity act 1972. The company contributes to Gratuity Fund administrated by LIC. The gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit & loss in the year in which they arise.

q. Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

r. Lease:

Assets acquired under leases where substantially all the risks and rewards of ownership are retained by the company are classified as fiancé leases. Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the profit and loss account on straight line basis over the lease term.

s. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t. Provisions:

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

u. Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

v. Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
2) Share Capital		
Authorised Capital	250,000,000	250,000,000
25,000,000 (Previous Year: 25,000,000) Equity shares of ₹10 each		
Issued, Subscribed and Paid up		
12,929,250 (Previous Year: 12,929,250) Equity shares of ₹10 each fully paid up	129,292,500	129,292,500
	129,292,500	129,292,500

(a) Reconciliation of number of shares

Equity shares	As at March 31, 2017		As at March 31, 2016	
	Number of shares	Value	Number of shares	Value
At the beginning of the period	12,929,250	129,292,500	12,929,250	129,292,500
Issued during the period	-	-	-	-
At the end of the period	12,929,250	129,292,500	12,929,250	129,292,500

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares referred to as equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

(c) Shares in the Company held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of shares	% holding	Number of shares	% holding
Prakash Challa	2,359,390	18.25	2,359,390	18.25
Edala Padmaja	895,000	6.92	895,000	6.92
Sri Krishna Devaraya Hatcheries Private Limited	2,402,652	18.58	2,402,652	18.58
Suresh Challa	887,600	6.87	887,600	6.87

Particulars	As at March 31, 2017	As at March 31, 2016
3) Reserves and Surplus		
a) Capital Reserve on Consolidation		
Opening balance	237,101,053	237,101,053
Addition during the period/year on account of acquisition of shares in subsidiary	-	-
	A 237,101,053	237,101,053
(b) Share Premium Account		
Opening balance	269,691,000	269,691,000
Addition during the period/year	-	-
	B 269,691,000	269,691,000
c) General Reserve		
Opening balance	18,241,459	18,241,459
Addition during the period/year	-	-
	C 18,241,459	18,241,459
d) Surplus in Statement of Profit and Loss		
Opening balance	(60,779,060)	(154,710,122)
Less: Adjustment of depreciation as per Schedule II of Companies Act, 2013	-	-
Less: Profit/(loss) for the period/year	136,337,889	93,931,062
	D 75,558,829	(60,779,060)
Total (A+B+C+D)	600,592,341	464,254,452

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
4) Minority Interest		
Share capital	-	-
Share premium	-	-
Share of profits	-	-
Total	-	-
5) Long-term Borrowings		
Secured		
Term Loans from Federal bank	27,044,159	34,585,152
Vehicle loans *	437,305	873,165
	27,481,464	35,458,317
*Vehicle loan secured by hypothecation of respective vehicles and are payable in equal monthly installments as stipulated in the agreements with the lenders.		
6) Other Long-term Liabilities		
Security deposits received	100,000	100,000
	100,000	100,000
7) Long-term Provisions		
Provision for employee benefits		
Compensated absences	46,122	407,117
Other Provisions		
Provision for Defect Liability Period	6,479,980	3,234,397
	6,526,102	3,641,514
8) Short-term Borrowings		
Secured		
Loans repayable on demand from bank *	33,634,315	33,277,609
Unsecured		
Loans and advances from related parties	175,457,308	149,648,663
	209,091,623	182,926,272
9) Trade Payables		
- Dues to micro and small enterprises	-	-
- Others	207,844,952	100,181,932
	207,844,952	100,181,932
10) Other Current Liabilities		
Current maturities of long-term debts *	7,135,860	7,093,610
Interest accrued but not due on borrowings	7,417,596	7,674,079
Advance received from clients **	257,543,966	243,697,314
Statutory liabilities	11,157,365	9,855,083
Security Deposits Received	47,923,600	47,923,600
Outstanding expenses and others	5,762,601	6,405,677
Retention money to suppliers	8,472,995	9,855,186
Employee benefit payable	257,762	1,006,846
	345,671,745	333,511,395

* Current maturities of long-term debts represents vehicle loan taken from Toyota Financial Services India Ltd and are secured by the respective vehicles and Term Loans taken from Federal Bank Limited.

** Advance received from client includes ₹13.76 crores from directors and ₹5.00 crores from others for sale of land.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
11) Short-term Provisions		
Provision for employee benefits		
- Gratuity	389,309	-
Other provisions		
Provision for Estimated Future contract losses	41,624,133	155,700,405
Provision for Service tax Demand	54,128,467	54,128,467
Provision for Sales tax Demand	15,840,204	15,840,204
	<u>111,982,113</u>	<u>225,669,076</u>

Note -12 Property, Plant and Equipment

(Amount in ₹)

Description	Tangible Assets						Intangible Assets
	Construction Equipment	Furniture and Fixtures	Computers	Office Equipment	Vehicles	Total	Software
Cost or Valuation at April 1, 2015	51,904,813	10,617,388	6,489,590	4,947,064	9,213,286	83,172,141	3,105,765
Additions	1,607,589	32,350	41,640	867,098	1,596,156	4,144,833	-
Disposals	15,753,516	-	-	-	556,168	16,309,684	-
At March 31, 2016	37,758,886	10,649,738	6,531,230	5,814,162	10,253,274	71,007,290	3,105,765
Additions	-	-	72,350	115,337	-	187,687	-
Disposals	2,377,733	123,733	-	-	497,244	2,998,710	-
At March 31, 2017	35,381,153	10,526,005	6,603,580	5,929,499	9,756,030	68,196,267	3,105,765
Depreciation at April 1, 2015	44,279,797	4,852,237	5,462,991	4,015,105	6,557,671	65,167,801	1,601,383
Charge for the year	4,773,109	1,162,530	540,008	554,460	1,372,650	8,402,757	619,452
Adjustments	-	-	-	-	-	-	-
Disposals	15,275,452	-	-	-	334,415	15,609,867	-
At March 31, 2016	33,777,454	6,014,767	6,002,999	4,569,565	7,595,906	57,960,691	2,220,835
Charge for the year	1,427,203	1,400,906	366,117	572,955	761,501	4,528,682	619,452
Adjustments	-	-	-	-	-	-	-
Disposals	2,778,168	60,100	-	-	333,821	3,172,089	-
At March 31, 2017	32,426,489	7,355,573	6,369,116	5,142,520	8,023,586	59,317,284	2,840,287
Net block							
At March 31, 2016	3,981,432	4,634,971	528,231	1,244,597	2,657,368	13,046,599	884,930
At March 31, 2017	2,954,664	3,170,432	234,464	786,979	1,732,444	8,878,983	265,478

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
13) Non-current Investments		
Trade Investments		
A. In Equity shares of Associates - Unquoted, Fully Paid-up		
Northwood Properties India Private Limited :		
22,500 (Previous Year: 22,500) Equity shares of ₹10 each	-	-
90,000 (Previous Year: 90,000) Class B equity shares of ₹10 each	-	-
B. Investments in Limited Liability Partnership		
SSPDL Green Acres LLP	250,000	250,000
C. In Equity shares in Other Enterprises - Unquoted, Fully Paid-up		
Alphacity Chennai IT Park Projects Private Limited	99,800	99,800
9,980 (Previous Year: 9,980) Equity shares of ₹10 each		
SSPDL Infrastructure Developers Private Limited	10,956,710	10,956,710
36,422 (Previous Year :36,422) Class A equity shares of ₹10 each		
1 (Previous Year: 1) Class B Equity shares of ₹10 each	10	10
SSPDL Properties Private Limited	1,687,960	1,687,960
168,796 (Previous Year: 168,796) Equity shares of ₹10 each		
D. Debentures of Associate Company - Unquoted, Fully Paid-up		
Optionally Convertible 15% Debentures (Series B);		
- Northwood Properties India Private Limited	117,042,471	140,042,471
11,704,247 (Previous Year 14,004,247) OCD's of ₹10 each		
E. Non-trade Investments		
In Government Securities-Unquoted		
National Savings Certificate	300,000	300,000
	<u>130,336,951</u>	<u>153,336,951</u>
Aggregate Value of		
- Quoted Investments	-	-
- Unquoted Investments	130,336,951	153,336,951
14) Deferred Tax Asset		
a) Deferred Tax Asset		
On account of;		
Unabsorbed depreciation losses carry forward	-	187,919
Carry forward business losses	-	10,429,836
Provision for Future Contract Losses as per AS-7	-	14,521,944
Provision for Defect Liability Period	2,242,592	1,119,360
Section 43 B { Provision for Service Tax}	18,732,780	18,732,780
Section 43 B { Provision for Sales Tax}	5,481,978	5,481,978
Difference of Depreciation between Books and Tax laws	543,492	217,449
Total (a)	<u>27,000,841</u>	<u>50,691,266</u>
b) Deferred Tax Liability		
On account of;		
Difference of Depreciation between Books and Tax laws	-	-
Total (b)	<u>-</u>	<u>-</u>
c) Net Deferred Tax Asset/(Liability)(a-b) *	<u>27,000,841</u>	<u>50,691,266</u>

* In accordance with the Accounting Standard 22 - "Accounting for Taxes on Income "(AS-22), the Deferred tax assets arising from timing differences are recognized and carried forwarded only if there is virtual certainty that they will be realized in future and reviewed for the appropriateness of their respective carrying value at each balance sheet date. In view of this, deferred tax asset (net) to the extent of ₹ 5,06,94,307/-has not been recognised in previous years. As such, the company has sufficient profits during the financial year and considering the current projects on hand, the Deferred tax Asset of ₹. 5,06,94,307/- pertaining to earlier years and Deferred tax liability for the year Amounting to ₹. 3,44,74,604/- have been recognised during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
15) Long-term Loans and Advances		
Unsecured, considered good		
Advance to suppliers/contractors	35,484,827	38,703,403
Security deposits	12,459,170	12,409,046
Tax deducted at source	5,192	2,296,290
Others	34,121,841	22,867,572
	<u>82,071,030</u>	<u>76,276,311</u>
16) Other Non-current Assets		
Unsecured, considered good		
Pre-operative expenses	-	1,233,830
Interest accrued on fixed deposits	46,718	-
	<u>46,718</u>	<u>1,233,830</u>
17) Inventories		
Work-in-progress	433,208,328	396,789,767
Cost of land under development	96,179,544	200,205,055
Cost of Materials	18,738,469	6,571,148
	<u>548,126,341</u>	<u>603,565,970</u>
18) Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the day they became due for payment		
- Unsecured considered good		
i) Due by private companies in which directors are interested	210,123,438	205,478,190
ii) Others	198,325,044	133,912,215
- Doubtful	-	-
Less: Provision for doubtful debts	-	-
	<u>408,448,481</u>	<u>339,390,405</u>
19) Cash and Bank Balances		
Cash and cash equivalents		
Cash on hand	493,851	184,547
Balances with banks		
- In current account	9,893,461	36,207,897
- In deposits accounts (Original maturity of 3 months or less)	635,337	11,200,000
	<u>11,022,649</u>	<u>47,592,444</u>
Other banks balances		
- In margin money account	157,672	3,748,202
- In dividend account	-	-
- In deposits accounts (Original maturity more than 3 months)	-	-
	<u>157,672</u>	<u>3,748,202</u>
	<u>11,180,321</u>	<u>51,340,646</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
20) Short-term Loans and Advances		
Unsecured, considered good		
Current portion of long-term loans and advances other than related parties	-	-
Loans and advances to employees	728,305	192,689
Advance to suppliers and contractors	4,544,510	3,155,728
Balance with statutory/government authorities	52,999,178	72,421,193
MAT Credit Entitlement	36,973,323	46,849,373
Loans and advances related parties (see 20(a) note below)	16,031,373	1,031,373
Other Loans and advances	44,555,370	45,237,641
Retention money	10,628,476	10,628,476
Prepaid expenses	2,118,152	1,493,284
Doubtful		
Advances to suppliers	3,817,470	3,817,470
Retention money	3,484,791	3,484,791
Less: Provision for doubtful advance	(6,624,222)	(6,624,222)
	169,256,726	181,687,795

20) a. Loans and Advances include;

	Particulars	Maximum Amount Outstanding at any time during the year		As At March 31, 2017	As At March 31, 2016
		2016-17	2015-16		
a)	Advances to Associates:				
	Northwood Properties India Private Limited	268,025	268,025	268,025	268,025
b)	Advances to others				
	SSPDL Infrastructure Developers Private Limited	763,348	763,348	763,348	763,348
	Sri Satya Sai Constructions	15,000,000	-	15,000,000	-
		16,031,373	1,031,373	16,031,373	1,031,373
	Since the above details meet the requirements of Regulation 34(3) of the SEBI (LODR) Regulations, 2015, no separate disclosure is made.				

21) Other Current Assets

Unsecured, considered good

Preliminary expenses	-	83,688
Interest accrued on fixed deposits	3,076,915	2,489,552
Unbilled revenue	249,894,055	1,007,519
	252,970,970	3,580,759

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
22) Revenue from Operations		
Contract revenue	835,740,309	758,034,550
Sale of flats	289,290,189	26,419,070
Other operating revenue	11,157,571	23,157,347
	<u>1,136,188,069</u>	<u>807,610,967</u>
23) OTHER INCOME		
a) Interest and Dividend Income		
Interest on deposits with banks	2,070,220	1,664,608
Interest on Loans and advances	3,907,361	1,374,904
Interest on income tax refund	219,064	-
Dividend on investments	-	379,791
b) Other Non-operating Income		
Liabilities no longer required written back	8,959	19,402,111
Provisions no longer required written back	1,398,394	23,533,834
Profit on sale of fixed assets	192,972	172,363
Other income	4,612,460	198,293
	<u>12,409,430</u>	<u>46,725,904</u>
24) Construction Expenses		
Work cost including contractor's bills	718,148,832	685,455,976
Masonry and other works	98,710	3,359,493
Power and fuel charges	145,223	206,535
Rates and taxes	3,166	22,891
Project consultancy fee	15,463,750	18,625,489
Land cost and development charges	12,243,100	3,200,174
	<u>746,102,781</u>	<u>710,870,558</u>
24) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade		
a		
Inventories at the end of the year		
- Work-in-progress	433,208,328	396,789,767
- Cost of land under development	96,179,544	200,205,055
	<u>(A) 529,387,872</u>	<u>596,994,822</u>
Inventories at the beginning of the year		
- Work-in-progress	396,789,767	354,839,155
- Cost of land under development	200,205,055	200,205,055
	<u>(B) 596,994,822</u>	<u>555,044,210</u>
Net (increase)/decrease in inventories	<u>(B) - (A) 67,606,950</u>	<u>(41,950,612)</u>
Construction expenses	<u>813,709,731</u>	<u>668,919,946</u>
25) Employee Benefits Expense		
Salaries and wages	41,094,658	35,134,316
Contribution to provident and other funds	1,095,653	1,827,461
Staff welfare expenses	1,092,111	1,243,123
	<u>43,282,422</u>	<u>38,204,900</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
26) Finance Costs		
a) Interest expense :		
i) Borrowings	29,061,239	34,440,063
ii) Others		
- Interest on deferred payment of income tax	38,403	21,022
b) Other borrowing costs	6,417	483,437
	29,106,059	34,944,522
27) Depreciation and Amortisation Expense	5,148,133	9,022,208
28) Other Expenses		
Rent	5,334,300	5,265,800
Rates and taxes	2,449,572	803,928
Electricity charges	1,200,466	1,066,392
Repairs and maintenance		
- Machinery	-	38,535
- Buildings	11,335	107,906
- Others	944,860	846,976
Insurance	1,223,725	1,174,049
Advertisement charges	9,975	-
Commission and brokerages	102,466	72,214
Communication expenses	634,895	681,082
Travelling and conveyance	2,487,093	2,412,531
Printing and stationery	324,783	335,423
Business promotion	85,061	89,376
Director sitting fees	600,000	507,500
Legal and professional	3,625,575	1,717,939
Security charges	4,628,465	3,783,300
Payment to Auditors;		
a) As auditors		
Statutory audit fee	563,750	760,000
Tax audit fee	100,000	100,000
b) Other services	120,000	80,000
c) Reimbursement of expenses	99,219	99,499
Vehicle running and maintenance	1,261,336	1,281,754
Bank charges	70,773	158,662
Miscellaneous expenses	4,129,143	2,565,584
	30,006,792	23,948,450
29) Earnings Per Share ("EPS")		
Net profit/(loss) for the year after tax (a)	136,337,889	93,931,062
Weighted average number of equity shares outstanding during the year used for calculating EPS (b)	12,929,250	12,929,250
Basic and diluted EPS (Face value ₹10 each) (a)/(b)	10.54	7.26

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

30) Contingent liabilities:

- i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ Nil (Previous Year ₹ Nil).
- ii) Company has given a corporate guarantee in favour of Federal Bank Limited towards the working capital loans taken by M/s SSPDL Infra Projects Private Limited, M/s SSPDL Real Estates India Private Limited and SSPDL Reality India Private Limited (the wholly owned subsidiaries) for ₹ 40.00Lakhs, ₹ 120.00Lakhs and ₹ 140.00Lakhs respectively.
- iii) Company has given a corporate guarantee in favour of Federal Bank Limited towards the term loans taken by SSPDL Infra Projects Private Limited, SSPDL Real Estates India Private Limited, SSPDL Reality India Private Limited and SSPDL Resorts Private Limited (the wholly owned subsidiaries) for ₹ 0.25 Lakhs, ₹ 1.85 Lakhs, ₹ 1.30 Lakhs and ₹ 1.60 Lakhs respectively.

31) Expenditure in foreign currency (on accrual basis):

(Amounts in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
On account of Travel	50,077	-
Others	-	-

32) Disclosure in accordance with Accounting Standard - 7 (Revised):

(Amounts in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Contract Revenue recognized as revenue in the period	722,401,274	537,388,080
Cost incurred and Recognized Profit or Losses up to the reporting period	1,310,709,636	474,969,327
Advances received	-	-
Retention Money	-	-
Gross amount due from customers for contract work as asset	247,848,184	-
Gross amount due to customers for contract work as liability	-	114,377,388

33) Employee Benefits: As per Accounting Standard 15 "Employees Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

- a. **Defined Contribution Plans:** Contribution to defined Contribution Plan, recognized as expense for the year are as under.

(Amounts in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Employer's Contribution to Provident Fund	532,557	422,863

- b. **Defined Benefit Plans:** The following table sets out the disclosures are required under Accounting Standard 15 Employee Benefits in respect of Gratuity:

(Amounts in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
A. Change in present value of obligation		
Present value of obligation at the beginning of the year	1,794,092	1,887,271
Current service cost	341,559	228,576
Interest cost	143,527	150,982
Benefits paid	-	(253,239)
Net actuarial (gain) /loss recognized during the year	(68,033)	(219,498)
Present value of obligation at the end of the year	2,211,145	1,794,092
B. Changes in the fair value of plan assets		
Present value of plan assets at the beginning of the year	2,145,371	2,049,813
Expected return on plan assets	143,726	172,140

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Actuarial gain/ (loss) on plan assets	-	-
Contributions	-	176,658
Benefits paid	-	(253,239)
Fair value of plan assets at the end of the year	2,289,097	2,145,372
C. Net (asset)/liability recognized in the Balance Sheet		
Present value of obligation at the end of the year	2,211,145	1,794,092
Fair value of plan assets at the end of the year	2,289,097	2,145,372
Funded status surplus/ (deficit)	77,953	351,280
Net asset / (liability) recognized in the Balance Sheet	77,953	351,280
D. Expenses recognized in the Statement of Profit and Loss		
Service cost	341,559	228,576
Interest cost	143,527	150,982
Expected return on plan assets	(143,726)	172,140
Net actuarial (gain)/loss recognized during the year	(68,033)	(219,498)
Total expenses/ (income) recognized in Statement of Profit and Loss	273,327	(12,080)
E. Actuarial assumptions :		
Discount rate	8%	8%
Salary escalation – over a long term	7%	5%
Attrition Rate	5%	5%
Expected return of the planned assets	8%	8%

34) Segment Information:

Primary Segments

The Group's business is organized into two main business segments mainly Property Development and Construction & Project Management services. Segments have been identified and reported taking into account the organization structure.

Segment Revenue and Results

All segment revenues and expenses that are directly attributable to the segments are reported under the respective segment. The revenues and expenses that are not directly attributable to any segments are shown as unallocated expenses.

Segment Assets and Liabilities

Segment assets include all operating assets used by the business segment and consists principally Fixed Assets, Debtors and Inventories. Segment liabilities primarily include creditors and other liabilities. Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated assets and liabilities respectively.

Secondary Segments

The Group operates solely in one geographic segment i.e. India and hence no separate information for geographic segment wise disclosure is not required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Primary Segment

(Amount in ₹)

Particulars	Property Development		Construction & Project Management services		Unallocated		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
External sales	113,61,88,069	797,279,279	-	10,331,688	-	-	1,136,188,069	807,610,967
Inter segment Sales	-	-	-	-	-	-	-	-
Total Revenue	1,136,188,069	797,279,279	-	10,331,688	-	-	1,136,188,069	807,610,967
Segment results Before other income, Finance cost, Exceptional items & tax	248,181,000	94,356,160	(4,140,117)	(26,841,117)	-	-	244,040,883	67,515,043
Less : Unallocable Expenses (net)								
Finance Cost			29,106,059		34,944,522		29,106,059	34,944,522
Exceptional items								
Total Unallocable Expenses (net)							29,106,059	34,944,522
Profit before tax & Extraordinary Items							216,258,634	32,570,521
Add : Other Income (net)			12,409,000		46,725,904		12,409,000	46,725,904
Add : Extraordinary Item (Net)								
Net Profit before taxes							227,343,883	79,296,825
Less : Provision for Taxation								
Current Tax			57,422,000		25,398,000		57,422,000	25,398,000
Deferred Tax-			23,690,424		34,395,090		23,690,424	34,395,090
Deferred Tax for earlier years					(50,694,307)			(50,694,307)
MAT Credit Utilisation / (Entitlement)			9,876,050		(24,858,000)		9,862,097	(24,858,000)
Net Profit for the year							136,337,889	95,056,062
Other Information								
Segment assets	1,160,435,483	934,188,316	271,573,172	298,759,889	206,574,185	242,066,074	1,638,582,840	1,475,014,279
Segment liabilities	842,474,497	757,122,383	5,498,906	78,212,069	60,724,596	43,670,519	908,697,999	879,004,971
Depreciation & Amortization	1,800,413	2,010,254	3,347,720	7,011,954	-	-	5,148,133	9,022,208
Capital Expenditure	187,687	3,792,049	-	3,586,592	-	-	187,687	7,378,641

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

35) Related Party Disclosure:

As required under Accounting Standard 18 "Related party Disclosures" (AS-18), following are details of transactions related parties during the year:

The management has identified the following as related parties:

Relationship	Name of Related Party
Associates	Northwood Properties India Private Limited
Enterprises owned/ significantly influenced by Key Management Personnel	Alpha City Chennai IT Park Projects Private Limited Sri SatyaSai Constructions (Partnership Firm) Sri SatyaSai Constructions (Sole Proprietary Concern) Sri Krishna Devaraya Hatcheries Private Limited SSPDL Ventures Private Limited Edala Estates Private Limited SSPDL Infrastructure Developers Private Limited
Key Managerial Personnel	Mr. Challa Prakash, Managing Director Mr. E. BhaskarRao, Director Mrs. Sridevi Challa, Director Mr. Suresh Challa, (Relative of KMP)

a. Transactions with related parties are as follows:

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Unsecured Loan Taken		
Srinivas Hatcheries Limited	38,000,000	-
Repayment of Unsecured Loan Taken		
Srinivas Hatcheries Limited	30,000,000	-
Interest accrued on unsecured loans		
Sri Krishna Devaraya Hatcheries Private Limited	4,724,046	4,257,392
E. Bhaskar Rao	9,647,557	8,719,393
SSPDL Ventures Private Limited	5,400,001	4,407,288
Srinivas Hatcheries Limited	15,781	-
Payment of Accrued Interest on Unsecured Loan		
Srinivas Hatcheries Limited	1,804,932	
Advance Given / (recovered)		
Sri Krishna Devaraya Hatcheries Private Limited	-	(150,000,000)
Advance received / (repaid) towards sale of land		
E. Bhaskar Rao	15,000,029	-
Padmaja Edala	20,000,000	-
Advance Given / (Recovered) towards purchase of land		
Sri Satya Sai Constructions	15,000,000	-
Rent paid		
Suresh Challa	1,225,500	1,140,000
Remuneration		
Prakash Challa	8,400,000	8,400,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(Amount in ₹)

b. Year end balances

Particulars	As At March 31, 2017	As At March 31, 2016
Unsecured loan		
Sri Krishna Devaraya Hatcheries Private Limited	42,059,750	37,808,110
E. Bhaskar Rao	86,116,066	77,433,265
Srinivas Hatcheries Limited	8,000,000	-
SSPDL Ventures Private Limited	30,000,000	30,000,000
Interest Accrued on Unsecured loan		
SSPDL Ventures Private Limited	9,267,289	4,407,288
Srinivas Hatcheries Limited	14,203	-
Trade receivables		
Alpha City Chennai IT Park Projects Private Limited	210,122,788	205,789,990
Sri Satya Sai Constructions (Partnership Firm)	480,843	480,843
Loans and advance payable		
E. Bhaskar Rao	152,562,507	137,562,478
PadmajaEadala	20,000,000	-
SSPDL Ventures Private Limited	900,000	900,000
Rent deposits		
Suresh Challa	90,000	90,000

36 Detail of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016

Particulars	SBN	Other Denominations notes	Total
Closing cash in hand as on November 8, 2016	397,500	40,358	437,858
Add: Permitted Receipts	-	2,440,800	2,440,800
Less: Permitted Payments	-	2,190,670	2,190,670
Less: Amount deposited in Banks	397,500	2,379	399,879
Closing cash in hand as on December 30, 2016	-	288,109	288,109

37) Comparatives

Previous year figures have been regrouped / reclassified wherever considered necessary to conform to this year's classification.

As per our attached report of even date

For KARVY & Co.,
Chartered Accountants
(Firm Registration No : 0017575)

For and on behalf of the Board of Directors

Ajaykumar Kosaraju
Partner
Membership No : 021989

Prakash Challa
Chairman and Managing Director
(DIN: 02257638)

E. Bhaskar Rao
Director
(DIN: 00003608)

Place: Hyderabad
Date: 15-05-2017

U S S Ramanjaneyulu N
Chief Financial Officer

A. Shailendra Babu
Company Secretary

FORM AOC-1
(PURSUANT TO FIRST PROVISOR TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

Part A: Subsidiaries

Sl No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than investment in subsidiaries)	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Share holding
1	SSPDL Resorts Private Limited	April-16 to March-17	INR	100,000	(8,756,685)	77,919,747	86,576,431	-	1,004,792	(2,889,430)	-	(2,889,430)	-	100%
2	SSPDL Reality India Private Limited	April-16 to March-17	INR	100,000	(18,549,931)	71,713,956	90,163,887	-	2,935,967	(5,679,357)	-	(5,679,357)	-	100%
3	SSPDL Real Estates India Private Limited	April-16 to March-17	INR	100,000	(33,575,810)	110,998,663	144,474,473	-	4,113,233	(10,139,061)	-	(10,139,061)	-	100%
4	SSPDL Infra Projects India Private Limited	April-16 to March-17	INR	100,000	(6,305,921)	42,366,809	48,572,730	-	3,103,579	(3,869,033)	-	(3,869,033)	-	100%
5	SSPDL Infratech Private Limited	April-16 to March-17	INR	1,196,000	64,638,117	83,876,879	18,042,762	-	2,415,749	(4,140,117)	-	(4,140,117)	-	100%

Note 1 Name of the subsidiaries which are yet to commence operations :NIL

Note 2 Name of the subsidiaries which have been liquidated or sold during the year :NIL

Part B: Associates and Joint Ventures

Sl No.	Name of Associate / Joint Venture	(Amount in ₹)
1	Latest audited Balance Sheet Date	Northwood Properties India Private Limited
2	Shares of Associate / Joint Ventures held by the company on the year end	31.03.2017
	No.	22,500
	Amount of Investment in Associates/Joint Venture	225,000
	Extent of Holding %	25%
3	Description of how there is significant influence	Extent of Holding equals to 25%
4	Reason why the associate/ joint venture is not consolidated	-
5	Networth attributable to shareholding as per latest audited Balance Sheet	-37,272,039
6	Profit / (Loss) for the year	-33,853,329
i.	Considered in Consolidation	0
ii.	Not Considered in Consolidation	-33,853,329

Note 1 Name of the associates / joint Ventures which are yet to commence operations :NIL

Note 2 Name of the associates / joint Ventures which have been liquidated or sold during the year :NIL

For and on behalf of the Board of Directors

Prakash Challa
Chairman & Managing Director
(DIN: 02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

Place : Hyderabad
Date : 15.05.2017

Additional Information as required by paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedul III to the Companies Act, 2013.

(Amount in ₹)

Name of the entity		Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or (Loss)	Amount
Parent	SSPDL Limited	103.02%	751,893,887	119.59%	163,051,654
Subsidiaries	Indian				
1	SSPDL Resorts Private Limited	-1.19%	-8,656,685	-2.12%	-2,889,430
2	SSPDL Reality India Private Limited	-2.53%	-18,449,931	-4.17%	-5,679,357
3	SSPDL Real Estates India Private Limited	-4.59%	-33,475,810	-7.44%	-10,139,061
4	SSPDL Infra Projects India Private Limited	-0.85%	-6,205,921	-2.84%	-3,869,033
5	SSPDL Infratech Private Limited	9.02%	65,834,117	-3.04%	-4,140,117
	Minority Interest in all Subsidiaries	-	-	-	-
Associates *	Indian				
1	Northwood Properties India Private Limited	0.00%	-	0.00%	-

* Investments as per equity method

SSPDL LIMITED

CIN: L70100TG1994PLC018540

Regd.Off: 8-2-595/3/6, Eden Gardens, Road No. 10,
Banjara Hills,Hyderabad - 500 034, Telangana.

Phone No.: 040 - 6663 7560, Fax No.: 040 - 6663 7969.

www.sspdl.com email: investors@sspdl.com

PROXY FORM

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

Name of Member(s) : _____

Registered Address : _____

Email Id : _____

Regd. Folio No./Client ID : _____ DP ID: _____

I/We, being the member (s) of _____ Shares of SSPDL Limited, hereby appoint:

1. Name _____ Address _____

Email ID _____ Signature _____

or failing him

2. Name _____ Address _____

Email ID _____ Signature _____

or failing him

3. Name _____ Address _____

Email ID _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Third Annual General Meeting of the Company, to be held on Thursday, the 28th day of September, 2017 at 12:00 P.M. at Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
	Ordinary Business:		
1.	To receive, consider and adopt (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2017, with the Reports of the Board of Directors and the Auditors thereon; and (b) the Auditor Consolidated Financial Statements of the Company for the financial year ended March 31, 2017, together with the Report of the Auditor thereon.		
2.	To appoint a Director in place of Smt. Sridevi Challa, who retires by rotation.		
3.	To appoint M/s. A.Madhusudana & Co., Chartered Accountants, (Firm Regn. No. 007405S), as the Statutory Auditors and fix their remuneration.		
	Special Business:		
4.	To ratify the remuneration payable to Cost Auditors for the financial year ending 31 st March, 2018.		
5.	To Fix the remuneration payable to Sri Prakash Challa, Chairman and Managing Director of the Company.		

Signed this _____ day of _____, 2017.

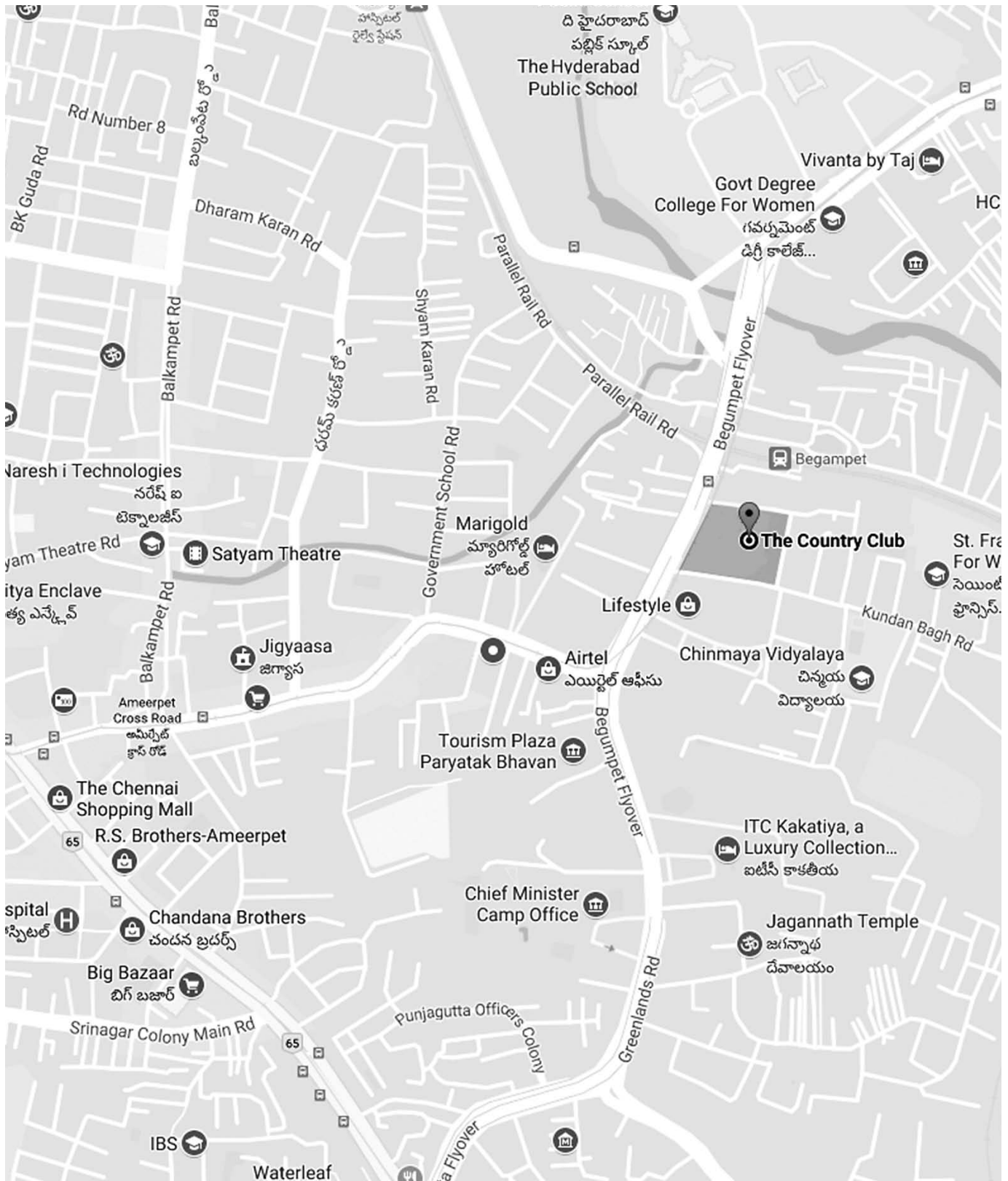
Signature of Shareholder: _____

Signature of Proxy holder(s) _____

Affix a
15 paise
Revenue
Stamp

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.

Route Map To AGM Venue





SSPDL LIMITED

CIN: L70100TG1994PLC018540

Regd.Off: 8-2-595/3/6, Eden Gardens, Road No. 10,
Banjara Hills, Hyderabad - 500 034, Telangana.

Phone No.: 040 - 6663 7560, Fax No.: 040 - 6663 7969.

www.sspdl.com email: investors@sspdl.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Registered Folio / DP ID & Client ID	
Number of Shares held	
Name and address of the Shareholder (In block letters)	

1. I hereby record my presence at the **Twenty Third Annual General Meeting** of the Company held on **Thursday, 28th September, 2017 at 12:00 P.M. at Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana.**
2. Signature of the Shareholder / Proxy Present _____
3. Shareholder / Proxy Holder wishing to attend the meeting must bring the duly signed Attendance Slip to the meeting.
4. Shareholder/Proxy Holder attending the meeting is requested to bring his / her copy of the Annual Report.



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**Our Villa Project for BHEL Employees
at Kollur/Osman Nagar, Hyderabad**



**Plotted development of
Northwoods Project at Gundla Pochampally**



Godrej SSPDL AZURE Residential Project at Kalipathur, OMR, Chennai



SSPDL
Group

Building the big picture

Regd. Office: 8-2-595/3/6, Eden Gardens, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana.

Tel : +91 040-6663 7560, 2335 1484, Fax : 040-6663 7969.

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