SSPDL
Limited
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Date: 06.09.2019

To,
The BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001,
Maharashtra.

Dear Sir/Madam,

Sub: Notice of 25th Annual General Meeting and Annual Report – Regulation 30 and 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Ref.: SCRIP CODE 530821.

Pursuant to the Regulation 30 and 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, we are enclosing herewith

i) A copy of Notice of the 25th Annual General Meeting ("AGM") of the Company

ii) Annual Report of the company for the financial year ended 31st March, 2019, and

iii) Proxy form, Attendance Slip and Route map to venue of the AGM.

Today, the Notice and Annual Reports are being dispatched to the shareholders of the Company in permitted mode.

The 25th AGM will be held on Monday, 30th September, 2019 at 12.00 P.M. at Grand Ball Room, Country Club, 6-3-1219, Begumpet, Hyderabad – 500 016, Telangana,

Also, the Notice of 25th AGM along with the Annual Report of the Company are made available on the website of the Company at www.sspdl.com and on the website https://evoting.karvy.com of Karvy Fintech Private Limited i.e., the agency appointed for providing remote e-voting facility.

This is for your kind information and record please.

Thanking you.

Yours faithfully,
For SSPDL LIMITED

A.SHAILENDRA BABU
COMPANY SECRETARY

Encl.: As above.

SSPDL Limited CIN L70100TG1994PLC018540
CORPORATE OFFICE: "SSPDL House", # 2, Vellaiyan Street, Kotturpuram, Chennai - 600 085, Tamil Nadu, Tel : 044 - 4344 2424, Fax : 044 - 2447 2602
REGD. OFF: 3rd Floor, Serene Towers, 8-2-623/A, Road No. 10, Banjara Hills, Hyderabad - 500 034, Telangana, Tel : 040 - 6663 7560, Fax : 040 - 6663 7969
Email : info@sspdl.com Website : www.sspdl.com

SSPDL
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ANNUAL REPORT
2018-19

Indian Green Building Council (IGBC)

Pradhan Mantri Awas Yojana,
Ministry of Housing and Urban Affairs

Real Estate Awards Affordable
Housing Project (South)
from ET NOW

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
	Sri K.AKMALUDDIN SHERIFF	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.SHAILENDRA BABU	
AUDITORS	M/S. A. MADHUSUDANA & CO., CHARTERED ACCOUNTANTS, 101, DOYEN CHAMBERS, 8-3-319/11, YELLAREDDYGUDA, HYDERABAD - 500 073.	
BANKERS	STATE BANK OF INDIA - HYDERABAD & CHENNAI & AXIS BANK LIMITED - HYDERABAD & CHENNAI	
REGISTERED OFFICE	3RD FLOOR, SERENE TOWERS, 8-2-623/A, 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 FINTECH PRIVATE LIMITED KARVY SELENIUM TOWER B, PLOT 31-32, GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA, HYDERABAD-500 032.	

CONTENTS

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT GRAND BALL ROOM, COUNTRY CLUB, 6-3-1219, BEGUMPET, HYDERABAD – 500 016, TELANGANA, AT 12.00 P.M. ON MONDAY, THE 30TH DAY OF SEPTEMBER, 2019, 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, 2019, 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, 2019, together with the Report of the Auditors thereon.

Item No. 2 - Appointment of Director

To appoint Smt. Sridevi Challa (DIN: 01802477), who retires by rotation and being eligible, offers herself for re-appointment as a Director.

SPECIAL BUSINESS:

Item No. 3 – Re-appointment of Sri B.Lokanath as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or re-enactment thereof, for the time being in force), Sri B.Lokanath (DIN: 00037303), who was appointed as an Independent Director at the twentieth Annual General Meeting of the Company and who holds office up to 29th September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 30th September, 2019 upto 29th September, 2024."

Item No. 4 – Appointment of Sri Annam Dilip Kumar as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or re-enactment thereof, for the time being in force), Sri Annam Dilip Kumar (DIN: 01841463), who is eligible for appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for term of five years commencing with effect from 30th September, 2019 upto 29th September, 2024."

Item No. 5 - Re-appointment of Sri Prakash Challa as the Chairman and Managing Director and fixing the remuneration.

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, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, approval of members of the Company be and is hereby accorded for the re-appointment of Sri Prakash Challa (DIN: 02257638) as the Chairman and Managing Director of the Company, for a period of 5 (five) years from 01.10.2019 to 30.09.2024 who shall not retire by rotation."

"RESOLVED FURTHER THAT on the following terms and conditions, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, Sri Prakash Challa be paid remuneration from 01.10.2019 to 30.09.2022:

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."

"RESOLVED FURTHER 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 enactments, if any, (including any statutory modifications or re-enactment thereof, for the time being in force)."

"RESOLVED FURTHER 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."

Item No. 6 – Adoption of new Articles of Association

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, replacement and substitution of the existing Articles of Association of the Company with the new set of Articles of Association as submitted to this meeting, be and is hereby approved, and the substituted Articles be adopted as the Articles of Association of the Company."

"RESOLVED FURTHER 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 questions or difficulties or doubts that may arise in this regard, in such manner as it may deem fit."

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

A. Shailendra Babu
Date: 14.08.2019 **Company Secretary**

SSPDL Limited
Registered Office:
3rd Floor, Serene Towers,
8-2-623/A, 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 25.09.2019 to 30.09.2019 (both days inclusive).

3 **Change in the name of the Share transfer Agent and change in the Registered office of the Company:**

Share Transfer Agent of the Company: As per the information received, pursuant to Order of the Hyderabad Bench of the National Company Law Tribunal (NCLT Order), the operations of Karvy Computershare Private Limited, the Share Transfer Agents of the Company have been transferred to Karvy Fintech Private Limited with effect from 17th November, 2018.

Change in the Registered office of the Company: With effect from 01.07.2019, registered office of the Company is shifted to 3rd Floor, Serene Towers, 8-2-623/A, Road No.10, Banjara Hills, Hyderabad - 500 034, Telangana, India, from 8-2-595/3/6, Eden Gardens, Road No.10, Banjara Hills, Hyderabad - 500 034, Telangana, India.

4 Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted under Item No. 3 to 6 at the ensuing Annual General Meeting is annexed hereto and forms part of the Notice.

Further, additional information with respect to item numbers 2 to 5 is also annexed hereto.

5 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 Fintech Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Karvy Fintech 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 holding 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 Fintech Private Limited for assistance in this regard.

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

The Registrar and Transfer Agent, Karvy Fintech 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.

6 **Members holding shares in physical form are requested to note the following:**

The members may note that, pursuant to amendments to the SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 and other notifications issued by the SEBI, transfer of shares (except transmission and transposition of shares) will be in dematerialised form only. Although, the members can continue to hold shares in physical form, members holding shares in physical form may consider to dematerialize the share certificates held by them through the depository participant of their choice and complete the conversion of share certificates from physical form to dematerialized form to avoid any inconvenience in future for transferring those shares.

Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Karvy, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

7 **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.**

8 Members/Proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting.

9 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.

10 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.

11 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.

12 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.

13 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 2019-20.

14 **Appointment/Re-appointment of Directors:**

The Information to be provided, in terms of regulation 36 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, clause 1.2.5 of Secretarial Standard-2 (SS-2) on "General Meetings", and the Companies Act, 2013, relating to appointment and re-appointment of Director, Payment of Remuneration, etc., is provided in the enclosed annexures to this notice and the same forms part of the Notice of the 25th Annual General Meeting of the Company.

15 **Appointment / Ratification of Appointment of Statutory Auditors:**

M/s. A.Madhusudana & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the 23rd Annual General Meeting held on 28th September, 2017. Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Companies Act, 2013 and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting ("AGM") has been omitted, and hence the Company is not proposing an item/resolution on ratification of appointment of Auditors at this AGM.

16 **To promote green initiative, members holding shares in electronic form are requested to register/update their e-mail addresses through their Depository Participants for sending the future communications by email. Members holding the shares in physical form may register/update their e-mail addresses through the RTA, giving reference of their Folio Number.**

17 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 25th 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.

18 Members may also note that the Annual Report for the financial year 2018-19 is also made available on the Company's website www.sspdl.com for their download. Members may also note that the notice of the 25th Annual General Meeting of the Company along with attendance slip and proxy form are also made available on the Company's website www.sspdl.com and also on the Karvy's website https://evoting.karvy.com.

All documents referred to in the accompanying notice will be available for inspection at the registered office of the company during business hours on all working days up to the date of 25th AGM of the company.

19 Route map of the venue of the Meeting (including prominent land mark) is annexed.

20 **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 25th Annual General Meeting (AGM) of the Company.

The Company as engaged the services of Karvy Fintech 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. 24th September, 2019, 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 Fintech 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 Thursday, the 26th September, 2019 at 10.00 A.M. and ends on Sunday, 29th September, 2019 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 Tuesday, 24th September, 2019**, 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 Tuesday, 24th September, 2019. 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**

A. Shailendra Babu
Date: 14.08.2019 **Company Secretary**

SSPDL Limited
Registered Office:
3rd Floor, Serene Towers,
8-2-623/A, 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. 3 to 6 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.

Item No. 3 – Re-appointment of Sri B.Lokanath as an Independent Director

Sri B.Lokanath was appointed as Independent Director at the twentieth Annual General Meeting ("AGM") of the Company and holds office upto 29th September, 2019. The Company has, in terms of Section 160(1) of the Companies Act, 2013 ("Act") received in writing a notice from a member, proposing his candidature for the office of Director. Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Sri B.Lokanath as Independent Director, for a second term of five years from 30th September, 2019 to 29th September, 2024, not liable to retire by rotation.

Based on the performance evaluation (criteria for evaluation of director and independent director is provided in Corporate Governance Report) of Sri B.Lokanath, the Board is satisfied with his performance. The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Sri B.Lokanath would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. At present, Sri B.Lokanath is the Chairperson of the Stakeholders' Relationship Committee, Audit Committee and Nomination and Remuneration Committee of the Company.

The company has received, *inter alia*, (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, from Sri B.Lokanath to the effect that he is not disqualified in accordance with Section 164(2) of the Companies Act, 2013, (iii) declaration that he meets the criteria of independence as provided in as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (iv) Confirmation in terms of Regulation 25(8) of SEBI Listing Regulations, that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence, and (v) declaration that he is not debarred or restrained from acting as a director by any SEBI order or by Ministry of Corporate Affairs or any other such authority.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the members at the registered office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM and a copy of the same is made available on the website of the Company at www.sspdl.com.

Brief profile of Sri B.Lokanath and other details have been given in the Annexure to this Notice and in Corporate Governance Report attached to Boards' Report.

Section 149(10) of the Companies Act, 2013, provides that an independent director shall hold office for a term up to five consecutive years on the board of a company but shall be eligible for reappointment, for another term of up to five years, on passing of a special resolution by the shareholders. Accordingly, company is seeking the approval of its members by way of a special resolution, for reappointment of Sri B.Lokanath for the second term of 5 (five) consecutive years from 30th September, 2019 to 29th September, 2024.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Sri B.Lokanath as Independent Director is now being placed before the members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 3 of this Notice for approval of the Members.

Except Sri B.Lokanath and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, financially or otherwise, concerned or interested, in the Resolution set out at Item No. 3 of the Notice.

Item No. 4 – Appointment of Sri Annam Dilip Kumar as an Independent Director

Pursuant to the provisions of section 149 of the Act, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. And, as per regulation 17(1)(b) of the SEBI Listing Regulations where the chairperson of the board of directors is an executive director, then at least half of the board of directors shall comprise of independent directors. Further, as per the terms of appointment, on 29.09.2019 the term of Sri K.Akmaluddin Sheriff come to an end and he is not seeking the re-appointment.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Sri Annam Dilip Kumar (DIN: 01841463) as Independent Director, for a term of five years from 30th September, 2019 to 29th September, 2024, not liable to retire by rotation. Earlier, Sri Annam Dilip Kumar was an Independent Director of the Company from 26.03.2009 to 10.06.2009. The Company has, in terms of Section 160(1) of the Companies Act, 2013 ("Act") received in writing a notice from a member, proposing his candidature for the office of Director.

Based on the recommendation of Nomination and Remuneration Committee and considering his background and experience the Board is of the view that it is beneficial to the Company on appointing him as Independent Director.

The company has received, *inter alia*, (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, from Sri Annam Dilip Kumar to the effect that he is not disqualified in accordance with Section 164(2) of the Companies Act, 2013, (iii) declaration that he meets the criteria of independence as provided in as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (iv) Confirmation in terms of Regulation 25(8) of SEBI Listing Regulations, that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence, and (v) declaration that he is not debarred or restrained from acting as a director by any SEBI order or by Ministry of Corporate Affairs or any other such authority.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the members at the registered office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM and a copy of the same is made available on the website of the Company at www.sspdl.com.

Brief profile of Sri Annam Dilip Kumar and other details have been given in the Annexure to this Notice.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the appointment of Sri Annam Dilip Kumar as Independent Director is being placed before the members for their approval by way of an Ordinary Resolution.

The Board recommends the Ordinary Resolution at Item No. 4 of this Notice for approval of the Members.

Except Sri Annam Dilip Kumar and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, financially or otherwise, concerned or interested, in the Resolution set out at Item No. 4 of the Notice.

Item No. 5 - Re-appointment of Sri Prakash Challa as the Chairman and Managing Director and fixing the remuneration.

Sri Prakash Challa (DIN: 02257638) aged about 66 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.

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. Other details like, qualification, experience, remuneration drawn in the past and remuneration proposed, etc., are provided in the annexures to this notice and Corporate Governance Report attached to the Boards Report.

Current tenure is coming to an end on 30.09.2019, considering the same the Board of Directors at its meeting held on 14th August, 2019, subject to the approval of the shareholders, re-appointed Sri Prakash Challa as the Chairman and Managing Director of the Company, before the expiry of his present tenure for a period of five years w.e.f. 01.10.2019.

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. And, as per Schedule V, no person shall be eligible for appointment as a managing director who has attained the age of seventy years, unless his appointment is approved by a special resolution passed by the company in general meeting, then no further approval of the Central Government shall be necessary for such appointment.

Sri Prakash Challa is a executive director and promoter, also, during the proposed re-appointment tenure of Sri Prakash Challa he is attaining the age of 70 years. Considering the same and above stated provisions, the re-appointment and remuneration is proposed to the shareholders by passing a special resolution.

As Company has no profits or inadequate profits (as per the latest audited financial statements), in compliance of provisions of Section 196, 197, 203 of the Companies Act, 2013, read with Schedule V and subject to the approval of the shareholders, the Board of Directors of the Company have fixed the remuneration as mentioned in the proposed special resolution, as recommended by the Nomination and Remuneration Committee, of Sri Prakash Challa. Brief profile of Sri Prakash Challa and other details have been given in the Annexure to this Notice and in Corporate Governance Report attached to Boards' Report also "Statement of information given to the shareholders - pursuant to schedule V of the Companies Act, 2013" is annexed.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the re-appointment of Sri Prakash Challa would be beneficial to the Company and it is desirable to continue to avail his services as Chairman and Managing Director of the Company.

In compliance of the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the SEBI Listing Regulations and the articles of association of the Company, the re-appointment of Sri Prakash Challa as Chairman and Managing Director and payment of remuneration is now being placed before the members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 5 of this Notice for approval of the Members. The terms and conditions of the re-appointment such as tenue, salary, perquisites, etc. are laid in detail in the Resolution.

Except Sri Prakash Challa and his relatives, and Sri. Suresh Challa spouse of Smt. Sridevi Challa, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, financially or otherwise, concerned or interested, in the Resolution set out at Item No. 5 of the Notice.

Item No. 6 – Adoption of new Articles of Association

The Articles of Association of the Company as currently in force were adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were carried out from time to time, over the past several years. Considering the requirements under the Companies Act, 2013, once the Articles of Association of the Company has been amended in AGM held in the year 2014.

Considering that substantive sections of the Companies Act, 2013 which deal with the general functioning of the companies stand notified and amended several times from time to time, it is proposed to amend / replace the existing Articles of Association with new set of Articles aligned with the provisions of Companies Act, 2013 including the Rules framed thereunder.

Instead of altering, deleting several Articles of existing Articles of Association of the Company it is proposed to adopt new set of Articles.

The Board of Directors at their meeting held on 14th August, 2019 decided (subject to the approval of members) to adopt a new set of Articles of Association in place of and to the exclusion of existing Articles of Association of the Company.

Pursuant to Section 14 of the Companies Act, 2013, the consent of the members by way of Special Resolution is required for alteration of Articles of Association of the Company.

A copy of the proposed Articles of Association of the Company shall be open for inspection by the members at the registered office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM and a copy of the same is made available on the website of the Company at www.sspdl.com.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, financially or otherwise, concerned or interested, in the Resolution set out at Item No. 6 of the Notice.

The Board recommends for approval by the members the resolution as set out at Item No. 6 of the Notice as a Special Resolution.

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

A. Shailendra Babu
Company Secretary

Date: 14.08.2019

SSPDL Limited
Registered Office:
3rd Floor, Serene Towers,
8-2-623/A, 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 25th Annual General Meeting of M/s. SSPDL Limited)

BRIEF PROFILE OF SMT. SRIDEVI CHALLA:

Name of the Director	Smt. Sridevi Challa
DIN	01802477
Date of birth and age	24.05.1967 and 53 Years
A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition or awards	Smt. Sridevi Challa, aged about 52 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 applicable provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), she is liable to retire by rotation. Proposed to appoint her as a non-executive director of the Company. Except, sitting fee for attending the meetings of the Board and its Committees, no other remuneration will be paid. Smt. Sridevi Challa, who retires by rotation, and being eligible, offers herself for reappointment.
Details of the remuneration last drawn by such person	Other than sitting fees for attending Board Meetings, she is not eligible for payment of any other remuneration and during the financial year 2018-19 she has been paid an amount of ₹ 80,000/- (Rupees Eighty Thousand Only) as sitting fees for attending the Board Meetings.
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 and Key Managerial Personnel of the Company is a relative 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 2018-19	4 Board Meetings
Other Listed Companies	She is not a director in any other listed company.
Other Directorships (excluding SSPDL Limited)	Neotrax Software Private Limited, and 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 Company.

APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

(Item No. 3 of the Notice of 25th Annual General Meeting of M/s. SSPDL Limited)

BRIEF PROFILE OF SRI B.LOKANATH:

Name of the Director	Sri B.Lokanath
DIN	00037303
Date of birth and age	14.12.1957 and 62 Years
A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition or awards	- Bachelor Degree in Commerce and Fellow member of the Institute of Chartered Accountants of India. - He is a practicing Chartered Accountant and has over 30 years of substantial experience in the areas of Audit, Taxation, Compliance, corporate advisory and consulting and handled corporate and non-corporate clients in the varied industrial sectors.
Terms and conditions of appointment or re-appointment	As per the terms and conditions of the appointment letter and applicable provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), he is not liable to retire by rotation. Proposed to re-appoint him as a non-executive independent director of the Company for a period of five years from 30th September, 2019 to 29th September, 2024. Except, sitting fee for attending the meetings of the Board and its Committees, no other remuneration will be paid.
Details of the remuneration last drawn by such person	Other than sitting fees for attending Board meetings and Committee meetings of the Board, he is not eligible for payment of any other remuneration and during the financial year 2018-19 he has been paid an amount of ₹ 162,500/- (Rupees One Lakh Sixty Two Thousand Five Hundred Only) as sitting fees.
Date of first appointment on the Board	31.03.2010
Shareholding in the Company	Nil
Relationship with other Directors and Key Managerial Personnel	None of the Directors and Key Managerial Personnel of the Company is a relative of Sri B.Lokanath as per the provisions of the Section 2(77) of the Companies Act, 2013.
The number of Meetings of the Board attended during the Financial Year 2018-19	5 Board Meetings
Other Listed Companies	He is not a director in any other listed company.
Other Directorships (excluding SSPDL Limited)	He is also a director in, Rampex Labs Pvt. Ltd., SSPDL Infratech Pvt. Ltd., SSPDL Infra Projects India Pvt. Ltd., SSPDL Resorts Pvt. Ltd., SSPDL Realty India Pvt. Ltd., SSPDL Real Estates India Pvt. Ltd.
Membership / Chairmanship of Committees of other Boards (excluding SSPDL Limited)	He is neither a member in any Committee of the Board nor a Director in any other Company.

APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

(Item No. 4 of the Notice of 25th Annual General Meeting of M/s. SSPDL Limited)

BRIEF PROFILE OF SRI ANNAM DILIP KUMAR:

Name of the Director	Sri Annam Dilip Kumar
DIN	01841463
Date of birth and age	18.01.1951 and 69 Years
A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition or awards	He is a graduate from Osmania University and he is an approved Chemist and has 30 years of industrial experience. He promoted Fortune Biotech Ltd., in 1999 to manufacture Azadirachtin, a neem based bio-pesticide which is Eco-friendly and organic, with an installed capacity of 10 tons per annum. Under his leadership, this Company got first USA approval for Environment Protection Approval (EPA) clearance and has several “Neem patents” in USA, Canada, Mexico, Australia, Europe etc. And, it received Best R&D award from FAPCCI for the best technological development in research and development by an industrial/scientific organization in the State for the year 1998-99. Apart from taking overall responsibility for the operations of Fortune Biotech Ltd., he also handles the overseas marketing and negotiations with clientele abroad. In the past, he promoted Asian Coffee Ltd., India’s first soluble 100% EOU coffee plant with Brazilian collaboration and subsequently divested his stake in Asian Coffee Ltd., to TATAs a leading industrial house in India. Also, he was an Executive Director in Indo-American Chamber of Commerce. Also, he presented papers in several conferences and also a guest speaker in Indian School of Business Management, Hyderabad. He was an Executive Director in Indo-American Chamber of Commerce.
Terms and conditions of appointment or re-appointment	As per the terms and conditions of the appointment letter and applicable provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), he is not liable to retire by rotation. Proposed to appoint him as a non-executive independent director of the Company for a period of five years from 30th September, 2019 to 29th September, 2024. Except, sitting fee for attending the meetings of the Board and its Committees, no other remuneration will be paid.
Details of the remuneration last drawn by such person	Not applicable.
Date of first appointment on the Board	He was an Independent Director of the Company from 26.03.2009 to 10.06.2009.
Shareholding in the Company	Nil
Relationship with other Directors and Key Managerial Personnel	None of the directors and Key Managerial Personnel of the Company is a relative of Sri Annam Dilip Kumar as per the provisions of the Section 2(77) of the Companies Act, 2013.
The number of Meetings of the Board attended during the Financial Year 2018-19	Not applicable
Other Listed Companies	He is not a director in any other listed company.
Other Directorships (excluding SSPDL Limited)	He is also a director in Fortune Biotech Ltd.
Membership / Chairmanship of Committees of other Boards (excluding SSPDL Limited)	He is neither a member in any Committee of the Board nor a Director in any other Company.

APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

(Item No. 5 of the Notice of 25th Annual General Meeting of M/s. SSPDL Limited)

BRIEF PROFILE OF SRI PRAKASH CHALLA:

Name of the Director	Sri Prakash Challa
DIN	02257638
Date of birth and age	28.10.1953 and 66 Years
A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition or awards	He is a Graduate in MSc., CAIIB and having vast experience of over 40 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.
Terms and conditions of appointment or re-appointment	As per the applicable provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), he is not liable to retire by rotation. Proposed to appoint him as Chairman and Managing Director of the Company for a period of five years from 1st October, 2019 to 30th September, 2024.
Details of the remuneration last drawn by such person	**From 01.10.2017 to 30.09.2019:** **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.
Date of first appointment on the Board	He became first time as director of the Company on 17.10.1994.
Shareholding in the Company	23,59,390 shares (18.25%)
Relationship with other Directors and Key Managerial Personnel	None of the directors of the Company is a relative of Sri Prakash 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 2018-19	5 Board Meetings
Other Listed Companies	He is not a director in any other listed company.
Other Directorships (excluding SSPDL Limited)	(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., and (10) Indo-Australian Chamber of Commerce, (11) Chennai International Centre. Also, he is a Designated Partner in Godrej SSPDL Green Acres LLP.
Membership / Chairmanship of Committees of other Boards (excluding SSPDL Limited)	He is neither a member in any Committee of the Board nor a Director in any other Company.

STATEMENT OF INFORMATION GIVEN TO THE SHAREHOLDERS - PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013.
(Item No.6 of the Notice of 25th Annual General Meeting of M/s. SSPDL Limited)

I. General Information:

(1) Nature of industry: Real Estate, Construction and Property Development

(2) Date or expected date of commencement of commercial production: The Company was incorporated on 17.10.1994 and from 04.11.1994 commenced the business.

(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	2016-17	2017-18	2018-19
Revenue from Operations	1,125,030,498	473,380,831	340,505,596
Profit / (Loss) Before Tax	254,058,127	(111,504,196)	(264,198,642)
Profit / (Loss) After Tax	163,051,654	(83,637,490)	(204,011,313)

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

II. Information about the appointee:

(1) Background details: Sri Prakash Challa, aged about 66 Years, is a Graduate in MSc., CAIIB and having vast experience of over 40 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: (a) For a period of 3 years from 01.10.2014 to 30.09.2017: fixed salary of ₹ 7,00,000/- per month, including, dearness and all other allowances, plus 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, and 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. **(ii) For a period of 2 years from 01.10.2017 to 30.09.2019**: Fixed salary of ₹ 9,00,000/- per month as salary, including, dearness and all other allowances plus 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, and 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.

(3) Recognition or awards: Under the leadership of Sri Prakash Challa, Chairman and Managing Director, the Company has received the following: Project 'SSPDL BHEL Employees Cyber Colony', Hyderabad, has been awarded (i) "PMAY- Empowering India Awards 2019" i.e., a Certificate of Merit in appreciation for the accomplishments and contribution for Affordable Housing Development Under PMAY (Urban), (ii) "REAL ESTATE AWARD for AFFORDABLE HOUSING PROJECT (SOUTH)" presented by ET NOW, and (iii) Indian Green Building Council ('IGBC') issued 'SILVER' rating.

Also, Indian Green Building Council issued 'Platinum' rating to 'Mayfair / Lakewood Enclave', Chennai project.

(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 ₹ 7,00,000/- per month as salary, including, dearness and all other allowances plus 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, and 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.

(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 is 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 ₹ 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 till 30.06.2019, (v) Company has taken a loan of ₹ 3.00 crores from M/s. SSPDL Ventures Pvt. Ltd. in which Sri Suresh Challa (brother of Sri Prakash Challa) is having interest, (vi) purchased two flats in SSPDL Prithvi Raj Terrace, Chennai project for ₹ 3.00 crores each, and (v) 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 details of the transaction during the financial year 2018-19 are available in the notes to the financial statements.

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. Waiting for the clearances from the Government and once it is received the necessary applications will be submitted for approvals. 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 economy and 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-Fifth Annual Report on the business and operations of the Company together with the Audited Financial Accounts for the year ended 31st March, 2019.

FINANCIAL RESULTS

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

A) STANDALONE: (₹ In Lakhs)

PARTICULARS	2018-2019	2017-2018
Total Revenue	**3,424.08**	4,749.82
Less: Operating Expenses	**5,606.86**	5,481.77
Gross Profit/(Loss) before Depreciation and Interest	**(2,182.78)**	(731.95)
Less: Finance Costs	**454.71**	365.49
Depreciation and Amortization Expense	**4.50**	17.62
Profit/(Loss) before Tax Before exceptional and extra-ordinary items	**(2,641.99)**	(1,115.06)
Exceptional and Extra-ordinary Item	**0.00**	0.00
Profit/(Loss) before Tax after exceptional and extra-ordinary items	**(2,641.99)**	(1,115.06)
Less: Tax Expense (Net)	**(601.87)**	(278.67)
Profit/(Loss) After Tax	**(2,040.11)**	(836.39)
Balance of Profit brought forward	**2,625.89**	3,462.28
Adjustment as per Ind AS 115	**(816.95)**	0.00
Profit available for appropriation	**(231.17)**	2,625.89
APPROPRIATIONS		
Proposed Dividend	-	-
Tax on proposed dividend	-	-
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	**(231.17)**	2,625.89

B) CONSOLIDATED: (₹ In Lakhs)

PARTICULARS	2018-2019	2017-2018
Total Revenue	**3,529.35**	5,037.91
Less: Operating Expenses	**5,810.42**	5,819.06
Gross Profit/(Loss) before Depreciation and Interest	**(2,281.07)**	(781.15)
Less: Finance Costs	**505.17**	429.98
Depreciation and Amortisation Expense	**11.81**	34.52
Profit/(Loss) before Tax Before exceptional and extra-ordinary items	**(2,798.05)**	(1,245.65)
Exceptional and Extra-ordinary Item	**0.00**	0.00
Profit/(Loss) before Tax after exceptional and extra-ordinary items	**(2,798.05)**	(1,245.65)
Less: Tax Expense (Net)	**(601.87)**	(278.67)
Profit/(Loss) After Tax	**(2,196.18)**	(966.98)

STATE OF THE COMPANY'S AFFAIRS

The total revenue of your Company for the year under review is ₹ 3,424.08 lakhs as compared to ₹ 4,749.82 lakhs for the previous year ended 31st March, 2018. Profit/(Loss) after tax is ₹ (2,040.11) lakhs as against ₹ (836.39) 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., 2019-20 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 20.20 crores from Alpha City IT park. As the IT market pickup and expected revival in occupancy is seen we are hopeful to recover the amount during this financial year.

Matrix Towers

The construction of this 1,43,000 sq. ft. IT Park is completed and the building has been sold. During the year under review, the registration is completed in the name of the buyer.

Green Acres

Godrej SSPDL Azure Project is a residential apartments project situated at Padur, Kazhipattur Village in Old Mahabalipuram Road (IT Highway), Kancheepuram District.

Project is executed through M/s. Godrej SSPDL Green Acres LLP ("LLP"). M/s. SSPDL Limited, Land owners, and M/s. Godrej Properties Limited have entered into a partnership to develop the above said residential project on profit sharing model on 27.03.2014.

After getting the final approval, project is launched in July, 2015. Total project area is 10,44,156 sq. ft., sold area till date 3,45,218 sq. ft., and unsold area till date is 6,98,938 sq. ft.

Markets in Chennai slowed down substantially and not improved, due to which execution of the project not progressed as estimated by the management.

SSPDL Lakewood Enclave

A Residential Villa (Lakewood) / Apartment (Mayfair) project on a 3.89 Acre plot of land situated at Thalambur Village of Old Mahabalipuram, (IT Express Highway), Chennai. The apartment project is completed and handed over.

Residential Villa project consists of 32 Villas. Layout sanction and planning permissions are received. Buildings have been pre-certified GOLD by Indian Green Building Council (IGBS). We have already sold 13 Villas from our share of 18 villas in Lakewood. Construction of Villas is in progress and has unsold area of 11,982 sq. ft. Markets in Chennai slowed down substantially and not improved due to which execution of the project not progressed as estimated by the management.

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. 97% of the construction work is completed with regard to 1155 homes and delivery of the houses has commenced. Expected to complete the balance construction and deliver the possession in December, 2019.

Company has since sold 100% of the balance 110 homes. Expected to complete the balance construction and deliver the possession in December, 2019.

LIG 100% sold and 70% construction work completed and expected to deliver the possession by March, 2020.

EWS 40% booked and 50% construction work completed and expected to deliver the possession by March, 2020.

The project is not progressed as expected, because of the delay in recovery from clients. And, due to uncertainty in the rate of GST for residential apartments the sales of EWS and LIG apartments impacted. Even, the current financial crunch on account of NBFCs, the bank lending to home buyers was impacted and which in turn have impacted the sales. Only after the reduction of GST rate, from the month of April/May sales have taken up.

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 900 sq. yds. out of 5,154.30 sq. yds. The sale is expected to be completed by December, 2019.

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%. Building approvals have been received and work is in progress. This project is expected to be completed in about 12 months.

The Chennai markets have crashed on account of high rate of GST and there have been no takers for high end city properties. Due to which SSPDL’s share in the project has been sold at Rs. 6.00 crores and which is at break-even.

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 Iddukki 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.

Keeping the regulations in mind for construction in hill area, management is evaluating various options, including, doing a housing project and resort/hotel project on about 20 acres of land.

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 contract has been taken in SIPL.

DIVIDEND

Your Directors do not recommend any dividend for the Financial Year ended March 31, 2019.

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, 2019.

COMMITTEES OF THE BOARD

Pursuant to requirement under the Companies Act, 2013 and 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), Dr. T. Krishna Reddy (Member) and Sri K.Akmaluddin Sheriff (Member). The Audit Committee was re-constituted on 09.05.2018 by inducting Sri K.Akmaluddin Sheriff as its 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, number and dates of meetings held during the year under review, attendance of members and other details of the Board and above mentioned Committees are provided in the Corporate Governance Report which is enclosed to this report. The details of the Corporate Social Responsibility Committee are also provided in Annexure – 3 to this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) APPOINTMENT OR RESIGNATION

During the year under review, in the Annual General Meeting (AGM) held on 29.09.2018, Sri E.Bhaskar Rao (DIN 00003608) was re-appointed as Director.

The Key Managerial Personnel of the Company: (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.

Section 152 of the Companies Act, 2013, states that one-third of the board members other than independent directors who are subject to retire by rotation, shall do so every year and be eligible for re-appointment, if approved by the shareholders. Accordingly, Smt. Sridevi Challa, (DIN: 01802477) retires by rotation at the ensuing AGM and, being eligible, seeks reappointment.

Section 149(10) of the Companies Act, 2013, provides that an independent director shall hold office up to five consecutive years on the board of a company and shall be eligible for re-appointment on passing of a special resolution by the shareholders.

Sri K.Akmaluddin Sheriff and Sri B.Lokanath, Independent Directors were appointed as Independent Directors, by the shareholders in 20th annual general meeting held on 30.09.2014, for a period of five years from 30th September, 2014 up to 29th September, 2019. The tenure of Sri K.Akmaluddin Sheriff (DIN: 01121372) and Sri B.Lokanath (DIN: 00037303) independent directors, end at the conclusion of the ensuing AGM of the Company. Sri K.Akmaluddin Sheriff does not seek re-appointment, hence, he completes his term as an independent director at the conclusion of the 25th AGM. The Board places on record its appreciation for the contribution of Sri K.Akmaluddin Sheriff during his tenure.

Sri B.Lokanath, is the member and Chairman of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Company. Considering his experience and contributions it is proposed to re-appoint him

Sri Annam Dilip Kumar is an entrepreneur and considering his business experience it is proposed to appoint him as an independent director of the Company.

The Company has received necessary declarations under Section 149(7) of the Companies Act, 2013, from the Independent Directors stating that they meet the prescribed criteria for independence. The Board of Directors, after undertaking assessment and on evaluation of the disclosures, considered the appointment and re-appointment of independent directors.

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, by passing a special resolution through Postal Ballot notice dated 02.08.2014. As the term of appointment is ending on 30.09.2019, with the recommendation of the Nomination and Remuneration Committee, the Board of Directors, subject to approval of the members, approved the re-appointment of Sri Prakash Challa as the Chairman and Managing Director and remuneration payable to him.

In pursuance of applicable provisions of the Companies Act,2013, rules made there under and SEBI (LODR) Rules, 2015, considering the recommendations of the Nomination and Remuneration Committee and the evaluation of their performance carried out by the Board, subject to approval of the members, your directors approved and recommend to the members (i) the re-appointment of Smt. Sridevi Challa as Director, (ii) re-appointment of Sri Sri B.Lokanath as independent directors under Section 149 of Companies Act, 2013 for a term of five years, (iii) appointment of Sri Annam Dilip Kumar as an independent director, and (iv) re-appointment of Sri Prakash Challa as Chairman and Managing Director of the Company and fixing the remuneration at the ensuing Annual General Meeting as mentiomed in Notice of 25th AGM. The disclosures required pursuant to Secretarial Standard, Companies Act, 2013, Regulation 36 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given respectively in the annexures to the Notice of the 25th AGM and in the Corporate Governance Report.

NUMBER OF MEETINGS OF THE BOARD

During the year, 5 (five) meetings of the Board of Directors were held on 09.05.2018, 30.05.2018, 14.08.2018, 13.11.2018, and 12.02.2019. The details of the meetings and attendance of directors 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 your Company have given a declaration that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Independent Directors confirmed that the respective Independent Director is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In pursuance of Regulation 25(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of directors took on record of the declarations and confirmations submitted by the independent directors under Regulation 25(8) after undertaking due assessment of the veracity of the same.

AWARDS AND RECOGNITIONS

During the year under review, the project 'SSPDL BHEL Employees Cyber Colony', Hyderabad, has been awarded (i) "PMAY- Empowering India Awards 2019" i.e., a Certificate of Merit in appreciation for the accomplishments and contribution for Affordable Housing Development Under PMAY (Urban), (ii) "REAL ESTATE AWARD for AFFORDABLE HOUSING PROJECT (SOUTH)" presented by ET NOW, and (iii) Indian Green Building Council ('IGBC') issued 'SILVER' rating.

Also, Indian Green Building Council issued 'Platinum' rating to 'Mayfair / Lakewood Enclave', Chennai project.

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.

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 total revenue of ₹ 0.55 lakhs and loss after tax of ₹ 14.66 lakhs for the year ended 31st March, 2019 as compared to total revenue of ₹ 11.92 lakhs and loss after tax of ₹ 11.46 lakhs in the previous year.
- SSPDL Realty India Pvt. Ltd., a wholly owned subsidiary of the Company, recorded total revenue of ₹ NIL lakhs and loss after tax of ₹ 66.66 lakhs for the year ended 31st March, 2019 as compared to total revenue of ₹ 68.34 lakhs and loss after tax of ₹ 28.50 lakhs in the previous year.
- SSPDL Real Estates India Pvt. Ltd., a wholly owned subsidiary of the Company, recorded total revenue of ₹ 52.79 lakhs and loss after tax of ₹ 89.62 lakhs for the year ended 31st March, 2019 as compared to total revenue of ₹ 94.44 lakhs and loss after tax of ₹ 68.27 lakhs in the previous year.
- SSPDL Infra Projects India Pvt. Ltd., a wholly owned subsidiary of the Company, recorded total revenue of ₹ NIL lakhs and loss after tax of ₹ 33.09 lakhs for the year ended 31st March, 2019 as compared to total revenue of ₹ 36.64 lakhs and loss after tax of ₹ 24.75 lakhs in the previous year.
- SSPDL Infratech Pvt. Ltd., a wholly owned subsidiary of the Company, recorded total revenue of ₹ 51.93 lakhs and profit after tax of ₹ 36.00 lakhs for the year ended 31st March, 2019 as compared to total revenue of ₹ 80.68 lakhs and profit after tax of ₹ 1.99 lakhs in the previous year.
- Northwood Properties India Pvt. Ltd., an associate of the Company, recorded total revenue of ₹ 163.61 lakhs and loss after tax of ₹ 34.64 lakhs for the year ended 31st March, 2019 as compared to total revenue of ₹ 2116.41 and loss after tax of ₹ 387.02 in the previous year. As on 31.03.2019, Paid-up Share Capital is ₹ 27.00 lakhs, Total Liabilities is ₹ 1651.54 lakhs, and Total Assets are ₹ 1651.54 lakhs.

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 ₹ 168.03 lakhs to the consolidated profit of the Company. And, Northwood Properties India Pvt. Ltd., an associate of the Company, contributed a profit/(loss) after tax of ₹ NIL lakhs for the year ended 31st March, 2019.

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 statement presented by the Company are prepared in accordance with the Indian Accounting Standards (Ind AS), the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, 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.

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 - 5** to the Director's Report.

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 enclosed as an **ANNEXURE – 6** annexed with the directors' report.

DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

The details of money accepted and received from directors of the company have been disclosed in the financial statements.

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 behavior, 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, 2019 is attached as **ANNEXURE - 1** to this Report.

The annual return of the Company is placed on the company's website at the link www.sspdl.com/investors/php

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

In pursuance of the applicable provisions of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014, M/s. A.Madhusudana & Co., Chartered Accountants, (ICAI Firm Registration No. 007405S), Hyderabad was appointed, at the 23rd Annual General Meeting (AGM) of the Company held on 28.09.2017, as the Statutory Auditors of the Company to hold office for a term of 5 (five) years, from the conclusion of 23rd AGM until the conclusion of the 28th 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.

The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. Therefore, the Company is not seeking any ratification of appointment of M/s. A.Madhusudana & Co., Chartered Accountants, as the Statutory Auditors of the Company, by the Members at the ensuing AGM. However, M/s. A.Madhusudana & Co., Chartered Accountants, will continue as the auditors until the conclusion of the 28th Annual General Meeting of the Company to be held in the year 2022.

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. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of the Listing Regulations.

AUDITORS' REPORT

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

As required by the SEBI (LODR) Regulations, 2015, the auditors' certificate on corporate governance is enclosed to the Board's Report. The Auditors' certificate for the year ended 31.03.2019 does not contain any qualification, reservation or adverse remark.

COST RECORDS AND COST AUDIT

For the financial year 2018-19: (i) the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained, and (ii) 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, for the financial year 2018-19 Cost audit is applicable to your Company.

For the financial year 2019-20: The provisions relating to maintenance of Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013 is not applicable to the Company for the financial year 2019-20. Also, as per rule 4 of the Companies (Cost Records and Audit) Rules, 2014, cost audit is not applicable to your company. Accordingly, cost auditor is not appointed for the financial year 2019-20.

INTERNAL AUDITORS

The Board of Directors of the Company appointed Neralla & Co., Cost Accountants, Hyderabad as Internal Auditors to conduct Internal Audit of the Company for the Financial Year ended March 31, 2019.

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, Practicing Company Secretary, Hyderabad as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2019. 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, 2019, does not contain any qualification, reservation, adverse remark or disclaimer which require explanations or comments by the Board.

During the year, there were no instances of frauds reported by auditors under section 143(12) of the Companies Act, 2013 to the Audit Committee.

DEMATERIALISATION OF SHARES:

Of the total shares, 0.73% shares are held in physical form. 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 complied with constitution of Internal Complaints Committees to which employees can write their complaints and adopted a Policy on Prevention of Sexual Harassment of Women at Workplace.

During the year ended 31 March, 2019 there were no incidents of sexual harassment reported in the Company i.e., Complaints pending at the beginning of the year: NIL, Complaints received during the year: NIL, disposed of during the year: NIL, pending at the end of the year: NIL.

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 for the financial year ended March 31, 2019, 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 as at March 31, 2019 and of the profit and loss of the company for the financial year ended March 31, 2019;

(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, 2019 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.php.

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 by the applicable accounting standards 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	
				31.03.2019	31.03.2018
	- Foreign Exchange Earnings			NIL	NIL
	- Foreign exchange Outgo			NIL	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.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

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.

MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of non-independent directors and members of the management.

The independent director in their meeting (a) review the performance of non-independent directors and the Board as a whole, (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors, and

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

A meeting of the Independent Directors was held on 12th February, 2019 and all independent directors attended the meeting except Sri T.Krishna Reddy.

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**.

During the year under review, no employee of your company drawn the remuneration in excess of the prescribed limits as laid down in the rule 5(2) i.e., Employees who (i) was employed throughout the financial year and received remuneration in the aggregate, not less than rupees one crore and two lakh, (ii) employed for a part of the financial year and received remuneration, in the aggregate, not less than rupees eight lakh and fifty thousand per month. Also, during the year under review, no employee of your company was employed throughout the financial year under review or part thereof and received remuneration which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Further, a statement showing the names, remuneration received, and other particulars of top ten employees as prescribed in 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
of SSPDL LIMITED

PRAKASH CHALLA
CHAIRMAN AND
MANAGING DIRECTOR
(DIN 02257638)

E.BHASKAR RAO
DIRECTOR
(DIN 00003608)

Place : Hyderabad
Date : 14.08.2019

ANNEXURE -1
Form No.MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

[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: einward.ris@karvy.com and investors@sspdl.com www.sspdl.com
vi)	Whether listed Company	Yes, BSE Limited
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No. 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

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name 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:

Sl. No.	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)

* **Details of total paid-up share capital of M/s. Northwood Properties India Pvt. Ltd. and SSPDL Limited's holding in it :**

(i) 10,000, Normal equity shares (with voting rights) of ₹ 10/- each, (ii) 10,000, Class A equity shares (without voting rights) of ₹ 10/- each, and (iii) 10,000, Class B equity shares (without voting rights) of ₹ 10/-.

Details of SSPDL Limited's holding in M/s. Northwood Properties India Pvt. Ltd.:

(i) 2,500, Normal equity shares, i.e., 25% of total normal equity shares, and (ii) 10,000, Class B equity shares i.e., 100% of total Class B equity shares.

Therefore, % of shareholding of SSPDL Limited in above mentioned company's total paid-up share capital is 41.67%.

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 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**PROMOTERS**										
(1)	**Indian**										
	a)	Individual/HUF	45,42,099	0	45,42,099	35.13	45,42,099	0	45,42,099	35.13	0.00
	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):-		**69,69,851**	**0**	**69,69,851**	**53.91**	**69,69,851**	**0**	**69,69,851**	**53.91**	**0.00**
(2)	**Foreign**										
	a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b)	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	e)	Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2):-		0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)		**69,69,851**	**0**	**69,69,851**	**53.91**	**69,69,851**	**0**	**69,69,851**	**53.91**	**0.00**
B.	**PUBLIC SHAREHOLDING**										
(1)	**Institutions**										
	a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
	b)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	c)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
	e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	g)	FIIs	0	0	0	0.00	0	0	0	0.00	0.00
	h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
		Sub-total (B)(1):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
(2)	**Non-Institutions**										
	a)	Bodies Corp.									
		i) Indian	3,26,542	11,200	3,37,742	2.61	2,65,065	11,200	2,76,265	2.14	(0.47)
		ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	b)	Individuals									
		i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	16,59,548	55,249	17,14,797	13.26	15,77,520	53,931	16,31,451	12.62	(0.64)
		ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	29,64,766	30,000	29,94,766	23.16	32,03,879	30,000	32,33,879	25.01	1.85
	c)	Others (specify)									
		Clearing Members	3,969	0	3,969	0.03	1,619	0	1,619	0.01	(0.02)
		HUF	1,78,009	0	1,78,009	1.38	1,81,107	0	1,81,107	1.40	0.02
		Non-Resident Indians	5,98,725	1,20,000	7,18,725	5.56	6,35,078	0	6,35,078	4.91	(0.65)
		Non-Banking Finance Company	11,391	0	11,391	0.09	0	0	0	0.00	(0.09)
		Sub-total (B)(2)	**57,42,950**	**2,16,449**	**59,59,399**	**46.09**	**58,64,268**	**95.131**	**59,59,399**	**46.09**	**0.00**
	Total Public Shareholding (B)=(B)(1)+(B)(2)		**57,42,950**	**2,16,449**	**59,59,399**	**46.09**	**58,64,268**	**95.131**	**59,59,399**	**46.09**	**0.00**
C.	SHARES HELD BY CUSTODIAN FOR GDRS & ADRS		0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)		1,27,12,801	2,16,449	1,29,29,250	100.00	1,28,34,119	95,131	1,29,29,250	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			
		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	% change in share holding during the year
1	Sri Krishna 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	8,72,042	6.74	0.00	8,72,042	6.74	0.00	0.00
5	Edala Bhaskar Rao	1,50,000	1.16	0.00	1,50,000	1.16	0.00	0.00
6	Vallabhaneni Gopal Krishna	1,19,367	0.92	0.00	1,19,367	0.92	0.00	0.00
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	Jagapati Investments Private Limited	13,500	0.10	0.00	13,500	0.10	0.00	0.00
10	Intelligent Software Solutions (P) Ltd	11,600	0.09	0.00	11,600	0.09	0.00	0.00
11	Chitturi Suresh Rayudu	10,500	0.08	0.00	10,500	0.08	0.00	0.00
12	Challa Chinnamma	3,200	0.02	0.00	3,200	0.02	0.00	0.00
13	Challa Rajendra Prasad	100	0.00	0.00	100	0.00	0.00	0.00
	Total	**69,69,851**	**53.91**	**0.00**	**69,69,851**	**53.91**	**0.00**	**0.00**

(iii) Change in Promoters' Shareholding (Please specify, if there is no change) : There is no change in the shareholding of other promoters during 01.04.2018 to 31.03.2019.

(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 01.04.2018		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 01.04.2018	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 31.03.2019			3,54,000	2.74
2	**G V S Raju**				
	At the beginning of the year 01.04.2018	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 31.03.2019			2,06,851	1.60

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3	**Jay Janak Jesrani**				
	At the beginning of the year 01.04.2018	1,76,267	1.36	1,76,267	1.36
	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 28.09.2018	33	0.00	1,76,300	1.36
	Purchased on 15.03.2019	2,500	0.02	1,78,800	1.38
	At the end of the year on 31.03.2019			1,78,800	1.38
4	**Cherukuri Ramakrishna**				
	At the beginning of the year 01.04.2018	1,63,987	1.27	1,63,987	1.27
	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 11.01.2019	100	(0.00)	1,63,887	1.27
	Sold on 15.03.2019	84,825	(0.66)	79,062	0.61
	Purchased on 22.03.2019	2,000	0.02	81,062	0.63
	Purchased on 29.03.2019	6,086	0.05	87,148	0.67
	At the end of the year on 31.03.2019			87,148	0.67
5	**Ranga Prasad N**				
	At the beginning of the year 01.04.2018	48,492	0.38	48,492	0.38
	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 11.05.2018	4,200	0.03	52,692	0.41
	Purchased on 06.07.2018	9,047	0.07	61,739	0.48
	Purchased on 20.07.2018	2,771	0.02	64,510	0.50
	Purchased on 10.08.2018	2,272	0.02	66,782	0.52
	Purchased on 24.08.2018	18,159	0.14	84,941	0.66
	Purchased on 31.08.2018	11,112	0.09	96,053	0.74
	Purchased on 07.09.2018	16,236	0.13	1,12,289	0.87
	Purchased on 14.09.2018	2,363	0.02	1,14,652	0.89
	Purchased on 21.09.2018	2	0.00	1,14,654	0.89
	Purchased on 05.10.2018	6,643	0.05	1,21,297	0.94
	Sold on 16.11.2018	5	(0.00)	1,21,292	0.94
	Sold on 23.11.2018	104	(0.00)	1,21,188	0.94
	Purchased on 30.11.2018	11,700	0.09	1,32,888	1.03
	Sold on 21.12.2018	49	(0.00)	1,32,839	1.03
	At the end of the year on 31.03.2019			1,34,509	1.04

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6	**Koteswara Rao Potineni**				
	At the beginning of the year 01.04.2018	1,33,136	1.03	1,33,136	1.03
	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
	Purchased on 27.07.2018	13,670	0.11	1,46,806	1.14
	Purchased on 21.12.2018	9,709	0.08	1,56,515	1.21
	At the end of the year on 31.03.2019			**1,56,515**	**1.21**
7	**Vinod Prakash**				
	At the beginning of the year 01.04.2018	1,20,000	0.93	1,20,000	0.93
	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 31.03.2019			1,20,000	0.93
8	**Padmavathi Noothalapati**				
	At the beginning of the year 01.04.2018	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 31.03.2019			1,12,600	0.87
9	**Bapiraju Champati**				
	At the beginning of the year 01.04.2018	**1,07,998**	**0.84**	**1,07,998**	**0.84**
	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 20.04.2018	2,227	0.02	1,10,225	0.85
	Purchased on 28.09.2018	2,650	0.02	1,12,875	0.87
	Purchased on 05.10.2018	5,900	0.05	1,18,775	0.92
	Purchased on 16.11.2018	3,068	0.02	1,21,843	0.94
	Sold on 07.12.2018	622	(0.00)	1,21,221	0.94
	Purchased on 21.12.2018	952	0.01	1,22,173	0.94
	At the end of the year on 31.03.2019			**1,22,490**	**0.95**
10	**Mahendra Giridhar Lal**				
	At the beginning of the year 01.04.2018	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 31.03.2019			1,07,307	0.83

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
11	**Talluri Lalitha Kumari**				
	At the beginning of the year 01.04.2018	93,691	0.72	93,691	0.72
	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 18.05.2018	795	0.01	94,486	0.73
	Sold on 01.06.2018	740	0.01	93,746	0.73
	Purchased on 29.06.2018	200	0.00	93,946	0.73
	Purchased on 13.07.2018	650	0.01	94,596	0.73
	Purchased 23.11.2018	100	0.00	94,696	0.73
	Sold on 18.01.2019	94,696	0.73	0	0
	At the end of the year on 31.03.2019			0	0.00

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

Sl. No.	Name of the Director	Shareholding at the beginning of the year as on 01.04.2018		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 01.04.2018	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 31.03.2019			23,59,390	18.25
2	**E.Bhaskar Rao**				
	At the beginning of the year 01.04.2018	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 31.03.2019			1,50,000	1.16
3	**K.Akmaluddin Sheriff**				
	At the beginning of the year 01.04.2018	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 31.03.2019			6,634	0.05

Sl. No.	Name of the Director	Shareholding at the beginning of the year as on 01.04.2018		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the Company
4	**B.Lokanath**				
	At the beginning of the year 01.04.2018	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 31.03.2019			0	0.00
5	**Sridevi Challa**				
	At the beginning of the year 01.04.2018	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 31.03.2019			1,02,500	0.79
6	**Dr.T.Krishna Reddy**				
	At the beginning of the year 01.04.2018	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 31.03.2019			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 01.04.2018		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. ofShares	% of total Shares of the Company
1	**A.Shailendra Babu**				
	At the beginning of the year 01.04.2018	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 31.03.2019			0	0.00
2	**USS Ramanjaneyulu N**				
	At the beginning of the year 01.04.2018	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 31.03.2019			0	0.00

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment **(Amount in ₹)**

Parrticulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	**6,53,07,281**	**27,24,43,105**	-	**33,77,50,386**
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,34,30,293	-	2,34,30,293
Total (i+ii+iii)	**6,53,07,281**	29,58,73,398	-	36,11,80,679
Change in Indebtedness during the financial year				
Addition	-	1,00,00,000	-	1,00,00,000
Reduction	49,41,422	-	-	49,41,422
Net Change	**(49,41,422)**	**1,00,00,000**	-	**50,58,578**
Indebtedness at the end of the financial year				
1) Principal Amount	6,03,65,859	30,17,16,878	-	36,20,82,737
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	3,83,48,322	-	3,83,48,322
Total (i+ii+iii)	**6,03,65,859**	**34,00,65,200**	-	40,04,31,059

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 Sri. Prakash Challa	Total Amount (In ₹)
1	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,07,75,496	1,07,75,496
	(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)	**1,08,00,000**	**1,08,00,000**
	Over all Ceiling as per the Act: ₹ **1,08,00,000** (fixed) and contribution to Provident Fund, Gratuity, Earn Leave encashment.		

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			
		K. AKMALUDDIN SHERIFF	B.LOKANATH	Dr.T.KRISHNA REDDY	Total Amount in ₹
1	**Independent Directors**				
	Fee for attending board / committee meetings	1,27,500	1,62,500	30,000	3,20,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	**1,27,500**	**1,62,500**	**30,000**	**3,20,000**
2	**Other Non-Executive Directors**	**E.BHASKAR RAO**	**SRIDEVI CHALLA**	-	
	Fee for attending board / committee meetings	1,42,500	80,000	-	2,22,500
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**1,42,500**	**80,000**	-	**2,22,500**
	Total (B)=(1+2)	**2,70,000**	**2,42,500**	**30,000**	**5,42,500**
	Total Managerial Remuneration ₹ 1,08,00,000 (Excluding Sitting fees)				
	Over all Ceiling as per the Act: ₹ **1,08,00,000** (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	
			A.Shailendra Babu	U.S.S.Ramanjaneyulu N	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	23,90,506	12,60,623	36,51,129
	(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	-	**24,15,010**	**12,60,623**	**36,75,633**

(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 Directors of SSPDL Limited

PLACE : HYDERABAD	**PRAKASH CHALLA** **CHAIRMAN AND MANAGING DIRECTOR** **(DIN: 02257638)**	**E.BHASKAR RAO** **DIRECTOR** **(DIN: 00003608)**
DATE : 14.08.2019		

'ANNEXURE - 2'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[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 2019 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, 2019 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, 2015;

(c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, 2018;

(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;

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

(f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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 : 14.08.2019 C P No.: 4286

'ANNEXURE 3' TO THE DIRECTORS' REPORT
CSR ACTIVITIES FOR THE FINANCIAL YEAR 2018-19

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 Swach 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** : ₹ 10,26,01,183/-.
4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above)** : ₹ 20,52,024/-.
5. **Details of CSR spent during the financial year** :

   a. **Total amount to be spent for the financial year** : ₹ 20,52,024/-

   b. **Amount unspent, if any** : ₹ 20,52,024/-.

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

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
	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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. The Company is in the process of evaluating the areas and locations for CSR activities. Preference is given to undertake CSR activities in areas around Osman Nagar, Kollur villages and other areas where Company is presently operating and evaluating various options available to spend in these areas. Once the decision is taken on the activity, amount will be spent. And, one of the CSR activity and project on which Company decided to spend through an agency is yet to be grounded, hence not spent any amount on such approved CSR activity.

Company will take necessary steps to spend the amounts which have not been spent in current and previous financial years 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 : 14.08.2019

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	32.24:1
2	Sri E.Bhaskar Rao	0.43:1
3	Sri K.Akmaluddin Sheriff	0.38:1
4	Sri B.Lokanath	0.49:1
5	Smt. Sridevi Challa	0.24:1
6	Dr. T.Krishna Reddy	0.09:1

The Non-executive Directors (other than Sri Prakash Challa) are eligible for sitting fee only, for attending the meetings of the Board and its Committees.

(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	NIL
8	Sri A.Shailendra Babu	Company Secretary	NIL

During the year 2018-19:

There is no change in the sitting fee payable for attending each of the meeting of the Board and meeting of the Committees of the Board. Therefore, the percentage increase for Non-Executive Directors Remuneration is not considered for the above purpose. However, the amount of remuneration received by a non-executive director(s) may increase or decrease compared to previous year, based on the number of meetings held and attended during the year by the respective non-executive director. The details of remuneration paid to all directors, including non-executive directors are provided in the ‘Report on Corporate Governance.

(iii) The percentage increase in the median remuneration of employees in the financial year: There is no change in the median remuneration of employees in financial year 2018-19 as compared to financial year 2017-18.

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

As on 31.03.2019, there are 43 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.

During the year under review, there is no change / increase in the salaries paid to the employees other than the managerial personnel and to the managerial personnel.

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

ANNEXURE - 5
MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2018-19

1. ECONOMY OVERVIEW

Global Economy:

The global economy in FY19 was characterised by ongoing volatility and uncertainty, fueled largely by geopolitical developments, regional conflicts and potential disruption to the global trade regime. Against a difficult backdrop that included intensified US-China trade and technology tensions as well as prolonged uncertainty on Brexit, momentum in global activity remained soft in the first half of 2019. The increase in US-China trade tensions caused a rapid deterioration in global risk appetite.

The global economy is expected to slow down to 3.3 percent in 2019 from 3.6 percent in 2018 as per IMF estimates. The downward revision is primarily on account of the negative effects of tariff increases enacted in the United States and China. With global growth subdued and downside risks dominating the outlook, the global economy remains at a delicate juncture.

The pickup in global growth in 2020 relies importantly on several factors: (1) financial market sentiment staying generally supportive; (2) continued fading of temporary drags, notably in the euro area; (3) stabilization in some stressed emerging market economies, etc. At the multilateral level, the pressing needs are, first, to reduce trade and technology tensions. Specifically, countries should not use tariffs to target bilateral trade balances. More fundamentally, trade disputes.

The outlook for the global economy from various sources for 2019 shows clear indications of GDP growth slowdown in aggregate terms, and in most major economies.

The Indian Economy

In FY19, India's GDP at 6.8% (Source: CSO) is reflective of the sluggish economic environment led by a slowdown in demand driven by dampening purchasing power, drop in employment rate and inactivity and liquidity crisis in the NBFC sector. The situation was accentuated by the crisis in the aviation industry as well. Going forward, GDP performance, according to International Monetary Fund (IMF) in its World Economic Outlook report, is projected at 7.3% in FY20 and 7.5% in FY21, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

Also, India has been witnessing some downside on the domestic front since April 2019. Primarily, these were weakness in consumption led by automobiles and two-wheelers, reduction in non-banking financial companies credit funding, impact on exports from moderating global demand, which has led to mixed views on whether the downside is transient or structural.

Improving the ease of doing business, moving towards digital governance and a stable economy helps in attracting foreign direct investment. India has improved its ranking in terms of 'Ease of Doing Business' by leaping 23 spots over its 2018 ranking of 100. Going forward, the structural reforms will aid business investment and exports. These reforms include the new Insolvency and Bankruptcy Code, smoother implementation of the Goods and Services Tax (GST), better roads and electricity and bank recapitalisation. India is expected to lean towards domestic factors to drive its progress owing to a weak global economic environment.

The headwinds that the global economy is facing, including faster-than-anticipated deceleration in global growth, volatility in financial markets, geo-political events and worsening trade disputes could further impact businesses in developed markets as well as emerging markets and cause a plateauing of growth.

But we expect some of that to improve in the near term, and that along with the more accommodative monetary policy and fiscal policy of the Indian Government should remove some of the downside risks.

India remains the fastest growing major economy in the world.

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. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

A demographic trend reveals that India is on the verge of massive urbanization over the next couple of decades. Every year, more than one crore people relocate to urban areas in India and the nation's total urban population is expected to reach about 81 crore by 2050. Availability of low cost credit is driving the demand for housing, policies like, Real Estate (Regulation and Development) Act infuse fresh buyers interest in real estate sector.

The year 2018 was an eventful one for Indian real estate as it gradually recovered from the twin effect of GST and demonetization. The last couple of years were all about the developers trying to find a footing in the market post the currency ban and aligning their way of business and product line as per RERA. This meant more focus on project completions, alterations in product offering with respect to size and pricing and lesser focus on launching new projects.

The major policy reform to be passed in 2018 was the IBC Code amendment wherein home buyers were recognized as lenders to developers under the Code. The real estate industry is a very important part of the overall economy of India. The central government has taken up the task of restructuring the real estate industry. Initiatives such as RERA, GST and demonetisation have resulted in a clean-up of the system.

Realty sector, like most other sectors, is growing its dependency on technology and innovations. Considering the busy lifestyles of the millennials, the concept of 'smart homes' is slated to become the deciding factor in home buying. Co-working and Co-living is the emerging asset classes in India.

Affordable Housing segment

Developers finally realised the importance of aligning their product offering as per the market demand. This was reflected in the significant rise in the supply of the affordable housing category across cities in 2018. And, the developers took a conscious effort to align their product categories in line the with the government's mission of housing for all by 2022 backed by multiple incentives and industry status for affordable housing.

According to a report by CARE, affordable housing offers opportunity up to 6-8 million sq. ft. in next 3-4 years. The affordable housing segment is further set to gain traction in 2019, given the presence of its significant demand. On the other hand, more public-private partnership in real estate projects would drive the supply side of the affordable housing segment.

Accounting Standards and its impact:

Another important development that took place in 2018 was the implementation of the Indian Accounting Standard (Ind AS) 115. It came into effect from April 1, 2018. This meant that real estate developers would now be required to show home buyers all payments, especially advances made towards ongoing projects, as loans and not as income from sales.

Under the previous norm, home buyer payments toward the purchase of under construction flats were declared as turnover by companies and net income generated from such projects was treated as profit. Under the new rule, home buyer payments toward ongoing projects will be treated as advances or loans and not as income from sales. "Any change from Percentage of Completion (POC) accounting to accounting on Completion of Project would have a very significant revenues and cost reversal as at the opening balance sheet and re-recognition of the same in ensuing period

Government Initiatives: The Government's focus on the 'Housing for All by 2022' mission, infrastructure status to affordable housing and easing Foreign Direct Investment (FDI) norms in the construction sector have started to yield results, improving investor and end user sentiments in the Indian realty sector. Concessional GST rate of 5% (1% in case of affordable housing) was notified and the same applicable from 01.04.2019 for construction of residential real estate projects, without input tax credit. The government announced major tax benefits that will help stimulate demand for affordable housing. Interest deduction up to ₹3.5 lakh for affordable housing (priced at ₹45 lakh) as against ₹2 lakh earlier will now be available until March 31, 2020. This can help attract first-time homebuyers.

OUTLOOK:

Industry experts are of the opinion that for the growth momentum to be sustained, liquidity issues owing to non-banking financing crisis and banks reduced lending to the sector needs to be addressed.

Considering the stable governments and initiatives taken by the Governments help in growth of real estate markets.

3. OPPORTUNITIES, THREATS / RISKS AND CONCERNS:

Opportunities:

India's current population of 1.3 billion is projected to rise to 1.4 billion by 2025, 1.5 billion by 2030 and 1.6 billion by 2050, accompanied by major demographic changes in terms of age profile of the people resulting from rising life expectancy and falling fertility (UN, 2019).

The high urbanisation rate, rising young population base, increasing disposable income levels, rising aspirations and increasing proportion of nuclear families, which influence urban consumption base and subsequent rapid growth of the retail industry, offers huge potential for demand for residential real estate and growth in the retail sector.

The government has taken major policy initiatives to bring about dynamism in the real estate sector which has maximum linkages to other industries after agriculture. These include: Pradhan Mantri Awas Yojana (PMAY), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Real Estate (Regulation and Development) Act 2016 (RERA), Smart Cities Mission, Affordable Housing, Benami Transactions Act, Real Estate Investment Trusts (REITs), and easing of FDI norms.

Above all will energize and boost the sector and have positive impact in the long run. Also, the initiatives of the government will give impetus to employment opportunities in real estate sector and the growth of industries ancillary to the real estate sector.

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.

At present, the major issue is slowdown witnessed in economic growth and which will adversely affects the real estate industry. Due to which a large number of projects are stalled and have unsold inventory.

4. **SEGMENT WISE PERFORMANCE:**

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

The projects under taken by the Company on its own and through other partners are under various stages of execution and the details of the status of these projects are mentioned in the Directors Report.

5. **OUTLOOK**

Your company is currently executing housing projects in Hyderabad and Chennai. Considering the past experiences, your Company primarily focusing on the development of property, mid-size houses, etc. and reduced the construction contracts work. However, on finding better opportunities it will take up and execute the construction contracts.

Based on the opportunities available in real estate sector, the management being optimistic about the growth in real estate sector, your company will undertake projects suiting the market requirement.

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 is ₹ 3529.35 lakhs, against ₹ 5037.91 lakhs in 2017-18.

Total Expenses: During the year under review is ₹ 6327.41 lakhs, as against ₹ 6283.56 lakhs for 2017-18.

Profit/(Loss) Before Tax: During the year under review is ₹ (2798.05) lakhs, as against ₹ (1245.65) lakhs in 2017-18.

Profit/(Loss) After Tax: During the year under review is ₹ (2196.18) lakhs as against ₹ (966.98) lakhs in 2017-18.

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, 2019 your company has 43 employees on its payroll.

9. **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AND CHANGE IN RETURN ON NET WORTH:**

As per the amendment made under Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year ("FY")) in Key Financial Ratios with explanations therefor are given below along with details of any change in Return on Net worth (based on the standalone financial statements of the Company):

Sl. No.	Key Financial Ratios & Return on Net worth	FY ended 31.03.2019	FY ended 31.03.2018	Changes in key ratios	% Change in ratios	Explanation
(i)	Debtors Turnover Ratio	0.9257	1.1117	-0.1860	-16.73	Lower since Revenue from Real Estate Sales are Recognised on Project completion method
(ii)	Inventory Turnover Ratio	1.1051	1.6441	-0.5390	-32.78	Lower since Revenue from Real Estate Sales are Recognised on Project completion method
(iii)	Interest Coverage Ratio	-4.8103	-2.0508	-2.7595	134.56	Due to higher Losses
(iv)	Current Ratio	1.0622	1.3852	-0.3230	-23.32	Due to deferral of revenue recognition to project completion and increase in current liabilities
(v)	Debt Equity Ratio	0.1604	0.0957	0.0647	67.64	Due to higher Losses
(vi)	Operating Profit Margin (%)	-0.6424	-0.1583	-0.4840	305.68	Due to higher Losses and deferral of revenue recognition to Project Completion
(vii)	Net Profit Margin (%) or sector-specific equivalent ratios, as applicable.	-0.5991	-0.1767	-0.4225	239.11	Due to higher Losses and deferral of revenue recognition to Project Completion
(viii)	Return on Net worth	-0.5908	-0.1325	-0.4583	345.75	Due to higher Losses

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.

ANNEXURE - 6
REPORT ON CORPORATE GOVERNANCE - 2018-19

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 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 ("Listing Regulations").

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, 2019, the Board comprised of six members. The Board consists of both promoter and non-promoter Directors.

During the year 2018-19 Five Meetings of the Board of Directors were held on 9th May, 2018, 30th May, 2018, 14th August, 2018, 13th November, 2018, and 12th February, 2019. 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
09.05.2018	6	3
30.05.2018	6	4
14.08.2018	6	6
13.11.2018	6	5
12.02.2019	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	11	Nil	23,59,390
2	Sri E.Bhaskar Rao (DIN:00003608)	Non-Executive Promoter Director	4	Yes	Nil	13#	Nil	1,50,000
3	Sri K.Akmaluddin Sheriff (DIN:01121372)	Independent Non-Executive Director	4	Yes	Nil	5	Nil	6,634
4	Sri B. Lokanath (DIN:00037303)	Independent Non-Executive Director	5	Yes	Nil	7	Nil	0
5	Smt. Sridevi Challa (DIN:01802477)	Non-Executive Promoter Director	4	No	Nil	2	Nil	1,02,500
6	Dr. T. Krishna Reddy (DIN:00003407)	Independent Non-Executive Director	1	No	Nil	9	Nil	0

Including Companies under process of striking off.

The details of pecuniary transactions with all director (executive and non-executive directors) are provided in financial statements.

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

Details of Directors of SSPDL Limited holding Directorship in other Listed Entities and the category of their Directorship: Nil.

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 may 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 31.03.2019, 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 under the Companies Act, 2013.

Composition:

As on 31.03.2019, the Audit Committee comprises of Sri B.Lokanath, Non-executive Independent Director as the Chairman, Sri E.Bhaskar Rao, Non-executive Director, Dr. T.Krishna Reddy, Non-executive Independent Director and Sri K.Akmaluddin Sheriff, Non-executive Independent Director as the members and Mr. Shailendra Babu Ande, Company Secretary is the Secretary to the Audit Committee.

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 four times, i.e., on 30th May, 2018, 14th August, 2018, 13th November, 2018, and 12th February, 2019. 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
Dr. T.Krishna Reddy	Member	4	1
Sri K.Akmaluddin Sheriff	Member	4	4

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. Modified opinion(s) 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 Chief financial officer (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.
24. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
25. Review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

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.
6. Statement of deviations:
   (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

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

(B) STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

As on 31.03.2019, the Stakeholders Relationship Committee comprises of Sri B. Lokanath (Non-executive Director) as its Chairman (heading the committee) and Sri Prakash Challaand Sri E.Bhaskar Rao as its members. The Company Secretary, Mr. Shailendra Babu Ande is the Compliance Officer.

Terms of reference

- Consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.,

- Review of measures taken for effective exercise of voting rights by shareholders,
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent. Oversees performance and recommends measures for overall improvement in the quality of investor services,
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company,
- Attend to the share transfer formalities, issue of duplicate certificates, revalidation of dividend warrants,
- Look into various aspects of interest, including, the redressal of grievances of shareholders, debenture holders and other security holders,
- 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,
- 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 Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders. 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, the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, andother applicable law, 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 30th May, 2018, 14th August, 2018, 13th November, 2018, and 12thFebruary, 2019. The attendance 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 2018-19 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	0	0	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	**0**	**0**	**0**

SEBI Complaints Redress System (SCORES): During the financial year 2018-19, 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, 2019 the Remuneration Committee comprises of Sri B.Lokanath as the Chairman, Sri K.Akmaluddin Sheriff and Sri E.Bhaskar Rao as its members.

- 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,
- Formulation of criteria for evaluation of performance of the Board, Directors and Committees,
- Devising a policy on diversity of board of directors, succession plan,
- 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 as per applicable law,
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors,
- Recommend to the board, all remuneration, in whatever form, payable to senior management,
- While formulating/amending any policy, recommending the remuneration it shall consider the applicable provisions of the Companies Act, 2013 and the rules made there under and Listing Agreement, the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and other applicable law, and
- 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, the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and other applicable law, and (iii) as may be necessary or appropriate for the performance of its duties.

During the year under review, the Nomination and Remuneration Committee met three times, i.e., on 30th May, 2018, 14th August, 2018, and 12th February,2019. 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
30.05.2018	3	3
14.08.2018	3	3
12.02.2019	3	3

Name	Designation	Meetings held during the Year	Meetings attended during the Year
Sri B.Lokanath	Chairman	3	3
Sri K.Akmaluddin Sheriff	Member	3	3
Sri E.Bhaskar Rao	Member	3	3

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 2018-19 are given below:

Name of the Director	Sitting Fee (in ₹)					Salary and Perquisites (in ₹)	Commission (in ₹)
	Board Meetings	Audit Committee Meetings	Stakeholders Relationship Committee Meetings	Nomination and Remuneration Committee Meetings	Corporate Social Responsibility Committee Meetings		
Sri Prakash Challa	Nil	Nil	Nil	Nil	Nil	108,00,000*	Nil
Sri E.Bhaskar Rao	80,000	40,000	10,000	7,500	5,000	Nil	Nil
Sri K. Akmaluddin Sheriff	80,000	40,000	Nil	7,500	Nil	Nil	Nil
Sri B. Lokanath	100,000	40,000	10,000	7,500	5,000	Nil	Nil
Smt Sridevi Challa	80,000	Nil	Nil	Nil	Nil	Nil	Nil
Dr. T.Krishna Reddy	20,000	10,000	Nil	Nil	Nil	Nil	Nil

* Includes, Salary of ₹ 107,75,496/- and Contribution to Provident Fund of ₹ 24,504/-. Total salary payable to Sri Prakash Challa is fixed salary only and no performance linked incentives are paid.

Details of all pecuniary relationship or transactions of the Executive and 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.

The following is the List of core skills/expertise/competences of the directors identified by the Board of Directors as required in the context of Company's business and sector for it to function effectively and these skills are available with the Board Members:

(i) Knowledge and experience in the field of the business in which company is engaged i.e., Construction and Real Estate, (like, market demand and supply, risks and opportunities, applicable law, etc.),

(ii) Knowledge and experience in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations, etc. and the ability to read and understand basic financial statements.

Confirmation from the Board:

In the opinion of the Board, the independent directors of the Company fulfil the conditions of independence as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

During the financial year ended March 31, 2019, none of the Independent Directors of the Company have resigned before the expiry of their tenure of appointment.

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 SEBI Listing Regulations, 2015.

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 policy, 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, Executive Director, Whole-time Director:

Considering the role of the Managing Director, Executive Director, Whole-time 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, Executive Director, Whole-time 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, Executive Director, Whole-time Directorare 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.

(a) Remuneration payable, revision in remuneration/increments, etc. to other Key Managerial Personnel and Senior Management:

Subject to complying with the other applicable provisions of the Companies Act, 2013, other applicable laws and Nomination and Remuneration Policy of the Company, the Managing Director of the Company shall decide the eligibility, do the performance evaluation (annual or as and when needed) of other Key Managerial Personnel and Senior Management and consider the standard market practice and prevailing HR policies of the Company.

The Managing Director of the Companyshall submit the proposal(s) of appointment / revision in remuneration/ increments, etc. (in whatever form) payable to other Key Managerial Personnel and Senior Management to the Nomination and Remuneration Committee. Considering the proposals submitted by the Managing Director, the Nomination and Remuneration Committee shall recommend to the Board, all remuneration, in whatever form, payable to other key managerial personnel and senior management,

b) Remuneration payable, revision in remuneration/increments, etc. to other employees:

Subject to complying with the applicable, Policies of the Company, the Managing Director of the Company is authorised to decide, fix/revise (annual or as and when needed) the remuneration of other employees, considering the standard market practice and prevailing policies 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.

Considering the amendments to the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Policy of the Company is amended with regard to remuneration payable to other key managerial personnel and senior management. As per the amendments made, the remuneration of other key managerial personnel and senior management shall be submitted to the Nomination and Remuneration Committee for it to consider and recommend to 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, 2019 the Corporate Social Responsibility Committee comprises of Sri Prakash Challa as the Chairman, Sri E.Bhaskar Rao and Sri B.Lokanath 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 30th May, 2018 and 14th August, 2018. 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
30.05.2018	3	3
14.08.2018	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
2017-2018	Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana	AGM	29th September, 2018	12.00 P.M.	* One Special Resolution was passed
2016-2017	Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana	AGM	28th September, 2017	12.00 P.M.	# One Special Resolution was passed
2015-2016	Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana	AGM	29th September, 2016	12.00 P.M.	No Special Resolution was passed

* A Special Resolution was passed by the shareholders with requisite majority, with regard to "Increase in the aggregate limit of investment by Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs) in Equity Share Capital of the Company, etc."

\# A Special Resolution was passed by the shareholders with requisite majority, with regard to payment of remuneration to Sri Prakash Challa, Chairman and Managing Director of the Company, for a period of two years i.e., from 01.10.2017 to 30.09.2019.

No Special Resolution was passed last year through Postal Ballot.

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

Proced**ure 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 2018-19, 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) Details of Vigil mechanism, whistle of 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:

Regulation	Particulars of Regulations	Compliance status
17	Board of Directors	Yes
28	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Not Applicable
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes

Regulation	Particulars of Regulations	Compliance status
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

vii) Certificate regarding no-disqualification of Directors:

Certificate issued by Smt. BanduvulaKrishnaveni, Practicing Company Secretary, is attached (which forms integral part of this report), which confirms that none of the directors on the Board of the Company been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

viii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

During the year under review, Company has not raised funds through preferential allotment or qualified institutions placement as specified under regulation 32(7A). Hence, no details of utilization of such funds are provided.

ix) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:

There was no such instance during the financial year 2018-19 where the Board had not accepted any recommendation of any Committee of the Board.

x) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

₹ 500,000 was paid as statutory audit fee and ₹ 185,000 was paid for other services and ₹ 108,395 was paid as re-imbursement expenses.

xi) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. Number of complaints filed during the financial year : Nil

b. Number of complaints disposed of during the financial year : Nil

c. Number of complaints pending as on end of the financial year : Nil

xii) 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.

xiii) 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.

xiv) Prohibition of Insider Trading and Code of Conduct for Directors, etc.:

In pursuance of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, Company has adopted a "Code of Conduct to regulate, monitor and report trading by Insiders" and the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information". in compliance with the PIT Regulations.

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company.

xv) Credit Ratings:

During the year under review, in January, 2019, India Ratings and Research (Ind-Ra) has affirmed SSPDL Limited's Long-Term Issuer Rating at 'IND BB'. The Outlook is Stable. The details of Credit Rating obtained by the Company are provided below:

Instrument Type	Size of Issue (Million)	Rating / Outlook	Rating Action
Term Loan	INR 61.15	IND BB/Stable	Assigned

6. SUBSIDIARY COMPANIES

During the year under review, 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 30th September, 2019, the Monday, at 12.00 P.M. At At Grand Ball Room, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, Telangana.
2	Financial Year	1st April, 2019 to 31st March, 2020.
3	Financial Calendar (tentative and subject to change)	For the Quarter ending: · 30th June, 2019 : by 14.08.2019 · 30th September, 2019 : by 14.11.2019 · 31st December, 2019 : by 14.02.2020 · 31st March, 2020 : by 30.05.2020 Audited Results. Annual General Meeting for the year ending 31st March, 2020 : by 30.09.2020
4	Dates of Book Closure	From 25th September, 2019 to 30th September, 2019 (Both days inclusive).
5	Dividend Payment Date	Not Applicable
6	Listing on Stock Exchange	The Company's Shares are listed on BSE Limited. The Address of the Exchange is as given below: - BSE Limited, 25th Floor, Phiroze Jee jeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. - The Company has duly paid the Listing fees for the year 2019-20.
7	Stock Code	(BSE) 530821 SCRIP ID OF BOLT SYSTEM SSPDL

Green Initiative

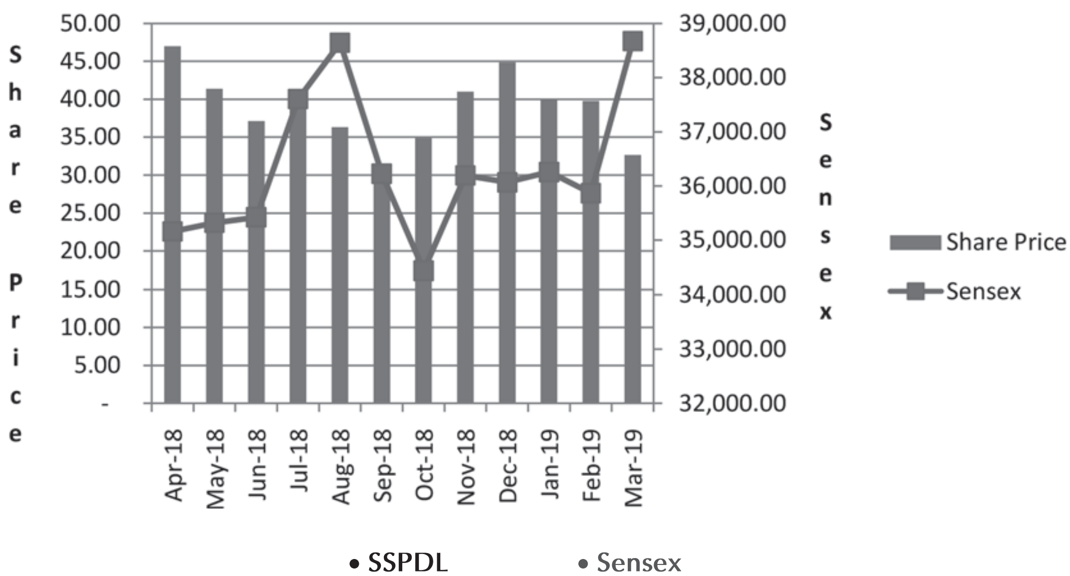
As a green initiative measure, the provisions of the Companies Act, 2013 and the SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 have permitted Companies to deliver annual reports to investors through electronic mode who have registered their e-mail address.

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, 2018	64.40	45.00
May, 2018	55.35	40.05
June, 2018	45.75	35.10
July, 2018	41.15	30.05
August, 2018	58.45	33.75
September, 2018	38.70	29.65
October, 2018	36.10	26.00
November, 2018	45.95	34.80
December, 2018	45.00	37.30
January, 2019	48.00	36.10
February, 2019	40.50	35.00
March, 2019	39.10	28.75

10. Performance in Comparison to BSE Index (Month Closing Prices/index values)



Historical Graph 01.04.2018 to 31.03.2019

11.	**Registrar and Transfer Agents** [for both physical and electronic (demat) segments]	M/s. Karvy Fintech 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 31.03.2019:

Sl. No.	Category (No. of Shares)	No. of Share holders	% of Share holders	Total Shares	Amount (₹)	% of Share holding
1	Upto 500	2,457	75.46	3,49,681	34,96,810	2.70
2	501 - 1000	311	9.55	2,55,510	25,55,100	1.98
3	1001 - 2000	172	5.28	2,64,525	26,45,250	2.05
4	2001 - 3000	76	2.33	1,95,953	19,59,530	1.52
5	3001 - 4000	37	1.14	1,29,228	12,92,280	1.00
6	4001 - 5000	28	0.86	1,34,078	13,40,780	1.04
7	5001 - 10000	67	2.06	4,92,570	49,25,700	3.81
8	10001 and above	108	3.32	1,11,07,705	1,110,77,050	85.91
	Total	**3,256**	**100.00**	**1,29,29,250**	**12,92,92,500**	**100.00**

ii) Shareholding Pattern as on 31.03.2019:

Sl.No.	Category	No. of Shareholders	Total Shares	% to Equity
1	PROMOTERS	13	69,69,851	53.91
2	RESIDENT INDIVIDUALS	3,034	48,65,330	37.63
3	BODIES CORPORATE	77	2,76,265	2.14
4	NON-RESIDENT INDIANS	28	6,35,078	4.91
5	HUF	95	1,81,107	1.40
6	CLEARING MEMBERS	9	1,619	0.01
	Total	**3,256**	**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. 99.27% of Company's shares are now held in Electronic form. The Company's shares are currently traded in Group 'X' on the BSE, Mumbai.

Shareholding Summary: As of 31st March, 2019 the shareholding summary is as under:

Category	No. of Holders	Total Shares	% to Equity
Physical	210	95,131	0.74
NSDL	1,805	84,78,817	65.58
CDSL	1,241	43,55,302	33.69
Total	**3,256**	**1,29,29,250**	**100.00**

Reconciliation of Share Capital

As stipulated by the SEBI, reconciliation of Share Capital Audit is conductedevery quarter, by Savita Jyoti Associates, Practicing Company Secretaries, to reconcile the total admitted capital with National SecuritiesDepository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and the reportis forwarded to the Stock Exchanges where the shares of the Company are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

And, Corporate Governance compliance report for thequarter ended 30.06.2018, 30.09.2018, 31.12.2018 and 31.03.2019 were submitted to the BSE Limited.

Suspension from trading:

No Security (equity shares) of the Company has been suspended from trading on the stock exchange where they are listed.

15. **Outstanding ADRs/GDRs As on March 31, 2019, the Company has not issued any ADR/GDR.**
16. **Plant Locations Not applicable**
17. **Addresses for Correspondence:**

Registered Office:

SSPDL Limited (CIN: L70100TG1994PLC018540)
3rd Floor, Serene Towers, 8-2-623/A, 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 Fintech Private Limited
(Formerly known as Karvy Computershare PrivateLimited)
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

NOTE: Company has been informed that pursuant to Order of the Hyderabad Bench of the National Company Law Tribunal (NCLT Order), the operations of Karvy Computershare Private Limited, the Share Transfer Agents of the Company (KCPL) have been transferred to Karvy Fintech Private Limited with effect from 17th November, 2018.

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015)

To,
The Members,
SSPDL Limited
CIN: L70100TG1994PLC018540
Hyderabad

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ***SSPDL LIMITED*** (hereinafter referred to as 'the Company'), a Company incorporated under the Companies Act, 1956 vide Corporate Identity Number (CIN) L70100TG1994PLC018540 and having its Registered Office at 3rd Floor, Serene Towers, 8-2-623/A, Road No 10, Banjara Hills, Hyderabad – 500 034, produced before me for issuance of this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal - www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No	DIN	Name	Designation
1	02257638	Prakash Challa	Chairman and Managing Director
2	00003608	Edala Bhaskar Rao	Director
3	00037303	Bolleni Lokanath	Director
4	00003407	Tetali Krishna Reddy	Director
5	01121372	Khaja Akmaluddin Sheriff	Director
6	01802477	Sridevi Challa	Director

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the eligibility of for the appointment on the Board based on my verification. This certificate 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.

B. Krishnaveni
Practicing Company Secretary
ACS No. 9686
C P No.: 4286

Place: Hyderabad
Date: May 30, 2019

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 2018-19.

Place : Hyderabad
Date : 30.05.2019

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 31.03.2019 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 : 30.05.2019

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
SSPDL LIMITED

1. We, M/s. A. MADHUSUDANA & 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 31st March, 2019, 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 account 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 31st March, 2019.
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. A. Madhusudana & Co
Chartered Accountants
ICAI Firm Registration No: 007405S

(Divakar Atluri)
Partner
Membership No. 022956

Place: Hyderabad
Date: 30.05.2019

INDEPENDENT AUDITOR'S REPORT

To the Members of SSPDL Limited
Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **SSPDL Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw your attention to Note 8(a) of the Standalone Ind AS financial pertaining to receivables balances including trade receivables which are due from related parties and others.

As at 31st March, 2019, the trade receivables amounted to Rs. 2,916.10 lakhs which include receivables from related parties amounting to Rs. 2,020.08 lakhs and from others amounting to Rs. 896.02 lakhs, are outstanding for more than one year.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	Auditor's Response
1.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) The application of the new revenue accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	<u>Our procedures pertaining to Construction revenue included:</u> • Evaluation and testing of management's review and approval of revenue and cost forecasting. • Selection of a sample of contracts for testing using: o Data Analytic routines based on a number of quantitative and qualitative factors, related to size and risk of projects. • For the sample selected, we: o Conducted visits to a selection of project sites to understand project schedule, forecast revenue/cost and risks and opportunities. o Read relevant contract terms and conditions to evaluate the inclusion of individual characteristics and project risks in the Company's estimates. o Tested forecast costs for labour, subcontractors, equipment, materials, and project overheads by comparing to actual incurred spend and committed future contract. o Tested the variations and claims included within revenue against the criteria for recognition in the accounting standards via assessment of:

	<u>Construction Revenue and Profit/Loss Recognition</u> The Company performs various building, engineering and services construction contract works (projects) for a wide range of customers. The Company contracts in a variety of ways. Each project has a different risk profile based on its individual contractual and delivery characteristics. We focused on construction revenue and profit recognition as a key audit matter due to the judgment required by us in assessing the range of factors that impact the Company's estimate of costs and revenue, and the potential impact on profit. Estimating total costs to complete during project life is complex and requires judgment. Typical cost estimates include labour, subcontractors, equipment, materials, and project overheads. Changes to these cost estimates could give rise to variances in the amount of revenue and profit/loss recognized. Judgment is also involved by us in assessing the amount of revenue to be recognized specifically in relation to contractual variations and claims revenue, which has not been formally agreed with the customer at the reporting date. <u>Development Revenue and Profit/Loss Recognition</u> The Company develops for sale both built form product (for example residential apartments, Villas and commercial/retail buildings) and residential land communities. As development revenue is recognized based on an assessment of when the Control is transferred to the purchaser, an assessment of the contractual terms of sale and of the status of completion of performance obligations is required. This was a key audit matter due to the number of judgments required by us in assessing development revenue and profit recognition, in particular for commercial/retail building sales and residential apartments/villas. The assessment of profit recognition requires judgment as cost allocation is typically a function of total forecast project profit based on either revenue or area estimation. Refer Notes 2.2h and 16 to the Standalone Ind AS Financial Statements.	- correspondence between the Company and the customer; and - the Company's legal and external experts' reports received on contentious matters. <u>Our procedures pertaining to Development revenue included:</u> • Evaluation and testing of management's review and approval of development revenue and cost forecasting. • Selection of a sample of developments based on quantitative and qualitative information such as transaction size, potential settlement risk and the complexity of the contractual terms of sale. • For the sample selected we: o compared revenue recognized to contractual terms of sale and cash settlements. o assessed the Company's determination of the transfer of control by a detailed analysis of the contractual terms of sale against the criteria in the accounting standards. o assessed the customers' credit risk including evaluating public information as to the financial position of the purchaser in the context of the level of instalments received by the Company. o tested the completion of performance obligations by comparing the work done to the fulfill the obligations with the contractual terms of sale. o assessed the Company's cost allocation methodology by comparing costs allocated to sales recognized in the year relative to the total project, against the Company's accounting policy and the requirements of the accounting standards.
2.	<u>Recoverability of Development Property Inventory</u> The Company capitalizes development costs into inventory over the life of its projects. Development costs include the purchase of land, site infrastructure costs, construction costs for built form product and borrowing costs. Inventory is carried at the lower of cost and net realisable value and the recoverability of these costs is a significant judgment as that assessment is based on forecasts of: o Sales prices o Forecast construction and infrastructure costs to complete the development Where a development is forecast to be loss making and the inventory is no longer considered to be recoverable, it is considered to be impaired and an expense is recognized. This is a key audit matter due to many developments being long term which increases the level of forecasting judgment and audit complexity in estimating sales prices and future costs to complete the development. Refer Note 7 to the Standalone Ind AS Financial Statements.	<u>Our procedures included:</u> Selection of a sample of projects for testing using: • Data Analytic routines based on a number of quantitative and qualitative factors, related to size, duration and risk of projects. • The Company's project reporting. For the sample selected we: o compared expected sales prices to published industry forecasts and comparable sales prices achieved in the year. o tested forecast construction and infrastructure costs to underlying supplier contracts, historical experience of similar costs and our industry expectation of cost contingency levels and cost escalation assumptions.

3.	Valuation of Deferred tax assets The Company has a significant amount of deferred tax assets, mainly resulting from net operating losses. The valuation of deferred tax assets is significant to our audit because the assessment process is complex and is based on estimates of future taxable income. The risk exists that future (fiscal) profits will not be sufficient to recover all or part of these deferred tax assets. Management has supported the recoverability of the deferred tax assets mainly with taxable income projections which contain estimates of and tax strategies for future taxable income. Changes in, for example, the industrial footprint, the business and its markets and changes in regulations may impact these projections. Refer Note 5 to the Standalone Ind AS Financial Statements.	Principal Audit Procedures In this area, our audit procedures included, amongst others: • Using our own tax specialists to assist us in assessing the appropriateness of the level of deferred taxes recognised in the balance sheet. • We paid attention to the long-term forecasts and critically assessed the assumptions and judgments underlying these forecasts by considering the historical accuracy of forecasts and the sensitivities of the profit forecasts. • We assessed the adequacy of the income tax disclosures to the financial statements, setting out the basis of the deferred tax balance and the level of estimation involved.

Information Other than the Standalone Ind AS Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Corporate Governance and Shareholder’s Information, but does not include the standalone Ind AS financial statements and our auditor’s report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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 implementation and maintenance of 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether these standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure-A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 including other comprehensive income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended, 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 standalone Ind AS financial statements- Refer Note 25(b) to the standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For. A. Madhusudana & Co
Chartered Accountants
ICAI Firm Registration No: 007405S

(Divakar Atluri)
Partner
Membership No. 022956

Place: Hyderabad
Date: 30.05.2019

"Annexure – A" to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Ind AS financial statements for the year ended 31st March, 2019, we report that:

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 account 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 account 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 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 overdues 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 account 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, Goods and Service tax, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty and duty of customs 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, value added tax and cess on account of dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount Rs. In Crores	Period to which the amount relates	Forum where dispute is pending
Tamil Nadu General sales Act.	Disallowances of Input tax credit	0.33	2006-07	Supreme court
Tamil Nadu General Sales 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. During the year Company has taken a term loan from PNB Housing Finance Ltd. and it is utilised for the purpose for which it is raised.

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 given 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. A. Madhusudana & Co
Chartered Accountants
ICAI Firm Registration No: 007405S

(Divakar Atluri)
Partner
Membership No. 022956

Place: Hyderabad
Date: 30.05.2019

"Annexure – B" to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **SSPDL Limited** ("the Company") as of 31st March, 2019 in conjunction with our audit of the Standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 31st March, 2019, 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. A. Madhusudana & Co
Chartered Accountants
ICAI Firm Registration No: 007405S

(Divakar Atluri)
Partner
Membership No. 022956

Place: Hyderabad
Date: 30.05.2019

BALANCE SHEET AS AT MARCH 31, 2019

(All amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	3	**1,945,142**	2,246,984
(b) Financial Assets			
(i) Investments	4a	**82,792,568**	87,292,568
(ii) Other financial assets	4b	-	-
(c) Deferred Tax assets (Net)	5	**183,171,631**	89,874,742
(d) Other Non-current assets	6	**49,416,547**	43,992,286
		317,325,887	223,406,580
2 Current Assets			
(a) Inventories	7	**699,972,720**	407,581,933
(b) Financial Assets			
(i) Trade Receivables	8 a	**291,610,130**	444,035,744
(ii) Cash and cash equivalents	8 b	**41,886,771**	36,392,000
(iii) Bank balances other than (ii) above	8 c	**157,672**	157,672
(iv) Loans	8 d	**310,743,974**	291,048,981
(v) Others financial assets	8 e	**18,876,905**	304,148,031
(c) Other Current Assets	9	**243,523,345**	221,328,777
		1,606,771,518	1,704,693,138
TOTAL		**1,924,097,406**	1,928,099,718
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	10	**129,292,500**	129,292,500
(b) Other equity		**216,011,288**	501,717,342
		345,303,788	631,009,842
LIABILITIES			
2 Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	11 a	**55,377,391**	60,365,859
(ii) Trade payables	11 b	-	-
(iii) Other Financial liabilities	11 c	-	-
(b) Provisions	12	**10,720,913**	8,012,868
		66,098,305	68,378,727
3 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13 a	**349,965,200**	305,773,398
(ii) Trade payables	13 b	**353,064,508**	226,721,540
(iii) Other Financial liabilities	13 c	**59,989,834**	57,271,440
(b) Other Current Liabilities	14	**642,000,399**	523,111,268
(c) Provisions	15	**107,675,373**	115,833,503
		1,512,695,313	1,228,711,149
Total		**1,924,097,406**	1,928,099,718
Summary of significant accounting policies	1 & 2		

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Revenue:			
Revenue from Operations	16	340,505,596	473,380,831
Other Income	17	1,902,672	1,601,433
Total Revenue		342,408,268	474,982,264
Expenses:			
a) Construction Expenses	18	503,303,676	491,258,273
b) Employee Benefits Expense	19	34,882,912	31,833,873
c) Finance Costs	20	45,470,630	36,548,932
d) Depreciation and Amortization Expense	3	450,338	1,762,028
e) Other Expenses	21	22,499,353	25,084,889
Total Expenses		606,606,909	586,487,994
Profit / (Loss) before Tax		(264,198,642)	(111,505,731)
Tax Expense:			
(a) Current Tax		-	-
(b) Deferred Tax Charge / (Release)		(60,187,328)	(27,866,734)
(c) MAT Credit Utilisation/(Entitlement)		-	-
Total Tax Expenses		(60,187,328)	(27,866,734)
Profit/ (Loss) for the Year		(204,011,313)	(83,638,997)
Other Comprehensive income		-	-
Items that will not be reclassified subsequently to profit or loss (Net of tax)		-	-
Items that will be reclassified subsequently to profit or loss (Net of tax)		-	-
Total other comprehensive income, net of tax		-	-
Total Comprehensive income for the Year		(204,011,313)	(83,638,997)
Earnings Per Share (Face value of ₹10 each)			
- Basic and Diluted	22	(15.78)	(6.47)
Summary of significant accounting policies			

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

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

Cash flow statement for the Year Ended March 31, 2019

(All amounts are in Indian Rupees unless otherwise specified)

	Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) before Tax	**(264,198,642)**	(111,504,196)
	Adjustments for:		
	Depreciation	**450,338**	1,762,028
	Interest income	**(141,642)**	(1,336,054)
	Dividend Income	-	-
	Interest Cost	**45,470,630**	36,548,932
	Liabilities & Provisions no longer required - written back	-	-
	Advance written off	-	-
	Bad debts written off	-	-
	Provision for future contract losses - Provided / (Reversal) - Net	**(8,158,130)**	4,240,678
	Profit/loss on sale of investments	-	-
	Provision for Defect Liability Period	**1,886,726**	2,354,207
	Provision for Gratuity	-	-
	Profit/loss on sale of fixed assets	-	-
	Operating Profit before Working Capital Changes	**(224,690,720)**	(67,934,405)
	Adjustments for:		
	Decrease/(increase) in inventories	**(115,594,672)**	(89,935,707)
	Decrease/(increase) in trade receivables	**152,425,614**	(36,457,592)
	Decrease/(increase) in Short Term loans and advances	**(19,694,993)**	(30,046,439)
	Decrease/(increase) in other current financial assets	**285,271,126**	(52,284,722)
	Decrease/(increase) in other current assets	**(22,194,568)**	(76,483,296)
	Decrease/(increase) in Non current other financial assets	-	14,899,591
	Decrease/(increase) in Other Non-Current Assets	**(5,424,261)**	(19,465,450)
	Increase/(decrease) in Non current trade payables	-	(44,506,224)
	Increase/(decrease) in Non current Other financial liabilities	-	(100,000)
	Increase/(decrease) in Non current Provisions	**821,319**	327,565
	Increase/(decrease) in current trade payables	**126,342,968**	(24,016,869)
	Increase/(decrease) in other current financial liabilities	**2,671,348**	(350,395)
	Increase/(decrease) in other current liabilities	**(172,710,635)**	271,234,970
	Increase/(decrease) in Short term Provisions	-	(389,289)
	(Increase) / Decrease in Net Current Assets	**231,913,246**	(87,573,857)
	Cash Generated from Operation	**7,222,526**	(155,508,262)
	Adjustments for income tax (paid)/refund	-	-
	Net Cash from Operating Activities A	**7,222,526**	(155,508,262)

B	**CASH FLOWS FROM INVESTING ACTIVITIES**			
	Purchase of investments		-	-
	Decrease in investments		**4,500,000**	23,187,960
	Purchase of fixed assets		**(148,496)**	(163,055)
	Proceeds from sale of fixed assets		-	-
	Interest received		**141,642**	1,336,054
	Dividend Received		-	-
	Bank balances not considered as cash equivalents		-	-
	Net Cash from Investing Activities	B	**4,493,146**	24,360,959
C	**CASH FLOWS FROM FINANCING ACTIVITIES**			
	Interest paid on borrowings		**(45,470,630)**	(36,548,932)
	Proceeds/(repayment) of Long Term borrowings		**(4,988,468)**	59,928,554
	Proceeds/(repayment) of Short term borrowings		**44,238,846**	134,821,652
	Net Cash used in Financing Activities	C	**(6,220,252)**	158,201,274
	Net Increase/(Decrease) in Cash and Cash Equivalent	A+B+C	**5,495,420**	27,053,971
	Cash and cash equivalents at the beginning of the year		**36,391,351**	9,338,029
	Cash and cash equivalents at the end of the year		**41,886,771**	36,392,000

1) The Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard-7 on Cash Flow Statement.
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 A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

Divakar Atluri
Partner
Membership No. : 022956

Place : Hyderabad
Date : 30-05-2019

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 Changes In Equity

(All amounts are in Indian Rupees unless otherwise specified)

a) **Equity**

Particulars	As on March 31, 2019	As on March 31, 2018
Equity shares Issued, Subscribed and Paid up capital		
As at April 1, 2017	**129,292,500**	129,292,500
Addition\Deletions for the period	-	-
As at March 31, 2018	**129,292,500**	129,292,500
Addition\Deletions for the period	-	-
As at March 31, 2019	**129,292,500**	129,292,500

b) **Other Equity**

	Reserves and surplus			Total
	General Reserve	Securities Premium Reserve	Retained Earnings	
Balance as at April 1, 2017	**18,241,459**	**220,887,000**	**346,227,880**	**585,356,339**
Changes in accounting policy or prior period errors	-	-	-	-
Restated Balance at the beginning of the period	-	-	-	-
Total comprehensive income for the period	-	-	(83,638,997)	(83,638,997)
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Any other change (Nature to be specified)	-	-	-	-
Balance as at March 31, 2018	**18,241,459**	**220,887,000**	**262,588,883**	**501,717,342**
Changes in accounting policy or prior period errors	-	-	-	-
Restated Balance at the beginning of the period	-	-	-	-
Total comprehensive income for the period	-	-	(204,011,313)	(204,011,313)
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Adjustment as per Ind AS 115			(81,694,740)	(81,694,740)
Any other change (Nature to be specified)	-	-	-	-
Balance as at March 31, 2019	**18,241,459**	**220,887,000**	**(23,117,170)**	**216,011,289**

Nature and purpose of the Reserves

i) **Securities Premium**
Securities Premium is used to record the premium on the issue of Shares. The reserve is used for the purposes as specified in the Companies Act, 2013

ii) **General Reserve**
The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

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)

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1) Basis of preparation

The standalone financial statements (‘financial statements’) of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on a going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities, derivative financial instruments and share based payments which are measured at fair values as explained in relevant accounting policies.

The financial statements are presented in Rupees, except when otherwise indicated.

2.2) Summary of Significant Accounting Policies

a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification as mentioned below:.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b) Property,plant and equipment

Recognition and Initial Measurement :

Property, plant and equipment are stated at their cost of acquisition on transition to Ind AS, the Company had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost). 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 discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. 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 recognised 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 recognised in statement of profit or loss as incurred.

Notes to the Financial Statements (Contd...)

Subsequent measurement (depreciation and useful lives):

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis over the estimated useful lives of the assets as follows:

(a)	Computers	-	3 Years
(b)	Office Equipments	-	5 Years
(c)	Furniture and Fixtures	-	10 Years
(d)	Vehicles	-	8 to 10 Years
(e)	Construction Equipment	-	15 Years

Depreciation methods, estimated useful lives and residual value:

Depreciation on tangible assets is provided on pro-rata basis on the straight line method in accordance with useful life estimated by the management which is the same as those prescribed under Schedule II to the Companies Act, 2013. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

Assets costing ₹ 5,000 or less are depreciated in full in the year of acquisition. In respect of additions/deletions, depreciation charge is restricted to the period of use.

De-Recognition:

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is de-recognised.

c) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiary is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

(ii) Computer software

Computer software are stated at cost, less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(iii) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Computer software - 5 years

d) Capital Work in Progress and Intangible Assets under Development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost less accumulated impairment loss, if any. Cost includes land, related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

e) Investment Properties

Recognition and Initial Measurement:

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition, including transaction costs. On transition to Ind AS, the Company had elected to measure all of its investment properties at the previous GAAP carrying value (deemed cost).

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 discount and rebates are deducted in arriving at the purchase

price. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Notes to the Financial Statements (Contd...)

Subsequent measurement (depreciation and useful lives):

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the straight-line method over the useful lives of the assets.

De-recognition:

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of de-recognition.

f) Investments in Equity Instruments of Subsidiaries, Joint ventures and Associates

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is assessed for recoverability and in case of permanent diminution provision for impairment is recorded in statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss

g) Inventories

Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/ as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreement to purchase) acquisition cost, borrowing cost if inventorisation criteria are met, estimated internal development costs and external development charges and other directly attributable costs.

Construction work-in-progress of constructed properties includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost if inventorisation criteria are met, development /construction materials, is valued at lower of cost/ estimated cost and net realisable value.

Development rights represent amount paid under agreement to purchase land/ development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/ development rights in the identified land and constructed properties, the acquisition of which is either completed or is at an advanced stage. These are valued at lower of cost and net realisable value.

Construction/ development material is valued at lower of cost and net realisable value. Cost comprises of purchase price and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

h) Revenue from Contract or Services with Customers and other Streams of Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customers.

i. Revenue from Contracts with Customers:

Pursuant to the application of Ind AS 115 - 'Revenue from Contracts with Customers' effective from 1 April 2018, the Company has applied following accounting policy for revenue recognition:

Revenue is measured at the fair value of the consideration received/ receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the standalone financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Notes to the Financial Statements (Contd...)

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on various conditions as included in the contracts with customers.

Point of Time:

Revenue from real-estate projects:

Revenue is recognised at a Point in Time w.r.t. sale of real estate units, including land, plots, apartments, commercial units, development rights as and when the control passes on to the customer which coincides with handing over of the possession to the customer.

Over a period of time:

Revenue is recognised over period of time for following stream of revenues:

Revenue from Construction projects:

Construction projects where the Company is acting as trunkey contractor, revenue is recognised in accordance with the terms of the Construction agreements. Under such contracts, assets created does not have an alternative use for the company and the Company has an enforceable right to payment. The estimated project cost includes construction cost, development and construction material, internal development cost, external development charges, borrowing cost and overheads of such project.

The estimated costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Maintenance income:

Revenue in respect of maintenance services is recognised on an accrual basis, in accordance with the terms of the respective contract as and when the Company satisfi es performance obligations by delivering the services as per contractual agreed terms.

Other operating income:

Income from forfeiture of properties and delayed interest from customers under agreements to sell is accounted for on an accrual basis except in cases where ultimate collection is not reasonably ascertained.

ii. Volume rebates and early Payment rebates :

The Company provides early payment rebates/ down payment rebates to the customers. Rebates are offset against amounts payable by the customer and revenue to be recognised. To estimate the variable consideration for the expected future rebates, the Company estimates the expected value of rebates that are likely to be incurred in future and recognises the revenue net of rebates and recognises the refund liability for expected future rebates.

iii. Contract Balances

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

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.

Notes to the Financial Statements (Contd...)

i) **Cost of Revenue**

Cost of real estate projects:

Cost of constructed properties includes cost of land (including cost of development rights/ land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

Cost of land and plots:

Cost of land and plots includes land (including development rights), acquisition cost, estimated internal development costs and external development charges, which is charged to the statement of profit and loss based on the percentage of land/ plotted area in respect of which revenue is recognised as explained in accounting policy for revenue from 'Sale of land and plots', in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

Cost of development rights:

Cost of development rights includes proportionate development rights cost, borrowing costs and other related cost, which is charged to statement of profit and loss as explained in accounting policy for revenue, in consonance with the concept of matching cost and revenue.

j) **Borrowing Costs**

Borrowing costs directly attributable to the acquisition and/ or construction/ production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are charged to the statement of profit and loss as incurred. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

k) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

l) **Leases**

As a lessee

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

Notes to the Financial Statements (Contd...)

m) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used by the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

n) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash generating units). Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

o) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, bank deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

p) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

q) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Notes to the Financial Statements (Contd…)

(ii) Measurement

At initial recognition,the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments equity instruments of subsidiaries, associates or joint ventures.

Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes to the Financial Statements (Contd…)

r) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

s) **Borrowings**

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses). Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

t) **Earnings per share**

(i) **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

u) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions for legal claims are recognised when the entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

v) **Changes in accounting policies and disclosures**

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Notes to the Financial Statements (Contd…)

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects. For certain real estate contracts where the Company was following Percentage of Completion method (POCM) as per the "Guidance Note on Real Estate Transactions", issued by Institute of Chartered Accountants of India, revenue has been recognized at a point in time in accordance with and pursuant to conditions specified in Ind AS 115 "Revenue from Contracts with Customers". However for other contracts, the Company continues to recognize revenue over the period of time. The Company has applied the modified retrospective approach to contracts that were not completed as of 1 April 2018. The Company elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The company has applied the modified retrospective approach to contracts that were not completed as on April 01, 2018 and has given impact of Ind AS 115 application by debit to retained earnings as at the said date by ₹ 816.94 Lakhs (Net of taxes). Accordingly the comparatives have not been restated and hence not comparable with previous period figures. Due to the application of Ind AS 115 for the Year ended March 31, 2019, revenue from operations, is lower by ₹ 404.49 Lakhs and Net Loss after tax is lower by ₹ 263.07 Lakhs, vis-a-vis the amounts if replaced standards were applicable.

w) **Significant management judgment in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgments :

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

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

Impairment of financial assets - At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Provisions - At each balance sheet date basis the management judgement, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgment.

Significant estimates:

Net realizable value of inventory - The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling cost. The Company also involves specialist to perform valuations of inventories, wherever required.

Useful lives of depreciable/ amortisable assets - Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Valuation of investment in subsidiaries, joint ventures and associates - Investments in joint ventures and associates are carried at cost. At each balance sheet date, the management assesses the indicators of impairment of such investments. This requires assessment of several external and internal factor including capitalisation rate, key assumption used in discounted cash flow models (such as revenue growth, unit price and discount rates) or sales comparison method which may affect the carrying value of investments in subsidiaries, joint ventures and associates.

Notes to financial statements (Contd...)

(All amounts in Indian Rupees, unless otherwise stated)

Financial instruments and risk management

Note : Fair value measurements

	Hierarchy	31 March 2019			Fair Value	31 March 2018			Fair Value
		Carrying value				Carrying value			
		FVPL	FVOCI	Amortised Cost		FVPL	FVOCI	Amortised Cost	
Financial Assets									
Investment in NSC Bonds		300,000	-	-		300,000	-	-	
Trade Receivables	3	-	-	291,610,130		-	-	444,035,744	
Cash and cash equivalents	3	-	-	41,886,771		-	-	36,392,000	
Other Bank Balances		-	-	157,672		-	-	157,672	
Loans and advances		-	-	310,743,974		-	-	291,048,981	
Other financial assets		-	-	18,876,907		-	-	304,148,031	
Total Financial Assets		**300,000**	-	**663,275,454**		**300,000**	-	**1,075,782,428**	
Financial Liabilities									
Borrowings	3	-	-	405,342,591		-	-	366,139,257	
Trade Payables	3	-	-	353,064,508		-	-	226,721,540	
Other Financial Liabilities	3	-	-	59,989,834		-	-	57,271,440	
Total Financial Liabilities		-	-	**818,396,933**		-	-	**650,132,237**	

(i) Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

The carrying amounts of trade receivables, loans, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short term nature.

The fair values of non-current borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value heirarchy due to the use of unobservable inputs, including own credit risk.

Note : Financial Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis Credit rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The board provides written principles for overall risk management as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

(A) Credit Risk:

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from operating activities (primarily trade receivables) and from financing activities, including deposits with banks and other financial instruments.

(i) Credit risk management

Credit risk is managed at the company level. The Company has low or no Credit Risk associated to its customers. Hence the credit risk is considered at low credit risk category.

(ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision	
		Loans and deposits	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in are payment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 180 days past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off	

Year ended March 31, 2019:

(a) Expected credit loss for loans, security deposits and investments

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Trade Receivables	291,610,130	0%	-	291,610,130
	Loans	310,743,974	0%	-	310,743,974

(b) Expected credit loss for trade receivables under simplified approach

Ageing	0-90 days	90-365 days	More than 365 days	Total
Gross carrying amount	291,610,130	-	-	291,610,130
Expected loss rate	0%	-	-	-
Expected credit loss (loss allowance provision)	-	-	-	-
Carrying amount of trade receivables (net of impairment)	291,610,130	-	-	291,610,130

Year ended March 31, 2018:

(a) Expected credit loss for loans, security deposits and investments

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses -	Trade Receivables	444,035,744	0%	-	444,035,744
Financial assets for which credit risk has not increased significantly since initial recognition	Loans	291,048,981	0%	-	291,048,981

(b) Expected credit loss for trade receivables under simplified approach

Ageing	0-90 days	90-365 days	More than 365 days	Total
Gross carrying amount	444,035,744	-	-	444,035,744
Expected loss rate	0%	-	-	-
Expected credit loss (loss allowance provision)	-	-	-	-
Carrying amount of trade receivables (net of impairment)	444,035,744	-	-	444,035,744

During the period, the company made no write offs of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

(B) Liquidity Risk:

Liquidity risk is the risk that the company will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stresses conditions without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has lines of credit from group company and also from banks. The company believes that these facilities are sufficient to meet its funds requirements. Accordingly, no liquidity risk is perceived.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March, 2019	31 March, 2018
Floating Rate		
- Expiring within one year	4,988,468	4,941,422
- Expiring beyond one year	55,377,391	60,365,859

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2019	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non derivatives					
Borrowings	2,430,604	2,557,863	5,524,504	49,852,887	60,365,859
Trade payables	353,064,508	-		-	353,064,508
Total non derivative liabilities	**355,495,112**	**2,557,863**	**5,524,504**	**49,852,887**	**413,430,367**

Contractual maturities of financial liabilities 31 March 2018	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non derivatives					
Borrowings	4,941,422	60,365,859	-	-	65,307,281
Trade payables	226,721,540	-	-	-	226,721,540
Total non derivative liabilities	231,662,962	60,365,859	-	-	292,028,821

Capital Management

(a) Risk management

The Company's objective when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

	31 March, 2019	31 March, 2018
Net Debt	18,479,087	28,915,281
Total Equity	345,303,788	631,009,842
Net debt to equity ratio	5.4%	4.6%

Notes to the Financial Statements (Contd...)

(All amounts in Indian Rupees, unless otherwise stated)

3 Property, Plant and Equipment

Description	Construction Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
Gross Block at April 1, 2017	1,867,844	808,714	111,312	938,594	1,919,907	5,646,371
Additions	-	-	-	146,669	16,386	163,055
Disposals	-	-	-	-	-	-
Gross block at March 31, 2018	1,867,844	808,714	111,312	1,085,263	1,936,293	5,809,426
Additions	-	-	148,494	-	-	148,494
Disposals	-	-	-	-	-	-
Gross Block at March 31, 2019	1,867,844	808,714	259,806	1,085,263	1,936,293	5,957,920
Accumulated Depreciation at April 1, 2017	154,286	779,738	57,796	278,294	530,300	1,800,414
Charge for the year	147,548	72,977	28,662	221,503	192,184	662,874
Adjustments	1,031,178	(62,368)	15,587	69,594	45,163	1,099,154
Disposals	-	-	-	-	-	-
Accumulated depreciation at March 31, 2018	1,333,012	790,347	102,045	569,391	767,647	3,562,442
Charge for the year	44,042	42,827	36,042	203,018	185,492	511,421
Adjustments	-	(61,085)	-	-	-	(61,085)
Disposals	-	-	-	-	-	-
Accumulated depreciation at March 31, 2019	1,377,054	772,089	138,087	772,409	953,139	4,012,778
Net block						
At March 31, 2018	534,832	18,367	9,267	515,872	1,168,646	2,246,984
At March 31, 2019	490,790	36,625	121,719	312,854	983,154	1,945,142

4 Financial Assets – Non current

	Particulars	As at March 31, 2019	As at March 31, 2018
a)	**Investments (Refer Note 4(a))**		
	Trade Investments		
	Equity instruments of subsidiaries	19,975,287	19,975,287
	Equity instruments of Associates	1,125,000	1,125,000
	Equity instruments of Other enterprises	99,810	99,810
	Debentures of Associate	61,042,471	65,542,471
	Investment in Limited Liability partnership	250,000	250,000
	Non Trade Investments	-	-
	In government securities	300,000	300,000
		82,792,568	87,292,568
b)	**Other financial assets**		
	Other Deposits	-	-
		-	-
	Total Financial Assets	**82,792,568**	87,292,568

Notes to the Financial Statements (Contd...)

4.(a) Details of Unquoted, Non-current Investments

		Particulars	Face Value	As at March 31, 2019 No. of Shares Holding	As at March 31, 2019 Book Value	As at March 31, 2018 No. of Shares Holding	As at March 31, 2018 Book Value
I)	**Trade Investments**						
	A	**In Equity shares**					
		Of Subsidiary					
		SSPDL Resorts Private Limited	10	10,000	100,000	10,000	100,000
		SSPDL Realty India Private Limited	10	10,000	100,000	10,000	100,000
		SSPDL Real Estates India Private Limited	10	10,000	100,000	10,000	100,000
		SSPDL Infra Projects India Private Limited	10	10,000	100,000	10,000	100,000
		SSPDL Infratech Private Limited	1	1,196,000	19,575,287	1,196,000	19,575,287
					19,975,287		19,975,287
		Of Associates					
		Northwood Properties India Private Limited - Class A Equity shares	10	22,500	225,000	22,500	225,000
		Northwood Properties India Private Limited - Class B Equity shares	10	90,000	900,000	90,000	900,000
					1,125,000		1,125,000
		Of Other Enterprises					
		Alphacity Chennai IT Park Projects Private Limited	10	9,980	99,800	9,980	99,800
		SSPDL Infrastructure Developers Private Limited - Class A Equity Shares	10	36,422	10,956,710	36,422	10,956,710
		SSPDL Infrastructure Developers Private Limited - Class B Equity Shares	10	1	10	1	10
		(Less): Impairment of Investment in SSPDL Infrastructure Developers Private Limited			(10,956,710)		(10,956,710)
					99,810		99,810
	B	**Debentures**					
		of Associate Company					
		Optionally Convertible 15% Debentures					
		(Series B) ("OCD's);					
		Northwood Properties India Private Limited	10	9,104,247	91,042,471	9,554,247	95,542,471
		(Less) : Impairment of Investment of OCD's of Northwood Properties India Private Limited			(30,000,000)		(30,000,000)
					61,042,471		65,542,471
	C	**Investments in Limited Liability Partnership**					
		Godrej SSPDL Green Acres LLP			250,000		250,000
		Total Trade Investments			**82,492,568**		86,992,568
II)	**Non-trade Investments**						
	A	**In Government Securities**					
		National Savings Certificate			300,000		300,000
		Total Uquoted, Non current Investments			**82,792,568**		87,292,568
		Aggregate amount of Book Value and Market Value of Quoted Investments			-		-
		Aggregate amount of Unquoted Investments			123,749,278		128,249,278
		Aggregate amount of Impairment in Value of Investment			40,956,710		40,956,710

Notes to the Financial Statements (Contd...)

5 **Deferred Tax Assets (Net)**

	Particulars	As at March 31, 2019	As at March 31, 2018
a)	**Deferred Tax Asset**		
	On account of		
	Difference of Depreciation between Books and Tax laws	**606,136**	743,353
	Section 43 B {Provision for Service tax}	**14,073,401**	15,610,650
	Section 43 B { Provision for Sales Tax}	**4,118,453**	4,568,315
	Provision for Future Contract Losses as per AS-7	-	1,223,037
	Provision for Defect Liability Period	**2,787,437**	2,547,780
	Carry Forward Business Losses	**117,575,590**	28,227,425
	Carry Forward Unabsorbed Depreciation	**373,436**	217,728
	Adv for JDA at thalambur - sspdl madhavanam - Interest cost	-	-
	Deferred Tax Asset on account of Adjustment as per Ind AS -115	**6,663,853**	-
	MAT Credit Entitlement	**36,973,323**	36,973,323
	Total (a)	**183,171,631**	90,111,611
b)	**Deferred Tax Liability**		
	On account of		
	Provision for defect liability period-interest suspense	-	236,868
	Total (b)	-	236,868
c)	**Net Deferred Tax Asset / (Liability) (a-b)**	**183,171,631**	89,874,742

6 **Other Non-Current Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to suppliers/contractors	-	-
Security deposits	**9,050,902**	9,035,068
Others deposits	**39,761,337**	34,279,959
Unamortised Expenses	**604,308**	677,259
	49,416,547	43,992,286

7 **Inventories**

Particulars	As at March 31, 2019	As at March 31, 2018
Work-in-progress	**575,188,901**	249,856,899
Cost of land under development	**124,783,819**	136,967,912
Cost of Materials	-	20,757,122
	699,972,720	407,581,933

Notes to the Financial Statements (Contd...)

8 **Financial Assets – Current**

Particulars		As at March 31, 2019	As at March 31, 2018
a) Trade Receivables			
Unsecured, considered good			
a) Due by private companies in which directors are interested		**202,008,919**	202,547,358
b) Others		**89,601,212**	241,488,386
	Total (a)	**291,610,130**	444,035,744
b) Cash and cash equivalents			
Cash on hand		**72,423**	95,823
Balances with banks			
- In current account		**21,030,410**	33,442,347
In deposits accounts (Original maturity less than 3 months)		**20,783,939**	2,853,830
	Total (b)	**41,886,771**	36,392,000
c) Other banks balances			
- In Margin money Deposits		**157,672**	157,672
- In deposits accounts (Original maturity more than 3 months)		-	-
	Total (c)	**157,672**	157,672
d) Loans			
Loans and advances to related parties		**268,201,606**	248,705,305
Other loans and advances;		**42,542,368**	42,343,676
	Total (d)	**310,743,974**	291,048,981
e) Other Financial Assets			
Interest accrued on deposits		**3,008,842**	3,086,453
Other deposits		**15,868,065**	15,868,064
Unbilled Revenue		**0**	285,193,514
	Total (e)	**18,876,907**	304,148,031
Total Financial Assets (a + b + c + d+e)		**663,275,455**	1,075,781,779

9 **Other Current Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Advance to suppliers and contractors	112,639,583	94,948,432
Balance with statutory/government authorities	127,422,096	121,757,077
Loans and advances to employees	428,101	591,930
Prepaid expenses	3,033,565	4,031,339
	243,523,345	221,328,778

Notes to the Financial Statements (Contd...)

10 Equity

i) **Equity Share Capital**

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Capital		
2,50,00,000 (Previous Year: 2,50,00,000) Equity share of ₹10 each	250,000,000	250,000,000
Issued, Subscribed and Paid up		
1,29,29,250 (Previous Year:1,29,29,250) 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**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Value	Number of shares	Value
Equity shares				
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, 2019		As at March 31, 2018	
	Number of shares	% of holding	Number of shares	% of 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	872,042	6.74	872,042	6.74

ii) **Other equity**

Particulars	As at March 31, 2019	As at March 31, 2018
General Reserve	**18,241,459**	18,241,459
Securities Premium Reserve	**220,887,000**	220,887,000
Retained Earnings	**(23,117,170)**	262,588,883
	216,011,289	501,717,342

Nature and purpose of the Reserves

i) **Securities Premium**

Securities Premium is used to record the premium on the issue of Shares. The reserve is used for the purposes as specified in the Companies Act, 2013

ii) **General Reserve**

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders

Notes to the Financial Statements (Contd...)

11 **Financial Liabilities – Non current**

Particulars	As at March 31, 2019	As at March 31, 2018
a) **Borrowings**		
Secured		
Term Loans from Banks		
PNB Housing Finance Limited	**55,377,391**	60,365,859
Vehicle loans		
Toyota Finance services limited	-	-
	55,377,391	60,365,859

Term loan from PNB Housing Finance Limited

i) **Terms and Conditions**

The term loan of ₹ 6.76 crores has been obtained for general business purpose. The loan amount is repayable in 120 Months starting from 10-07-2017. The rate of interest applicable on the loan is 10.25% (Fixed) per annum for the first 36 Months and floating interest rate based on prevailing PNBHFR for the remaining repayment period.

ii) **Details of security**

The loan is secured by mortgage of commercial property belonging to one of the directors.

Vehicle Loan from Toyota Finance Limited

Vehicle loans are secured by hypothecation of respective vehicles

b) **Trade Payables**		
Retention Money Payable	-	-
c) **Other financial liabilities**		
Security deposits	-	-
	55,377,391	60,365,859

12 **Long-term Provisions**

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for defect liability Period	**10,720,913**	8,834,187
(Less): Interest Cost as per IND AS 37	-	(821,319)
Provision for Defect Liability Period (Net of interest cost)	**10,720,913**	8,012,868

13 **Financial Liabilities – Current**

Particulars	As at March 31, 2019	As at March 31, 2018
a) **Borrowings**		
Unsecured		
Loans repayable on demand		
Loans and advances from related parties and others	**349,965,200**	305,773,398
Total (a)	**349,965,200**	305,773,398
b) **Trade Payables**		
- Dues to micro and small enterprises (*See below)	-	-
- Others	**353,064,534**	226,721,540
Total (b)	**353,064,534**	226,721,540

*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.

Notes to the Financial Statements (Contd...)

Particulars		As at March 31, 2019	As at March 31, 2018
c) Other financial liabilities			
Current maturities of long-term debts		**4,988,468**	4,941,422
Security Deposits Received		**47,923,600**	47,923,600
Outstanding expenses and others		**7,077,766**	4,406,418
	Total (c)	**59,989,834**	57,271,440
Total Financial Liabilities	**Total (a+b+c)**	**763,019,568**	589,766,378

14 Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advance received from clients **	635,600,018	516,255,442
Statutory liabilities	6,400,381	6,855,825
Billing excess revenue		
	642,000,399	523,111,268

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

15 Short-term Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Gratuity	-	-
Other provisions		
Provision for Estimated Future contract losses	37,706,702	45,864,832
Provision for Service tax Demand	54,128,467	54,128,467
Provision for Sales tax Demand	15,840,204	15,840,204
	107,675,373	115,833,503

16 Revenue From Operations

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Revenue from Construction Contracts	**155,307,354**	406,223,263
Revenue from Development projects	**91,547,461**	67,157,568
Revenue from Sale of Land / Plots	**76,100,000**	-
Other operating revenues	**17,550,780**	-
	340,505,596	473,380,831

17 Other Income

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
a) Interest Income		
Interest on deposits with banks	**141,642**	70,290
Others	-	1,265,764
	141,642	1,336,054

Notes to the Financial Statements (Contd...)

Particulars		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
b)	**Dividend Income**		
	Dividend on Investments	-	-
		-	-
c)	**Other Non Operative Income**		
	Liabilities no longer required written back	**541,876**	-
	Other income	**1,219,154**	265,379
		1,761,030	265,379
		1,902,672	1,601,433

18 Construction Expenses

Particulars			For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
(a)	**Cost Incurred during the year**			
	Works contract including contractor's bills		615,731,905	517,277,237
	Masonry and other works		286,030	395,173
	Power and fuel charges		49,958	62,051
	Rates and taxes		1,426,175	5,141,180
	Project consultancy charges		10,815,250	17,069,550
	Land cost and development charges		11,346,152	39,230,100
			639,655,470	579,175,291
(b)	**Changes in Work-in-progress**			
	Work In Progress as on 31.03.2019			
	- Work-in-progress		575,188,901	249,856,899
	- Cost of land under development		124,783,819	136,967,912
		(i)	699,972,720	386,824,811
	Work In Progress as on 01.04.2018			
	- Work-in-progress		426,653,014	202,728,249
	- Cost of land under development		136,967,912	96,179,544
		(ii)	563,620,926	298,907,793
	Net (increase)/decrease in Work in progress	(ii - i)	(136,351,794)	(87,917,018)
Construction expenses		(a + b)	503,303,676	491,258,273

19 Employee Benefits Expense

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Salaries and wages	31,043,196	29,221,767
Contribution to provident and other funds	804,501	780,124
Staff welfare expenses	3,035,215	1,831,982
	34,882,912	31,833,873

Notes to the Financial Statements (Contd...)

20 Finance Costs

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
a) Interest expense :		
i) Borrowings	**44,455,285**	31,141,208
ii) Others		
- Interest on deferred payment of income tax	**117,265**	161,432
- others	**821,319**	5,186,744
b) Other borrowing costs		
Processing Charges	**76,761**	59,548
	45,470,630	36,548,932

21 Other Expenses

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Rent	**4,158,000**	3,894,000
Electricity charges	**1,554,018**	1,271,128
Repairs and maintenance - Machinery	-	-
Repairs and maintenance - others	**547,973**	337,498
Insurance	**1,470,103**	1,022,006
Rates and taxes	**426,792**	448,707
Communication expenses	**556,490**	582,787
Travelling and conveyance	**1,733,517**	1,992,501
Printing and stationery	**388,880**	340,541
Business promotion	**137,784**	377,280
Security charges	**3,541,193**	3,176,809
Director sitting fees	**545,500**	482,750
Legal and professional	**2,294,341**	4,281,001
Payments to auditors:		
- Statutory audit fee	**500,000**	500,000
- Tax audit fee	**100,000**	100,000
for Other services	**185,000**	160,000
for Reimbursement of expenses	**108,395**	86,036
CSR Expenditure	-	250,000
Vehicle running and maintenance	**1,379,696**	1,508,447
Loss on sale of Fixed Assets		
Advances written off	-	366,887
Bad debts written off		
Bank charges	**58,573**	73,455
Amortisation of prepaid expenses	-	938,919
Miscellaneous expenses	**2,813,098**	2,894,136
	22,499,353	25,084,889

22 Earnings Per Share ("EPS")

Net profit/(loss) for the year after tax (a)	**(204,011,313)**	(83,638,997)
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)	**(15.78)**	(6.47)

Notes to the Financial Statements (Contd...)

23 Tax expense

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Current Tax	-	-
(b)	Deferred Tax Charge / (Release)	**(60,187,328)**	(27,866,734)
(c)	MAT Credit Utilisation/(Entitlement)	-	-
	Total tax expense reported in statement of profit and loss	**(60,187,328)**	**(27,866,734)**

The major components of income tax expense and reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.608% and the reported tax expense in the statement of profit or loss are as follows

Statement of reconciliation of tax expense

S.No	Particulars	March 31, 2019	March 31, 2018
1	Accounting Profit before income tax	**(264,198,642)**	(111,505,731)
2	Add: Permanent tax Differences considered in tax computation		
	a) Disallowances u/s 37 of Income tax act, 1961	**117,265**	411,432
	b) Income offered for tax in earlier years and accounted in current year	-	-
	c) Excess assets considered in deferred tax calculation of Previous year (Provision for future contract losses)	-	-
3	Accounting profit after adjusting permanent tax differences (1 + 2)	**(264,081,377)**	(111,094,299)
4	Effective Tax Rate in force for future years	**26.00%**	28.84%
5	Theoratical tax expense (3 * 4)	**(68,661,158)**	(32,039,596)
6	Adjustment for change in effective tax rate from previous years	**(8,473,830)**	(4,172,862)
7	Interest under sec 234A, 234B, 234C of income tax act 1961, included in tax expense	-	-
	Total tax expense reported in statement of profit and loss (5-6+7)	**(60,187,328)**	**(27,866,734)**

24 Details of dues to micro and small enterprises as defined under MSMED Act 2006

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.

25 Capital Commitments and Contingent Liabilities Not provided for :

a) Commitments

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil

Notes to the Financial Statements (Contd...)

b) **Contingent liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
i. Corporate Guarantee given in favour of federal bank for term loans		
availed by wholly owned subsidiaries		
SSPDL Infra Projects Private Limited	1,156,492	1,543,752
SSPDL Real Estates India Private Limited	7,542,795	9,230,913
SSPDL Reality India Private Limited	5,274,257	6,355,350
SSPDL Resorts Private Limited	7,228,069	9,630,707
ii. Corporate Guarantee given in favour of federal bank for working capital loans availed by wholly owned subsidiaries		
SSPDL Infra Projects Private Limited	4,426,722	4,436,313
SSPDL Real Estates India Private Limited	19,445,306	13,327,186
SSPDL Reality India Private Limited	15,491,934	15,524,629

iii. During the course of assessment proceedings under the Income-tax Act, 1961 pertaining to earlier years, certain disallowances/additions are made by the income tax authorities and the demands are raised on the company. This demad was fully paid by the company after adjustments by the Income-tax (IT) authorities against the income-tax refunds due to the company with respect to other years. In respect of these disallowances/ additions, Company has appealed before the higher authorities i.e. Income Tax Appellate Tribunal (ITAT), High Court. The Corresponding provision for the demand paid was not made in the books of account of the company as the the company is expecting order in favour of the Company. However, in respect of the disallowances/additions which are contested before the higher authorities, the demands paid/ adjusted are shown as advances under 'Balance with statutory/government authorities' under the schedule of 'Othr current Assets'. The Contingent Liability inrespect of the above income tax dispute/demand (which was already paid) is Rs. 4.27 Crores

26 Expenditure in foreign Currency

Particulars	As at March 31, 2019	As at March 31, 2018
Travel Expenditure	-	-
Others	-	-
	-	-

27 As per Indian Accounting Standard 19 "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.

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Employer's Contribution to Provident Fund	**674,053**	667,354

Notes to the Financial Statements (Contd...)

b) Defined Benefit Plans: The following table sets out the disclosures are required under Indian Accounting Standard 19 "Employees Benefits" in respect of Gratuity

i) Change in the present value of obligation

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Present Value of defined benefit obligation at the beginning of the year	**2,637,726**	2,211,145
Interest cost	**201,642**	176,765
Past service cost (Vested Employees)	-	30,414
Current service cost	**490,691**	421,119
Benefits paid	-	-
Actuarial changes arising from changes in financial assumptions	**458,900**	(201,717)
Actuarial changes arising from changes in experience adjustments	**3,788,959**	2,637,726

ii) Net liability recognised in the balance sheet

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Acquisition Adjustment	-	-
Expected Return on Plan Assets	**279,606**	182,997
Employer's Contributions	**440,268**	1,153,279
Employee's Contributions	-	-
Benefits Paid	-	-
Actuarial Gain / (Loss) on the Plan Assets	**10,931**	32,211
Fair Value of Plan Assets as at the end	**730,805**	1,368,487

iii) Fair Value of Plan Assets

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Fair Value of Plan Assets as at the beginning	**3,657,858**	2,289,098
Acquisition Adjustment	-	-
Actual Return on Plan Assets	**290,537**	215,208
Employer's Contributions	**440,268**	1,153,279
Employee's Contributions	-	-
Benefits Paid	-	-
Fair Value of Plan Assets as at the end	**4,388,663**	3,657,585

Notes to the Financial Statements (Contd...)

iv) Expenses Recognised in profit and loss

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current Service Cost	**490,691**	421,119
Past Service Cost (Vested Employees)	-	30,414
Past Service Cost (Un-vested Employees)	-	-
Interest Cost	**201,642**	176,765
Expected Return on Plan Assets	**(279,606)**	(182,997)
Curtailment Cost	-	-
Settlement Cost	-	-
Net Actuarial (Gain) / Loss recognised in the period	**447,969**	(233,928)
Expenses Recognised in statement of Profit and Loss	**860,696**	211,373

v) Recognised in other comprehensive income for the year

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	**458,900**	(201,717)
Actuarial changes arising from changes in experience adjustments	**3,788,959**	2,637,726
Return on plan assets excluding interest income	-	-
Recognised in other comprehensive income	**4,247,859**	2,436,009

vi) Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Funds managed by Insurer	**100%**	100%

vii) Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current Liability (Short term)	**1,311,174**	264,759
Non-Current Liability (Long term)	**2,477,758**	2,372,967
Present Value of Obligation as at the end	**3,788,932**	2,637,726

viii) Expenses recognised in the statement of profit and loss for the year

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current service cost	**490,691**	421,119
Interest cost on benefit obligation (Net)	**201,642**	176,765
Total expenses included in employee benefits expense	**692,333**	597,884

Notes to the Financial Statements (Contd...)

c) **Actuarial assumptions**

i) **Financial Assumptions**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Discount Rate per annum	**7.70%**	7.65%
Salary growth Rate per annum	**5.00%**	7.00%
Expected rate of return on plan assets (per annum)	**7.70%**	8.00%

ii) **Demographic Assumptions**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Mortality rate (% of IALM 06-08)	**100%**	100%
Normal retirement age	**58 Years**	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	**3%**	3%
31 - 44 years	**2%**	2%
Above 44 years	**1%**	1%

28 Segment Reporting

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 Indian Accounting Standard 108 issued by the ICAI is not required

29 Disclosure under Indian Accounting standard 24 - Related Party Disclosures

i) **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 Satya Sai Constructions (Partnership Firm) Sri Krishna Devaraya Hatcheries Private Limited SSPDL Ventures Private Limited Edala Estates Private Limited SSPDL Infrastructure Developers Private Limited
Key Managerial Personnel	Mr. Prakash Challa, Chairman and Managing Director Mr. E. Bhaskar Rao, Director Mrs. Sridevi Challa, Director Mr. K. Akmaluddih Sheriff, Independent director Mr. B. Lokanath, Independent director Mr. T. Krishna Reddy, Independent director Mr. U S S Ramanjaneyulu N, Chief Financial Officer Mr. A. Shailendra Babu, Company Secretary
Relative of Key Managerial Personnel	Mr. Suresh Challa (Spouse of Director) Mrs. Padmaja Eadala (Spouse of Director)

ii) Related party transactions during the Year

Particulars	Key Managerial Personnel		Relatives of key managerial persons		Subsidiaries		Associates		Enterprises owned or significantly influenced by Key management personnel or their relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Unsecured Loan Taken												
Prakash Challa	10,000,000	-	-	-	-	-	-	-	-	-	10,000,000	-
Repayment of Unsecured Loans taken												
Srinivas Hatcheries Limited	-	-	-	-	-	-	-	-	-	8,000,000	-	8,000,000
Amount received on Redemption of OCD's												
Northwood Properties India Private Limited	-	-	-	-	-	-	4,500,000	21,500,000	-	-	4,500,000	21,500,000
Interest accrued on unsecured loans taken												
Sri Krishna Devaraya Hatcheries Private Limited	-	-	-	-	-	-	-	-	6,746,251	5,558,568	6,746,251	5,558,568
E. Bhaskar Rao	11,970,023	10,760,024	-	-	-	-	-	-	-	-	11,970,023	10,760,024
Prakash Challa	674,618	-	-	-	-	-	-	-	-	-	674,618	-
SSPDL Ventures Private Limited	-	-	-	-	-	-	-	-	3,600,000	5,400,001	3,600,000	5,400,001
Srinivas Hatcheries Limited	-	-	-	-	-	-	-	-	-	35,507	-	35,507
Loans and Advances given or (Received)												
SSPDL Real Estates India Private Limited	-	-	-	-	16,242,760	25,454,702	-	-	-	-	16,242,760	25,454,702
SSPDL Infra Projects India Private Limited	-	-	-	-	345,685	12,718	-	-	-	-	345,685	12,718
SSPDL Realty India Private Limited	-	-	-	-	861,036	1,727,518	-	-	-	-	861,036	1,727,518
SSPDL Resorts Private Limited	-	-	-	-	2,146,820	464,319	-	-	-	-	2,146,820	464,319
SSPDL Infratech Private Ltd	-	-	-	-	(570,000)	332,957	-	-	-	-	(570,000)	332,957
Prakash Challa	(5,220,000)	-	-	-	-	-	-	-	-	-	(5,220,000)	-
Increase / (Decrease) in Trade Receivables												
Alpha City Chennai IT Park Projects Private Limited	-	-	-	-	-	-	-	-	(538,439)	(7,575,430)	(538,439)	(7,575,430)
Consideration received towards sale of House												
A. Shailendra Babu	834,260	2,296,750	-	-	-	-	-	-	-	-	834,260	2,296,750
Increase / (Decrease) in Trade Payables												
SSPDL Infratech Private Ltd	-	-	-	-	(1,670,335)	-		-		-	(1,670,335)	-
Rent paid												
Suresh Challa	-	-	1,254,000	1,254,000	-	-	-	-	-	-	1,254,000	1,254,000
Remuneration												
Prakash Challa	10,775,496	9,575,676	-	-	-	-	-	-	-	-	10,775,496	9,575,676
U S S Ramanjaneyulu N	1,260,623	-	-	-	-	-	-	-	-	-	1,260,623	-
A.Shailendra Babu	2,415,010	-	-	-	-	-	-	-	-	-	2,415,010	-

iii) Outstanding Balances at the end of the Year

Particulars	Key Managerial Personnel		Relatives of key managerial persons		Subsidiaries		Associates		Enterprises owned or significantly influenced by Key management personnel or their relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Trade payables												
SSPDL Infratech Private Limited	-	-	-	-	56,321,423	57,991,758	-	-		-	56,321,423	57,991,758
(Formerly known as SSPDL Interserve Private Limited)	-	-	-	-	-	-	-	-		-	-	-
Unsecured loan Taken												
Sri Krishna Devaraya Hatcheries Private Limited	-	-	-	-	-	-	-	-	57,861,127	52,062,460	57,861,127	52,062,460
E. Bhaskar Rao	106,573,108	95,800,088	-	-	-	-	-	-		-	106,573,108	95,800,088
Prakash Challa	10,607,156	-	-	-	-		-				10,607,156	-
SSPDL Ventures Private Limited	-	-	-	-	-	-	-	-	47,367,289	44,127,289	47,367,289	44,127,289
Investment in OCD's	-	-	-	-	-	-	-				-	-
Northwood Properties India Private Limited	-	-	-	-	-	-	91,042,471	95,542,471		-	91,042,471	95,542,471
Investment in Equity Shares												
Alpha City Chennai IT Park Projects Private Limited	-	-	-	-	-	-	-	-	99,800	99,800	99,800	99,800
Northwood Properties India Private Limited	-	-	-	-	-	-	225,000	225,000	-	-	225,000	225,000
Northwood Properties India Private Limited- B Class Shares	-	-	-	-	-	-	900,000	900,000	-	-	900,000	900,000
SSPDL Realty India Private Limited	-	-	-	-	100,000	100,000	-	-	-	-	100,000	100,000
SSPDL Resorts Private Limited	-	-	-	-	100,000	100,000	-	-	-	-	100,000	100,000
SSPDL Real Estates India Private Limited	-	-	-	-	100,000	100,000	-	-	-	-	100,000	100,000
SSPDL Infra Projects India Private Limited	-	-	-	-	100,000	100,000	-	-	-	-	100,000	100,000
SSPDL Infratech Pvt Ltd			-	-	19,575,287	19,575,287	-	-	-	-	19,575,287	19,575,287
Trade receivables												
Alpha City Chennai IT Park Projects Private Limited	-	-	-	-		-	-	-	202,008,919	202,547,358	202,008,919	202,547,358
Loans and advance Recoverable												
SSPDL Realty India Private Limited	-	-	-	-	52,386,650	51,525,614	-	-	-	-	52,386,650	51,525,614
SSPDL Resorts Private Limited	-	-	-	-	60,950,865	58,804,045	-	-	-	-	60,950,865	58,804,045
SSPDL Real Estates India Private Limited		-	-	-	105,580,555	89,337,796	-	-	-	-	105,580,555	89,337,796
SSPDL Infra Projects India Private Limited		-	-	-	33,520,187	33,174,502	-	-	-	-	33,520,187	33,174,502
SSPDL Intratech Private Limited	-	-	-	-	(166,618)	403,382	-	-	-	-	(166,618)	403,382

Particulars	Key Managerial Personnel		Relatives of key managerial persons		Subsidiaries		Associates		Enterprises owned or significantly influenced by Key management personnel or their relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
SSPDL Infrastructure Developers Pvt Ltd	-	-	-	-	-	-	-	-	-	763,348	-	763,348
Sri Satya Sai Constructions	-	-	-	-	-	-	-	-	15,000,000	15,000,000	15,000,000	15,000,000
Loans and advance Payable												
Challa Prakash	5,220,000	-	-	-	-	-	-	-	-	-	5,220,000	-
E. Bhaskar Rao	152,562,507	152,562,507	-	-	-	-	-	-		-	152,562,507	152,562,507
Padmaja Eadala	-	-	20,000,000	20,000,000	-	-	-	-		-	20,000,000	20,000,000
SSPDL Ventures Private Limited	-	-	-	-	-	-	-	-	10,800,000	10,800,000	10,800,000	10,800,000
Consideration received towards sale of House												
A.Shailendra Babu	-	2,700,000	-	-	-	-	-	-	-	-	-	2,700,000
Rent Payable												
Suresh Challa	-	-	-	112,860	-	-	-	-	-	-	-	112,860
Remuneration Payable												
Prakash Challa	613,824	-	-	-	-	-	-	-	-	-	613,824	-
U S S Ramanjaneyulu N	60,880	-	-	-	-	-	-	-	-	-	60,880	-
A.Shailendra Babu	131,294	-	-	-	-	-	-	-	-	-	131,294	-
Rent deposits												
Suresh Challa	-	-	90,000	90,000	-	-	-	-	-	-	90,000	90,000

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

SSPDL LIMITED

CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2019

INDEPENDENT AUDITOR₹S REPORT

To the Members of SSPDL Limited

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **SSPDL Limited**('the Company') and its subsidiaries (collectively referred to as "the Group"), and its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, the consolidated loss, consolidated total comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw your attention to Note 8(a) of the Consolidated Ind AS financial statements pertaining to receivables balances including trade receivables which are due from related parties and others.

As at 31st March, 2019, the trade receivables amounted to Rs. 2,849.39 lakhs which include receivables from related parties amounting to Rs. 2,020.09 lakhs and from others amounting to Rs. 829.30 lakhs are outstanding for more than one year.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	Auditor's Response
1.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) The application of the new revenue accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	Our procedures pertaining to Construction revenue included: • Evaluation and testing of management's review and approval of revenue and cost forecasting. • Selection of a sample of contracts for testing using: o Data Analytic routines based on a number of quantitative and qualitative factors, related to size and risk of projects. • For the sample selected, we: o Conducted visits to a selection of project sites to understand project schedule, forecast revenue/cost and risks and opportunities. o Read relevant contract terms and conditions to evaluate the inclusion of individual characteristics and project risks in the Group's estimates. o Tested forecast costs for labour, subcontractors, equipment, materials, and project overheads by comparing to actual incurred spend and committed future contract.

	<u>Construction Revenue and Profit/Loss Recognition</u> The Group performs various building, engineering and services construction contract works (projects) for a wide range of customers. The Group contracts in a variety of ways. Each project has a different risk profile based on its individual contractual and delivery characteristics. We focused on construction revenue and profit recognition as a key audit matter due to the judgment required by us in assessing the range of factors that impact the Group's estimate of costs and revenue, and the potential impact on profit. Estimating total costs to complete during project life is complex and requires judgment. Typical cost estimates include labour, subcontractors, equipment, materials, and project overheads. Changes to these cost estimates could give rise to variances in the amount of revenue and profit/loss recognized. Judgment is also involved by us in assessing the amount of revenue to be recognized specifically in relation to contractual variations and claims revenue, which has not been formally agreed with the customer at the reporting date. <u>Development Revenue and Profit/Loss Recognition</u> The Group develops for sale both built form product (for example residential apartments, Villas and commercial/ retail buildings) and residential land communities. As development revenue is recognized based on an assessment of when the Control is transferred to the purchaser, an assessment of the contractual terms of sale and of the status of completion of performance obligations is required. This was a key audit matter due to the number of judgments required by us in assessing development revenue and profit recognition, in particular for commercial/retail building sales and residential apartments/villas. The assessment of profit recognition requires judgment as cost allocation is typically a function of total forecast project profit based on either revenue or area estimation. Refer Notes 2.2h and 16 to the Consolidated Ind AS Financial Statements.	o Tested the variations and claims included within revenue against the criteria for recognition in the accounting standards via assessment of: • correspondence between the Group and the customer; and • the Group's legal and external experts' reports received on contentious matters. <u>Our procedures pertaining to Development revenue included:</u> • Evaluation and testing of management's review and approval of development revenue and cost forecasting. • Selection of a sample of developments based on quantitative and qualitative information such as transaction size, potential settlement risk and the complexity of the contractual terms of sale. • For the sample selected we: o compared revenue recognized to contractual terms of sale and cash settlements. o assessed the Group's determination of the transfer of control by a detailed analysis of the contractual terms of sale against the criteria in the accounting standards. o assessed the customers' credit risk including evaluating public information as to the financial position of the purchaser in the context of the level of installments received by the Group. o tested the completion of performance obligations by comparing the work done to the fulfill the obligations with the contractual terms of sale. o assessed the Group's cost allocation methodology by comparing costs allocated to sales recognized in the year relative to the total project, against the Group's accounting policy and the requirements of the accounting standards.
2.	<u>Recoverability of Development Property Inventory</u> The Group capitalizes development costs into inventory over the life of its projects. Development costs include the purchase of land, site infrastructure costs, construction costs for built form product and borrowing costs. Inventory is carried at the lower of cost and net realisable value and the recoverability of these costs is a significant judgment as that assessment is based on forecasts of: • sales prices • forecast construction and infrastructure costs to complete the development Where a development is forecast to be loss making and the inventory is no longer considered to be recoverable, it is considered to be impaired and an expense is recognized. This is a key audit matter due to many developments being long term which increases the level of forecasting judgment and audit complexity in estimating sales prices and future costs to complete the development. Refer Note 7 to the Consolidated Ind AS Financial Statements.	<u>Our procedures included:</u> Selection of a sample of projects for testing using: • Data Analytic routines based on a number of quantitative and qualitative factors, related to size, duration and risk of projects • The Group's project reporting. For the sample selected we: o compared expected sales prices to published industry forecasts and comparable sales prices achieved in the year. o tested forecast construction and infrastructure costs to underlying supplier contracts, historical experience of similar costs and our industry expectation of cost contingency levels and cost escalation assumptions.

3.	Valuation of Deferred tax assets The Group has a significant amount of deferred tax assets, mainly resulting from net operating losses. The valuation of deferred tax assets is significant to our audit because the assessment process is complex and is based on estimates of future taxable income. The risk exists that future (fiscal) profits will not be sufficient to recover all or part of these deferred tax assets. Management has supported the recoverability of the deferred tax assets mainly with taxable income projections which contain estimates of and tax strategies for future taxable income. Changes in, for example, the industrial footprint, the business and its markets and changes in regulations may impact these projections. Refer Note 5 to the Consolidated Ind AS Financial Statements	Principal Audit Procedures In this area, our audit procedures included, amongst others: • Using our own tax specialists to assist us in assessing the appropriateness of the level of deferred taxes recognised in the balance sheet. • We paid attention to the long-term forecasts and critically assessed the assumptions and judgments underlying these forecasts by considering the historical accuracy of forecasts and the sensitivities of the profit forecasts. • We assessed the adequacy of the income tax disclosures to the financial statements, setting out the basis of the deferred tax balance and the level of estimation involved.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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; 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether these consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary companies and associate Company which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the Ind AS financial statements / financial information of five subsidiaries and one associate, whose Ind AS financial statements / financial information reflect total assets of Rs. 3,896.12 lakhs as at 31st March, 2019, total revenues of Rs. 105.28 lakhs and net cash flows amounting to Rs. 2.47 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs.168.03 lakhs for the year ended 31st March, 2019, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its associates, 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 and its associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS 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 reports of the other auditors and the Ind AS financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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 Ind AS financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financials statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate Company incorporated in India, none of the Directors of the Group companies and associate Company incorporated in India is disqualified as on 31st March, 2019 from being appointed as a Director of that Company 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 Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure-A**" which is based on the auditor's reports of the Holding Company, its subsidiary companies and associate Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, its subsidiary companies and associate Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate. Refer Note 25 (b) to the consolidated Ind AS financial statements;

   ii. The Group and its associate 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 Group and its associate incorporated in India.

For. A. Madhusudana & Co
Chartered Accountants
ICAI Firm Registration No: 007405S

(Divakar Atluri)
Partner
Membership No. 022956

Place: Hyderabad
Date: 30.05.2019

"Annexure – A" to the Independent Auditors' Report of even date on the Consolidated Ind AS 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")

In conjunction with our audit of the consolidated Ind AS financial statements of **SSPDL Limited** as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of **SSPDL Limited** (hereinafter referred to as the "Holding Company") , its subsidiary companies and associate Company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, its subsidiary companies and associate Company, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the respective 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 internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate Company, which are companies incorporated in India, 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. 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 consolidated Ind AS 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 on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and associate Company, which are companies incorporated in India.

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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and associate Company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the respective companies 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. A. Madhusudana & Co
Chartered Accountants
ICAI Firm Registration No: 007405S

(Divakar Atluri)
Partner
Membership No. 022956

Place: Hyderabad
Date: 30.05.2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(All amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	3	**4,369,778**	5,448,227
(b) Capital Work in Progress		**2,873,769**	2,627,007
(c) Other Intangible assets		-	-
(d) Financial Assets			
(i) Investments	4 a	**61,692,281**	66,192,281
(ii) Others	4 b	**9,082,259**	12,431,309
(e) Deferred Tax assets (Net)	5	**183,171,631**	89,874,742
(f) Other Non-current assets	6	**76,379,247**	74,078,882
		337,568,964	250,652,448
2 Current Assets			
(a) Inventories	7	**930,452,800**	638,062,013
(b) Financial Assets			
(i) Trade Receivables	8 a	**284,938,974**	451,841,310
(ii) Cash and cash equivalents	8 b	**43,988,425**	38,739,232
(iii) Bank balances other than (ii) above	8 c	**157,672**	157,672
(iv) Loans	8 d	**58,305,716**	48,139,924
(v) Others	8 e	**24,285,664**	309,557,498
(c) Other Current Assets	9	**209,422,114**	143,479,564
		1,551,551,366	1,629,977,214
TOTAL		**1,889,120,330**	1,880,629,662
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	10	**129,292,500**	129,292,500
(b) Other equity		**165,662,367**	466,975,046
		294,954,867	596,267,546
LIABILITIES			
2 Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	11 a	**69,879,005**	80,426,581
(ii) Trade payables	11 b	-	-
(iii) Other Financial liabilities (other than those specified in item (b), to be specified)	11 c	-	-
(b) Provisions	12	**10,097,473**	8,012,868
		79,976,477	88,439,449
3 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13 a	**436,559,299**	339,061,536
(ii) Trade payables	13 b	**259,933,892**	134,822,991
(iii) Other Financial liabilities (other than those specified in item (b), to be specified)	13 c	**68,218,156**	66,852,906
(b) Other Current Liabilities	14	**641,802,269**	539,351,729
(c) Provisions	15	**107,675,374**	115,833,505
		1,514,188,989	1,195,922,667
TOTAL		**1,889,120,330**	1,880,629,662

Summary of significant accounting policies

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

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

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, 2019

(All amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Revenue:			
Revenue from Operations	16	345,840,241	487,097,967
Other Income	17	7,095,061	16,693,080
Total Revenue		352,935,301	503,791,047
Expenses:			
a) Construction Expenses	18	513,733,891	500,965,985
b) Employee Benefits Expense	19	42,394,229	48,714,830
c) Finance Costs	20	50,517,304	42,997,916
d) Depreciation and Amortization Expense	3	1,180,981	3,452,179
e) Other Expenses	21	24,914,163	32,225,192
Total Expenses		632,740,568	628,356,102
Profit / (Loss) before Tax		(279,805,267)	(124,565,055)
Tax Expense:			
(a) Current Tax		-	-
(b) Deferred Tax for the year		(60,187,328)	(27,866,734)
(c) MAT Credit Utilisation/(Entitlement)		-	-
Total Tax Expenses		(60,187,328)	(27,866,734)
Profit/ (Loss) for the Period		(219,617,939)	(96,698,321)
Total other comprehensive income, net of tax		-	-
Total Comprehensive income for the period		(219,617,939)	(96,698,321)
Earnings Per Share (Face value of ₹10 each)			
- Basic and Diluted	22	(16.99)	(7.48)
Summary of significant accounting policies	1 & 2		

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

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E. Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

U S S Ramanjaneyulu N
Chief Financial Officer

A. Shailendra Babu
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019
(All amounts are in Indian Rupees unless otherwise specified)

	Particulars		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
A	CASH FLOWS FROM OPERATING ACTIVITIES			
	Net Profit before Tax		(279,805,267)	(124,565,019)
	Adjustments for:			
	Depreciation		1,180,981	3,452,179
	Interest income		(141,642)	(1,336,054)
	Dividend Income			
	Interest on borrowings		50,183,982	37,590,192
	Liabilities & Provisions no longer required - written back		(3,145,885)	(7,244,330)
	Advance written off		-	5,174,230
	Profit/loss on sale of fixed assets		(23,571)	(300,000)
	Operating Profit before Working Capital Changes		**(231,751,401)**	**(87,228,802)**
	Adjustments for:			
	Decrease/(increase) in inventories		(115,594,671)	(89,935,708)
	Decrease/(increase) in trade receivables		166,902,336	(32,764,352)
	Decrease/(increase) in Short Term loans and advances		(10,165,792)	(2,553,182)
	Decrease/(increase) in other current financial assets		285,271,834	(36,416,660)
	Decrease/(increase) in other current assets		(65,942,550)	(65,021,510)
	Decrease/(increase) in Non current other financial assets		3,349,050	14,974,170
	Decrease/(increase) in Other Non-Current Assets		(2,300,365)	(41,633,230)
	Increase/(decrease) in Non current trade payables		-	(44,506,224)
	Increase/(decrease) in Non current Other financial liabilities		-	(100,000)
	Increase/(decrease) in Non current Provisions		2,084,605	2,635,650
	Increase/(decrease) in current trade payables		125,110,901	(37,601,074)
	Increase/(decrease) in other current financial liabilities		1,318,204	(6,150,075)
	Increase/(decrease) in other current liabilities		(186,003,991)	277,894,728
	Increase/(decrease) in Short term Provisions		(8,158,130)	3,851,388
	(Increase) / Decrease in Net Current Assets		195,871,430	(57,326,079)
	Cash Generated from Operation		(35,879,972)	(144,554,881)
	Adjustments for income tax (paid)/refund		-	-
	Net Cash from Operating Activities	**A**	**(35,879,972)**	**(144,554,881)**

	Particulars		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
B	**CASH FLOWS FROM INVESTING ACTIVITIES**			
	Purchase of investments			
	Disposal of investments		4,500,000	23,187,960
	Purchase of fixed assets		(102,532)	(2,648,425)
	Purchase of intangible assets		-	265,478
	capital work in progress		(246,762)	300,000
	Proceeds from sale of fixed assets		23,571	1,336,054
	Interest received		141,642	
	Dividend Received		-	-
	Bank balances not considered as cash equivalents		-	-
	Net Cash from Investing Activities	B	**4,315,919**	**22,441,067**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**			
	Interest paid on borrowings		(50,183,982)	(37,590,192)
	Proceeds/(repayment) of Short Term borrowings		97,497,763	129,969,913
	Proceeds/(repayment) of Long term borrowings		(10,500,534)	57,450,676
	Net Cash used in Financing Activities	C	**36,813,247**	**149,830,397**
	Net Increase/(Decrease) in Cash and Cash Equivalent	A+B+C	5,249,193	27,716,583
Cash and cash equivalents at the beginning of the year			38,739,232	11,022,649
Cash and cash equivalents at the end of the year			43,988,425	38,739,232

1) The Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard-7 on Cash Flow Statement.

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 A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

Divakar Atluri
Partner
Membership No. : 022956

Place : Hyderabad
Date : 30-05-2019

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 CHANGES IN EQUITY

(All amounts are in Indian Rupees unless otherwise specified)

A) Equity

Particulars	As on March 31, 2019	As on March 31, 2018
Equity shares Issued, Subscribed and Paid up capital		
As at April 1, 2017	**129,292,500**	129,292,500
Addition\Deletions for the period	-	-
As at March 31, 2018	**129,292,500**	129,292,500
Addition\Deletions for the period	-	-
As at March 31, 2019	**129,292,500**	129,292,500

B) Other Equity

Particulars	Reserves and surplus				Total
	Capital Reserve	General Reserve	Securities Premium Reserve	Retained Earnings	
Balance as at April 1, 2017	**237,101,053**	**18,241,459**	**269,691,000**	**38,639,855**	**563,673,367**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(96,698,321)	(96,698,321)
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (Nature to be specified)	-	-	-	-	-
Balance as at March 31, 2018	**237,101,053**	**18,241,459**	**269,691,000**	**(58,058,466)**	**466,975,046**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(219,617,939)	(219,617,939)
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Adjustment as per Ind AS 115				(81,694,740)	(81,694,740)
Any other change (Nature to be specified)	-	-	-	-	-
Balance as at March 31, 2019	**237,101,053**	**18,241,459**	**269,691,000**	**(359,371,145)**	**165,662,367**

Nature and purpose of the Reserves

i) **Securities Premium**

Securities Premium is used to record the premium on the issue of Shares. The reserve is used for the purposes as specified in the Companies Act, 2013

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 **Corporate Information**

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

2 **Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1) Basis of preparation

(i) Compliance with Ind AS

The Consolidated financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements. The Consolidated financial statements have been prepared on a going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities, derivative financial instruments and share based payments which are measured at fair values as explained in relevant accounting policies. The financial statements are presented in Rupees, except when otherwise indicated.

(ii) Basis for consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Inter company transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

All the subsidiaries of the company are wholly owned subsidiaries and hence there are no non-controlling interests.

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognized as a reduction in the carrying amount of the investment. The Group discontinues the use of equity method from the date when investment ceases to be an associate.

The company has not entered into any joint ventures as on reporting date.

2.2) Summary of Significant Accounting Policies

a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification as mentioned below:.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b) Property,plant and equipment

Recognition and Initial Measurement :

Property, plant and equipment are stated at their cost of acquisition on transition to Ind AS, the Company had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost).

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 discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. 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 recognised 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 recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives):

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis over the estimated useful lives of the assets as follows:

(a)	Computers	-	3 Years
(b)	Office Equipments	-	5 Years
(c)	Furniture and Fixtures	-	10 Years
(d)	Vehicles	-	8 to 10 Years
(e)	Construction Equipment	-	15 Years

Depreciation methods, estimated useful lives and residual value:

Depreciation on tangible assets is provided on pro-rata basis on the straight line method in accordance with useful life estimated by the management which is the same as those prescribed under Schedule II to the Companies Act, 2013. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

Assets costing ₹ 5,000 or less are depreciated in full in the year of acquisition. In respect of additions/deletions, depreciation charge is restricted to the period of use.

De-Recognition:

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is de-recognised.

c) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiary is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

(ii) Computer software

Computer software are stated at cost, less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(iii) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Computer software - 5 years

d) Capital Work in Progress and Intangible Assets under Development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost less accumulated impairment loss, if any. Cost includes land, related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

e) Investment Properties

Recognition and Initial Measurement:

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition, including transaction costs. On transition to Ind AS, the Company had elected to measure all of its investment properties at the previous GAAP carrying value (deemed cost).

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 discount and rebates are deducted in arriving at the purchase price. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will fl ow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives):

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the straight-line method over the useful lives of the assets.

De-recognition:

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of de-recognition.

f) Investments in Equity Instruments of Subsidiaries, Joint ventures and Associates

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is assessed for recoverability and in case of permanent diminution provision for impairment is recorded in statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss

g) Inventories

Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/ as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreement to purchase) acquisition cost, borrowing cost if inventorisation criteria are met, estimated internal development costs and external development charges and other directly attributable costs.

Construction work-in-progress of constructed properties includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost if inventorisation criteria are met, development /construction materials, is valued at lower of cost/ estimated cost and net realisable value.

Development rights represent amount paid under agreement to purchase land/ development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/ development rights in the identified land and constructed properties, the acquisition of which is either completed or is at an advanced stage. These are valued at lower of cost and net realisable value.

Construction/ development material is valued at lower of cost and net realisable value. Cost comprises of purchase price and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

h) Revenue from Contract or Services with Customers and other Streams of Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customers.

i. Revenue from Contracts with Customers:

Pursuant to the application of Ind AS 115 - 'Revenue from Contracts with Customers' effective from 1 April 2018, the Company has applied following accounting policy for revenue recognition:

Revenue is measured at the fair value of the consideration received/ receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the standalone financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on various conditions as included in the contracts with customers.

Point of Time:

Revenue from real-estate projects:

Revenue is recognised at a Point in Time w.r.t. sale of real estate units, including land, plots, apartments, commercial units, development rights as and when the control passes on to the customer which coincides with handing over of the possession to the customer.

Over a period of time:

Revenue is recognised over period of time for following stream of revenues:

Revenue from Construction projects:

Construction projects where the Company is acting as trunkey contractor, revenue is recognised in accordance with the terms of the Construction agreements. Under such contracts, assets created does not have an alternative use for the company and the Company has an enforceable right to payment. The estimated project cost includes construction cost, development and construction material, internal development cost, external development charges, borrowing cost and overheads of such project.

The estimated costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Maintenance income:

Revenue in respect of maintenance services is recognised on an accrual basis, in accordance with the terms of the respective contract as and when the Company satisfies performance obligations by delivering the services as per contractual agreed terms.

Other operating income:

Income from forfeiture of properties and delayed interest from customers under agreements to sell is accounted for on an accrual basis except in cases where ultimate collection is not reasonably ascertained.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

ii. Volume rebates and early Payment rebates :

The Company provides early payment rebates/ down payment rebates to the customers. Rebates are offset against amounts payable by the customer and revenue to be recognised. To estimate the variable consideration for the expected future rebates, the Company estimates the expected value of rebates that are likely to be incurred in future and recognises the revenue net of rebates and recognises the refund liability for expected future rebates.

iii. Contract Balances

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

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.

i) Cost of Revenue

Cost of real estate projects:

Cost of constructed properties includes cost of land (including cost of development rights/ land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/ construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

Cost of land and plots:

Cost of land and plots includes land (including development rights), acquisition cost, estimated internal development costs and external development charges, which is charged to the statement of profit and loss based on the percentage of land/ plotted area in respect of which revenue is recognised as explained in accounting policy for revenue from ‘Sale of land and plots’, in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

Cost of development rights:

Cost of development rights includes proportionate development rights cost, borrowing costs and other related cost, which is charged to statement of profit and loss as explained in accounting policy for revenue, in consonance with the concept of matching cost and revenue.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition and/ or construction/ production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are charged to the statement of profit and loss as incurred. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

k) Income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

l) Leases

As a lessee

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

m) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used by the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fairvalue recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

n) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash generating units). Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

o) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, bank deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

p) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

q) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition,the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments equity instruments of subsidiaries, associates or joint ventures.

Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

r) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

s) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

u) Provisions, Contingent Liabilities and Contingent Assets

Provisions for legal claims are recognised when the entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

v) Changes in accounting policies and disclosures

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects. For certain real estate contracts where the Company was following Percentage of Completion method (POCM) as per the "Guidance Note on Real Estate Transactions", issued by Institute of Chartered Accountants of India, revenue has been recognized at a point in time in accordance with and pursuant to conditions specified in Ind AS 115 "Revenue from Contracts with Customers". However for other contracts, the Company continues to recognize revenue over the period of time. The Company has applied the modified retrospective approach to contracts that were not completed as of 1 April 2018. The Company elected to apply the standard to all contracts as at 1 April 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The company has applied the modified retrospective approach to contracts that were not completed as on April 01, 2018 and has given impact of Ind AS 115 application by debit to retained earnings as at the said date by ₹ 816.94 Lakhs (Net of taxes). Accordingly the comparatives have not been restated and hence not comparable with previous period figures. Due to the application of Ind AS 115 for the Year ended March 31, 2019, revenue from operations, is lower by ₹ 404.49 Lakhs and Net Loss after tax is lower by ₹ 263.07 Lakhs, vis-a-vis the amounts if replaced standards were applicable.

w) Significant management judgment in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgments :

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

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

Impairment of financial assets - At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Provisions - At each balance sheet date basis the management judgement, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgment.

Significant estimates:

Net realizable value of inventory - The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling cost. The Company also involves specialist to perform valuations of inventories, wherever required.

Useful lives of depreciable/ amortisable assets - Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Valuation of investment in subsidiaries, joint ventures and associates - Investments in joint ventures and associates are carried at cost. At each balance sheet date, the management assesses the indicators of impairment of such investments. This requires assessment of several external and internal factor including capitalisation rate, key assumption used in discounted cash fl ow models (such as revenue growth, unit price and discount rates) or sales comparison method which may affect the carrying value of investments in subsidiaries, joint ventures and associates.

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

(All amounts in Indian Rupees, unless otherwise stated)

Financial instruments and risk management

Note : Fair value measurements

	Hierarchy	31 March 2019			Fair Value	31 March 2018			Fair Value
		Carrying value				Carrying value			
		FVPL	FVOCI	Amortised Cost		FVPL	FVOCI	Amortised Cost	
Financial Assets									
Investments		300,000	-	-		300,000	-	-	
Trade Receivables	3	-	-	284,938,974		-	-	451,841,310	
Loans	3	-	-	58,305,716		-	-	48,139,924	
Cash and cash equivalents		-	-	43,988,425		-	-	38,739,232	
Other Bank balances		-	-	157,672		-	-	157,672	
Other Financial assets		-	-	33,367,923		-	--	321,988,807	
Total Financial Assets		300,000	-	420,758,710		300,000	-	860,866,945	
Financial Liabilities									
Borrowings	3	-	-	506,438,304		-	-	419,488,117	
Trade Payables	3	-	-	259,933,892		-	-	134,822,991	
Deposits from Customer	3	-	-	68,218,156		-	-	66,852,906	
Total Financial Liabilities		-	-	766,372,195		-	-	554,311,108	

(i) Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

The carrying amounts of trade receivables, loans, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short term nature.

The fair values of non-current borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value heirarchy due to the use of unobservable inputs, including own credit risk.

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

Note : Financial Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis Credit rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The board provides written principles for overall risk management as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

(A) Credit Risk:

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from operating activities (primarily trade receivables) and from financing activities, including deposits with banks and other financial instruments.

(i) Credit risk management

Credit risk is managed at the company level. The Company has low or no Credit Risk associated to its customers. Hence the credit risk is considered at low credit risk category.

(ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision	
		Loans and deposits	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in are payment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 180 days past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off	

Year ended March 31, 2019:

(a) Expected credit loss for loans, security deposits and investments

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Trade Recievables	284,938,974	0%	-	284,938,974
	Loans	58,305,716	0%	-	58,305,716

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

(b) Expected credit loss for trade receivables under simplified approach

Ageing	0-90 days	90-365 days	More than 365 days	Total
Gross carrying amount	284,938,974	-	-	284,938,974
Expected loss rate	0%	-	-	-
Expected credit loss (loss allowance provision)	-	-	-	-
Carrying amount of trade receivables (net of impairment)	284,938,974	-	-	284,938,974

Year ended March 31, 2018:

(a) Expected credit loss for loans, security deposits and investments

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Trade Receivables	451,841,310	0%	-	451,841,310
	Loans	48,139,924	0%	-	48,139,924

(b) Expected credit loss for trade receivables under simplified approach

Ageing	0-90 days	90-365 days	More than 365 days	Total
Gross carrying amount	451,841,310	-	-	451,841,310
Expected loss rate	0%	-	-	-
Expected credit loss (loss allowance provision)	-	-	-	-
Carrying amount of trade receivables (net of impairment)	451,841,310	-	-	451,841,310

During the period, the company made no write off of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

(B) Liquidity Risk:

Liquidity risk is the risk that the company will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabillities when they are due, under both normal and stresses conditions without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has lines of credit from group company and also from banks. The company believes that these facilities are sufficient to meet its funds requirements. Accordingly, no liquidity risk is perceived.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating Rate	**31 March, 2019**	31 March, 2018
- Expiring within one year	**11,688,468**	11,641,422
- Expiring beyond one year	**69,879,005**	80,426,581

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

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2019	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non derivatives					
Borrowings	11,907,218	5,907,863	12,224,504	51,527,887	81,567,472
Trade payables	259,933,892	-	-	-	259,933,892
Total non derivative liabilities	271,841,109	5,907,863	12,224,504	51,527,887	341,501,364

Contractual maturities of financial liabilities 31 March 2018	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non derivatives					
Borrowings	10,967,468	5,659,677	11,688,468	63,752,391	92,068,003
Trade payables	134,822,991	-	-	-	134,822,991
Total non derivative liabilities	145,790,459	5,659,677	11,688,468	63,752,391	226,890,994

Note 20 : Capital Management

(a) Risk management

The Company's objective when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

Particulars	31 March, 2019	31 March, 2018
Net Debt	**37,579,047**	53,328,771
Total Equity	**294,954,867**	596,267,546
Net debt to equity ratio	**12.74%**	8.94%

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

(All amounts in Indian Rupees, unless otherwise stated)

3 Property, Plant and Equipment

Description	Tangible Assets					Total	Intangible Assets
	Construction Equipment	Furniture and Fixtures	Computers	Office Equipment	Vehicles		Software
Gross Block at April 1, 2017	4,116,039	4,705,463	689,342	1,504,199	2,507,484	13,522,527	884,930
Additions	-	-	-	146,669	16,386	163,055	-
Disposals	-	-	-	-	-	-	-
At March 31, 2018	**4,116,039**	**4,705,463**	**689,342**	**1,650,868**	**2,523,870**	**13,685,582**	**884,930**
Additions	-	-	154,314	9,400	-	163,714	-
Disposals	-	-	-	-	431,311	431,311	-
At March 31, 2019	**4,116,039**	**4,705,463**	**843,656**	**1,660,268**	**2,092,559**	**13,417,985**	**884,930**
Accumulated Depreciation at April 1, 2017	1,582,025	1,535,033	454,881	717,220	761,501	5,050,660	619,452
Charge for the year	426,493	680,046	213,739	394,005	373,268	2,087,550	265,478
Adjustments	1,031,178	(62,368)	15,587	69,594	45,163	1,099,154	-
Disposals	-	-	-	-	-	-	-
At March 31, 2018	**3,039,696**	**2,152,711**	**684,207**	**1,180,819**	**1,179,932**	**8,237,364**	**884,930**
Charge for the year	132,320	621,427	36,879	203,653	299,609	1,293,888	-
Adjustments	-	(61,085)	(4,725)	(47,018)	-	(112,828)	-
Disposals	-	-	-	-	370,136	370,136	-
At March 31, 2019	**3,172,016**	**2,713,053**	**716,361**	**1,337,454**	**1,109,405**	**9,048,289**	**884,930**
Net block							
At March 31, 2018	**1,076,343**	**2,552,752**	**5,135**	**470,049**	**1,343,938**	**5,448,218**	-
At March 31, 2019	**944,023**	**1,992,410**	**127,295**	**322,814**	**983,154**	**4,369,696**	-
Capital Work in progress						2,873,768	

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

(All amounts in Indian Rupees, unless otherwise stated)

4 Financial Assets – Non current

	Particulars	As at March 31, 2019	As at March 31, 2018
a)	**Investments (Refer Note 4(a))**		
	Trade Investments		
	Equity instruments of Associates	-	-
	Equity instruments of Other enterprises	99,810	99,810
	Debentures of Associate	61,042,471	65,542,471
	Investment in Limited Liability partnership	250,000	250,000
	Non Trade Investments		
	In government securities	300,000	300,000
		61,692,281	66,192,281
b)	**Other financial assets**		
	Security deposits	9,082,259	12,431,309
	Deposit to Land Owners	-	-
	Interest Accrued	-	-
		9,082,259	12,431,309
Total Financial Assets		70,774,540	78,623,590

4.(a) Details of Unquoted, Non-current Investments

Particulars	Face Value	As at March 31, 2019 No. of Shares Holding	As at March 31, 2019 Book Value	As at March 31, 2018 No. of Shares Holding	As at March 31, 2018 Book Value
I) Trade Investments					
A In Equity shares					
Of Associates					
Northwood Properties India Private Limited	10	22,500	-	22,500	-
- Class A Equity shares					
Northwood Properties India Private Limited	10	90,000	-	10,000	-
- Class B Equity shares			-		-
B Of Other Enterprises			-		-
Alphacity Chennai IT Park Projects Private Limited	10	9,980	99,800	9,980	99,800
SSPDL Infrastructure Developers Private Limited	10	36,422	10,956,710	36,422	10,956,710
- Class A Equity Shares					
SSPDL Infrastructure Developers Private Limited	10	1	10	1	10
- Class B Equity Shares					
(Less) : Impairment of Investment in SSPDL Infrastructure Developers Private Limited			(10,956,710)		(10,956,710)
			99,810		**99,810**

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

	Particulars	Face Value	As at March 31, 2019 No. of Shares Holding	As at March 31, 2019 Book Value	As at March 31, 2018 No. of Shares Holding	As at March 31, 2018 Book Value
C	**Debentures**					
	of Associate Company					
	Optionally Convertible 15% Debentures					
	(Series B) (“OCD’s);					
	Northwood Properties India Private Limited	10	9,104,247	91,042,471	9,554,247	95,542,471
	(Less) : Impairment of Investment in Northwood Properties India Private Limited			(30,000,000)		(30,000,000)
				61,042,471		**65,542,471**
D	**Investments in Limited Liability Partnership**					
	Godrej SSPDL Green Acres LLP			250,000		250,000
	Total Trade Investments			**61,392,281**		**65,892,281**
II)	**Non-trade Investments**					
A	**In Government Securities**					
	National Savings Certificate			300,000		300,000
				300,000		300,000
	Total Unquoted, Non current Investments			**61,692,281**		**66,192,281**
	Aggregate amount of Book Value and Market Value of Quoted Investments			-		-
	Aggregate amount of Unquoted Investments			**102,648,991**		**107,148,991**
	Aggregate amount of Impairment in Value of Investment			**40,956,710**		**40,956,710**

5 Deferred Tax Assets (Net)

	Particulars	As at March 31, 2019	As at March 31, 2018
a)	**Deferred Tax Asset**		
	On account of		
	Difference of Depreciation between Books and Tax laws	606,136	743,353
	Section 43 B {Provision for Service tax}	14,073,401	15,610,650
	Section 43 B { Provision for Sales Tax}	4,118,453	4,568,315
	Provision for Future Contract Losses as per AS-7	-	1,223,037
	Provision for Defect Liability Period	2,787,437	2,547,780
	Carry Forward Business Losses	117,575,590	28,227,425
	Carry Forward Unabsorbed Depreciation	373,436	217,728
	Adv for JDA at thalambur - sspdl madhavanam - Interest cost	-	-
	Deferred Tax Asset on account of Adjustment as per Ind AS -115	6,663,853	-
	MAT Credit Entitlement	36,973,323	36,973,323
	Total (a)	**183,171,631**	**90,111,611**

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

	Particulars	As at March 31, 2019	As at March 31, 2018
b)	**De ferred Tax Liability**		
	On account of		
	Provision for defect liability period-interest suspense	-	236,868
	Total (b)	-	**236,868**
c)	**Net Deferred Tax Asset / (Liability) (a-b)**	**183,171,631**	**89,874,742**

6 **Other Non-Current Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to suppliers/contractors	35,729,757	42,436,768
Others deposits	39,761,337	30,717,074
Prepaid Expenses	888,153	925,040
Tax Deducted at source	-	-
	76,379,247	**74,078,882**

7 **Inventories**

Particulars	As at March 31, 2019	As at March 31, 2018
Work-in-progress	805,668,981	480,336,979
Cost of land under development	124,783,819	136,967,912
Cost of Materials	-	20,757,122
	930,452,800	638,062,013

8 **Financial Assets – Current**

	Particulars	As at March 31, 2019	As at March 31, 2018
a)	**Trade Receivables**		
	Unsecured, considered good		
	Due by private companies in which directors are interested	202,008,919	209,282,594
	Others	82,930,056	242,558,716
	Less : Provision for doubtful advances	-	-
	Total (a)	**284,938,974**	**451,841,310**
b)	**Cash and cash equivalents**		
	Cash on hand	89,110	2,187,160
	Balances with banks		
	- In current account	21,835,007	33,698,242
	- In deposits accounts (Original maturity of 3 months or less)	22,064,308	2,853,830
	Total (b)	**43,988,425**	**38,739,232**
c)	**Other banks balances**		
	- In margin money account	157,672	157,672
	- In unpaid dividend	-	-
	- In deposits accounts (Original maturity more than 3 months)	-	-
	Total (c)	157,672	157,672

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

Particulars		As at March 31, 2019	As at March 31, 2018
d) Loans			
Loans and advances to related parties		15,763,348	15,763,348
Other loans and advances;		42,542,368	32,376,576
	Total (d)	**58,305,716**	**48,139,924**
e) Other Financial Assets			
Interest accrued on deposits		3,008,842	3,087,163
Security Deposits		-	15,868,064
Others security deposits		19,230,950	3,362,885
Prepaid Deposits		-	-
Unbilled Revenue		2,045,872	287,239,386
	Total (e)	**24,285,664**	**309,557,498**
Total Financial Assets (a + b + c + d+e)		**411,676,452**	**848,435,636**
9 Other Current Assets			
Unsecured, considered good			
Advance to suppliers and contractors		77,215,216	3,530,356
Loans and advances to employees		558,147	709,492
Balance with statutory/government authorities		127,463,082	118,808,618
Advance for Purchase of land		-	15,000,000
Prepaid expenses		4,185,668	4,753,059
Less : Provision for Doubtful advances		-	678,039
		209,422,114	**143,479,564**

10 Equity

i) Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Capital		
2,50,00,000 (Previous Year: 2,50,00,000) Equity share of ₹10 each	250,000,000	250,000,000
Issued, Subscribed and Paid up		
1,29,29,250 (Previous Year:1,29,29,250) 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

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Value	Number of shares	Value
Equity shares				
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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

(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, 2019		As at March 31, 2017	
	Number of shares	% of holding	Number of shares	% of 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	872,042	6.74	872,042	6.74

ii) **Other equity**

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	237,101,053	237,101,053
General Reserve	18,241,459	18,241,459
Securities Premium Reserve	269,691,000	269,691,000
Retained Earnings	(359,371,145)	(58,058,466)
	165,662,367	**466,975,046**

Nature and purpose of the Reserves

i) **Capital Reserve**

The Company is required to create a capital reserve out of the profits when the Company converted OCD's into equity shares

ii) **General Reserve**

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders

iii) **Securities Premium**

Securities Premium is used to record the premium on the issue of Shares. The reserve is used for the purposes as specified in the Companies Act, 2013

11 **Financial Liabilities – Non current**

Particulars	As at March 31, 2019	As at March 31, 2018
a) **Borrowings**		
Secured		
Term Loan from banks		
Federal Bank Limited (Refer (b) (i))	14,501,613	20,060,722
Term Loan from PNB	55,377,391	60,365,859
Vehicle Loans		
Toyota Finance Services Limited	-	-
	69,879,005	**80,426,581**

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

b) Terms and conditions of Borrowings

i) Term Loan from Federal Bank

1) SSPDL Infra Projects private limited

Terms and conditions

The term loan was sanctioned by federal bank for direct agricultural purpose. The total limit of the facility is ₹ 24 Lakhs. The loan is repayable in 7 equal yearly instalments starting from July 2015. Interest is to be serviced on monthly basis. The rate of interest applicable on the loan is BR+3.00% (13.55% at the time of sanctioned) with a penal interest of 2.00% on default of principal or interest.

Details of security given

Primary security

Equitable mortgage of 17.04.18 hectare of Land valuing ₹ 294 Lakhs (as on 06.06.2014) belonging to SSPDL Infra Project Pvt. Ltd.

Collateral security

Additional charge on 41.43.33 hectare of Land valuing ₹ 1,077 Lakhs (as on 06.06.2014) belonging to SSPDL Real Estates India Private Limited and other assets which are charged to FKCC limit belonging to SSPDL Real estates India Private Limited, SSPDL Realty India Private Limited and SSPDL Resorts Private Limited

Guarantors

Name of the party	Relationship
SSPDL Real Estates India Pvt. Ltd	Co-Subsidiary
Mr. Prakash Challa	Director
SSPDL Ltd	Holding Company

2) SSPDL Real Estates India private limited

Terms and conditions

The term loan was sanctioned by federal bank for indirect agricultural purpose. The total limit of the facility is ₹ 175 Lakhs. The loan is repayable in 84 equal monthly instalments starting from July 2015. Interest is to be serviced on monthly basis. The rate of interest applicable on the loan is BR+3.00% (13.55% at the time of sanctioned) with a penal interest of 2.00% on default of principal or interest.

An Additional Term Loan Rs. 19.50 laks has been sanctioned by Federal Bank on 29.11.2018 for meeting additional expenses incurred for undertaking seasonal agriculture operation after the Floods. The Loan repayable in 54 months with interest @ 10.70% P.A (one year MCLR +1.50%). Interest will be serviced yearly basis.

Details of security given

Primary security

Additional charge on 41.43.33 hectare of Land valuing ₹ 1,077 Lakhs (as on 14.05.2013) belonging to SSPDL Real estates India Private limited and the buildings and other assets therein and which is charged to FKCC limit belonging to SSPDL Real estates India Private Limited, SSPDL Realty India Private Limited and SSPDL Resorts Private Limited

Guarantors

Name of the party	Relationship
Mr. Prakash Challa	Director
SSPDL Ltd	Holding Company

3) SSPDL Realty India private limited

Terms and conditions

The term loan was sanctioned by federal bank for indirect agricultural purpose. The total limit of the facility is ₹ 120 Lakhs. The loan is repayable in 84 equal monthly instalments starting from July 2015. Interest is to be serviced on monthly basis. The rate of interest applicable on the loan is BR+3.00% (13.55% at the time of sanctioned) with a penal interest of 2.00% on default of principal or interest.

An Additional Term Loan Rs. 15 laks has been sanctioned by Federal Bank on 29.11.2018 for meeting additional expenses incurred for undertaking seasonal agriculture operation after the Floods. The Loan repayable in 57 months with interest @ 11.70% P.A (one year MCLR +2.50%). Interest will be serviced yearly basis.

Details of security given

Primary security

Equitable mortgage of 46.81.50 hectare of Land valuing ₹ 809 Lakhs (as on 14.05.2013) and buildings and other assets therein belonging to SSPDL Infra Project Pvt. Ltd.

Collateral Security

Additional charge on 41.43.33 hectare of Land valuing ₹ 1,077 Lakhs (as on 14.05.2013) belonging to SSPDL Real estates India Private limited and the buildings and other assets therein and which is charged to FKCC limit belonging to SSPDL Real estates India Private Limited, SSPDL Infra Projects India Private Limited and SSPDL Resorts Private Limited.

Guarantors

Name of the party	Relationship
SSPDL Real Estates India Private Limited	Co-Subsidiary
Mr. Prakash Challa	Director
SSPDL Ltd	Holding Company

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

4) SSPDL Resorts Private limited

Terms and conditions

The term loan was sanctioned by federal bank for direct agricultural purpose. The total limit of the facility is ₹ 120 Lakhs. The loan is repayable in 7 equal yearly instalments starting from July 2015. Interest is to be serviced on monthly basis. The rate of interest applicable on the loan is BR+3.00% (13.55% at the time of sanctioned) with a penal interest of 2.00% on default of principal or interest.

Details of security given

Primary security

Additional charge on 41.43.33 hectare of Land valuing ₹ 1,077 Lakhs (as on 14.05.2013) belonging to SSPDL Real estates India Private limited and the buildings and other assets therein and which is charged to FKCC limit belonging to SSPDL Real estates India Private Limited, SSPDL Infra Projects India Private Limited and SSPDL Realty India Private Limited.

Guarantors

Name of the party	Relationship
SSPDL Real Estates India Private Limited	Co-Subsidiary
Mr. Prakash Challa	Director
SSPDL Ltd	Holding Company

ii) Term loan from PNB Housing Finance Limited

Terms and Conditions

The term loan has been obtained for general business purpose. The loan amount is repayable in 120 Months starting from 10-07-2017. The rate of interest applicable on the loan is 10.25% (Fixed) per annum for the first 36 Months and floating interest rate based on prevailing PNBHFR for the remaining repayment period.

Details of security

The loan is secured by mortgage of commercial property belonging to one of the directors.

iii) Vehicle loans are secured by hypothecation of respective vehicles

b) Trade Payables		
Retention Money Payable	-	-
	-	-
c) Other financial liabilities		
Security deposits	-	-
	69,879,005	80,426,581

12 Long-term Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Defect Liability Period	10,720,913	8,834,187
(Less): Interest Cost as per IND AS 35	(623,441)	(821,319)
Provision for Defect Liability Period (Net of interest cost)	10,097,473	8,012,868
Total	10,097,473	8,012,868

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

13 Financial Liabilities – Current

Particulars	As at March 31, 2019	As at March 31, 2018
a) Borrowings		
Secured		
Loans repayable on demand from bank *		
Federal Bank OD	39,363,962	33,288,138
Unsecured		
Loans and advances from related parties and others	397,195,337	305,773,398
Total (a)	436,559,299	339,061,536

i) Cash Credit from Federal Bank

1) SSPDL Infra Projects private limited

Terms and conditions

The Cash Credit was sanctioned by federal bank for direct agricultural purpose. The total limit of the facility is ₹ 40 Lakhs. The facility was sanctioned on 02.03.2017 and the tenure of the facility is 36 Months. The said loan is repayable on demand. Interest is to be serviced on monthly basis. The rate of interest applicable on the loan is 10.75% P.A for the first two years and MCLR+1.45% with a penal interest of 2.00% on default of principal or interest.

Details of security given

Primary security

Hypothecation of standing crops and assets in 17.04.18 Ha of agricultural Plantation planted with Coffee, cardamom and pepper etc, under Sy.no.124/2, 129/2,180/1 in Anaviratty village, Devikulam taluk, Idukki Distrist in the Name of SSPDL Infra Project India Pvt. Ltd with a margin of 15%.

Collateral security

Against land value ₹ 259.72 Lakhs belongs to SSPDL Infra Projects India Pvt. Ltd and additional charge on land belongs to SSPDL Real Estate India Pvt. Ltd, SSPDL LTD, SSPDL Realty India Pvt. Ltd and SSPDL Resorts Pvt. Ltd

Guarantors

Name of the party	**Relationship**
Mr. Prakash Challa	Director
SSPDL Ltd	Holding Company

2) SSPDL Real estates India Private Limited

Terms and conditions

The Cash Credit was sanctioned by federal bank for direct agricultural purpose. The total limit of the facility is ₹ 120 Lakhs. The facility was sanctioned on 02.03.2017 and the tenure of the facility is 36 Months. The said loan is repayable on demand. Interest is to be serviced on monthly basis. The rate of interest applicable on the loan is 10.75% P.A for the first two years and MCLR+1.45% with a penal interest of 2.00% on default of principal or interest. The Cash Credit has been enhanced from 120 lakhs to 180 lakhs on 29.11.2018

Details of security given

Primary security

Hypothecation of standing crops and assets in 41.43.33 Ha of agricultural Plantation planted with Coffee, cardamom and pepper etc, under Sy.no.124/2, 129/2,180/1 in Anaviratty village, Devikulam taluk, Idukki Distrist in the Name of SSPDL Real estates India Pvt. Ltd with a margin of 15%.

Collateral security

Against land value ₹ 1103.18 Lakhs belongs to SSPDL Real Estates India Pvt. Ltd and additional charge on land belongs to SSPDL Infra Projects India Pvt. Ltd, SSPDL LTD, SSPDL Realty India Pvt. Ltd and SSPDL Resorts Pvt. Ltd

Guarantors

Name of the party	Relationship
Mr. Prakash Challa	Director
SSPDL Ltd	Holding Company

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

3) SSPDL Realty India Private Limited

Terms and conditions

The Cash Credit was sanctioned by federal bank for direct agricultural purpose. The total limit of the facility is ₹ 140 Lakhs. The facility was sanctioned on 02.03.2017 and the tenure of the facility is 36 Months. The said loan is repayable on demand. Interest is to be serviced on monthly basis. The rate of interest applicable on the loan is 13.10% P.A for the first two years and MCLR+3.80% with a penal interest of 2.00% on default of principal or interest.

Details of security given

Primary security

Hypothecation of standing crops and assets in 46.81.50 Ha of agricultural Plantation planted with Coffee, cardamom and pepper etc, under Sy.no.124/2, 129/2,180/1 in Anaviratty village, Devikulam taluk, Idukki Distrist in the Name of SSPDL Realty India Pvt. Ltd with a margin of 15%.

Collateral security

Against land value ₹ 995.75 Lakhs belongs to SSPDL Realty India Pvt. Ltd and additional charge on land belongs to SSPDL Infra Projects India Pvt. Ltd, SSPDL LTD, SSPDL Real Estates India Pvt Ltd and SSPDL Resorts Pvt. Ltd

Guarantors

Name of the party	Relationship
Mr. Prakash Challa	Director
SSPDL Ltd	Holding Company

b) Trade Payables

- Dues to micro and small enterprises (*See below)	-	-
- Others	259,933,892	134,822,991
Total (b)	**259,933,892**	**134,822,991**

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.

c) Other financial liabilities

Current maturities of long-term debts *	11,688,468	11,641,422
Security Deposits Received	47,923,600	47,923,600
Outstanding expenses and others	8,544,946	7,287,884
Interest Accrued on Borrowings	61,142	-
Total (c)	**68,218,156**	**66,852,906**

* Current maturities of long-term debts represents Term Loan taken from PNB and Term loans taken from Federal Bank Ltd

Total Financial Liabilities	**Total (a+b+c)**	**764,711,346**	**540,737,433**

14 Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advance received from clients **	635,600,018	534,613,367
Statutory liabilities	6,202,251	4,738,362
	641,802,269	**539,351,729**

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

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

15 Short-term Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Gratuity	-	-
Other provisions		
Provision for Estimated Future contract losses	37,706,702	45,864,831
Provision for Service tax Demand	54,128,467	54,128,467
Provision for Sales tax Demand	15,840,204	15,840,204
	107,675,373	**115,833,502**

16 Revenue From Operations

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Revenue from Construction Contracts	155,307,354	406,223,263
Revenue from Development projects	91,547,461	67,157,568
Revenue from Sale of Land / Plots	76,100,000	-
Other operating revenues	22,885,425	13,717,136
	345,840,241	487,097,967

17 Other Income

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
a) **Interest Income**		
Interest on deposits with banks	141,642	70,290
Interest on Loans and advances	-	-
Interest on income tax refund	-	-
Others	-	1,265,764
	141,642	1,336,054
b) **Dividend Income**		
Dividend on Investments	-	-
	-	-
c) **Other Non Operative Income**		
Maintenance charges	-	7,417,596
Liabilities no longer required written back	3,145,885	7,244,330
Provisions no longer required written back	-	-
Profit on sale of investments	-	-
Profit on sale of fixed assets	23,571	300,000
Other income	3,783,963	395,100
	6,953,419	15,357,026
	7,095,061	16,693,080

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

18 Construction Expenses

Particulars		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
(a) Cost Incurred during the year			
Works contract including contractor's bills		626,162,119	525,487,496
Masonry and other works		286,030	245,246
Power and fuel charges		49,958	87,372
Rates and taxes		1,426,175	5,141,180
Project consultancy charges		10,815,250	18,691,610
Land cost and development charges		11,346,152	39,230,100
		650,085,684	**588,883,004**
(b) Changes in Work-in-progress			
Work In Progress at the end of the year			
- Work-in-progress		805,668,981	480,336,979
- Cost of land under development		124,783,819	136,967,912
	(i)	930,452,800	617,304,891
Work In Progress at the beginning of the year			
- Work-in-progress		657,133,095	433,208,328
- Cost of land under development		136,967,912	96,179,544
	(ii)	794,101,007	529,387,872
Net (increase)/decrease in Work in progress	**(ii - i)**	(136,351,793)	(87,917,019)
Construction expenses	**(a + b)**	513,733,891	500,965,985

19 Employee Benefits Expense

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Salaries and wages	38,037,447	45,763,988
Contribution to provident and other funds	1,182,217	1,023,055
Staff welfare expenses	3,174,565	1,927,787
	42,394,229	48,714,830

20 Finance Costs

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
a) Interest expense :		
i) Borrowings	50,183,982	37,590,192
ii) Others		-
- Interest on deferred payment of income tax	117,265	161,432
- others	197,878	5,186,744
b) Other borrowing costs	-	-
Processing Charges	18,179	59,548
	50,517,304	42,997,916

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

21 **Other Expenses**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Rent	4,158,000	4,016,400
Rates and taxes	470,096	1,087,606
Electricity charges	1,711,177	1,448,075
Repairs and maintenance		
- Buildings	-	100
- Others	754,333	628,502
Insurance	1,549,695	1,138,538
Advertisement charges	-	97,400
Commission and brokerages	41,253	137,232
Communication expenses	598,039	633,089
Travelling and conveyance	2,281,466	2,466,516
Printing and stationery	427,921	346,596
Business promotion	141,284	276,340
Directors sitting fees	545,500	485,000
Legal and professional	2,850,293	3,102,931
Security charges	3,541,193	3,176,809
Retention Money Receivable & Advances given Written Off	-	5,174,230
Payment to Auditors:		
Statutory audit fee	660,000	560,000
Tax audit fee	100,000	100,000
Other services	185,000	160,000
Reimbursement of expenses	108,395	86,036
CSR Expenditure	-	250,000
Vehicle running and maintenance	1,379,696	1,483,126
Bank charges	91,771	292,977
Amortisation of Prepaid expenses	18,708	1,013,813
Miscellaneous expenses	3,300,343	4,063,876
	24,914,163	32,225,192

22 **Earnings Per Share ("EPS")**

Net profit/(loss) for the year after tax (a)	(219,617,939)	(96,698,321)
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)	(16.99)	(7.48)

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

23 Tax expense

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Current Tax	-	-
(b)	Deferred Tax Charge / (Release) for the year	(60,187,328)	(27,866,734)
(c)	MAT Credit Utilisation/(Entitlement)	-	-
	Total tax expense reported in statement of profit and loss	(60,187,328)	(27,866,734)

The major components of income tax expense and reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.608% and the reported tax expense in the statement of profit or loss are as follows

Statement of reconciliation of tax expense

S.No	Particulars	March 31, 2019	March 31, 2018
1	Accounting Profit before income tax	(279,805,267)	(124,565,055)
2	Add: Permanent tax Differences considered in tax computation		
	a) Disallowances u/s 37 of Income tax act, 1961	117,265	411,432
	b) Income offered for tax in earlier years and accounted in current year	-	-
	c) Excess assets considered in deferred tax calculation of Previous year (Provision for future contract losses)	-	-
3	Accounting profit after adjusting permanent tax differences (1 + 2)	(279,688,002)	(124,153,623)
4	Effective Tax Rate in force for future years	26.00%	28.84%
5	Theoretical tax expense (3 * 4)	(72,718,880)	(35,805,905)
6	Adjustment for change in effective tax rate from previous years	(8,469,875)	(4,172,430)
7	Interest under sec 234A, 234B, 234C of income tax act 1961, included in tax expense	-	-
8	Deferred tax assets not considered in subsidiary companies	4,061,677	3,766,741
	Total tax expense reported in statement of profit and loss (5-6+7)	**(60,187,328)**	**(27,866,734)**

24 Details of dues to micro and small enterprises as defined under MSMED Act 2006

The Group 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.

25 Capital Commitments and Contingent Liabilities Not provided for :

a) Commitments

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil

b) Contingent liabilities

During the course of assessment proceedings under the Income-tax Act, 1961 pertaining to earlier years, certain disallowances/ additions are made by the income tax authorities and the demands are raised on the company. This demand was fully paid by the company after adjustments by the Income-tax (IT) authorities against the income-tax refunds due to the company with respect to other years. In respect of these disallowances/ additions, Company has appealed before the higher authorities i.e. Income Tax Appellate Tribunal (ITAT), High Court. The Corresponding provision for the demand paid was not made in the books of account of the company as the company is expecting order in favour of the Company. However, in respect of the disallowances/additions which are contested before the higher authorities, the demands paid/adjusted are shown as advances under 'Balance with statutory/government authorities' under the schedule of 'Other current Assets'. The Contingent Liability in respect of the above income tax dispute/demand (which was already paid) is Rs. 4.27 Crores

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

26 Expenditure in foreign Currency

Particulars	As at March 31, 2019	As at March 31, 2018
Travel Expenditure	-	50,077
Others	-	-
	-	**50077**

27 As per Indian Accounting Standard 19 "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.

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Employer's Contribution to Provident Fund	1,051,769	667,354

b) Defined Benefit Plans: The following table sets out the disclosures are required under Indian Accounting Standard 19 "Employees Benefits" in respect of Gratuity

i) Change in the present value of obligation

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Present Value of defined benefit obligation at the beginning of the year	2,637,726	2,211,145
Interest cost	201,642	176,765
Past service cost (Vested Employees)	-	30,414
Current service cost	490,691	421,119
Benefits paid	-	-
Actuarial changes arising from changes in financial assumptions	458,900	(201,717)
Actuarial changes arising from changes in experience adjustments	3,788,959	2,637,726

ii) Net liability recognised in the balance sheet

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Acquisition Adjustment	-	-
Expected Return on Plan Assets	279,606	182,997
Employer's Contributions	440,268	1,153,279
Employee's Contributions	-	-
Benefits Paid	-	-
Actuarial Gain / (Loss) on the Plan Assets	10,931	32,211
Fair Value of Plan Assets as at the end	730,805	1,368,487

iii) Fair Value of Plan Assets

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Fair Value of Plan Assets as at the beginning	3,657,858	2,289,098
Acquisition Adjustment	-	-
Actual Return on Plan Assets	290,537	215,208
Employer's Contributions	440,268	1,153,279
Employee's Contributions	-	-
Benefits Paid	-	-
Fair Value of Plan Assets as at the end	4,388,663	3,657,585

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

iv) **Expenses Recognised in profit and loss**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current Service Cost	490,691	421,119
Past Service Cost (Vested Employees)	-	30,414
Past Service Cost (Un-vested Employees)	-	-
Interest Cost	201,642	176,765
Expected Return on Plan Assets	(279,606)	(182,997)
Curtailment Cost	-	-
Settlement Cost	-	-
Net Actuarial (Gain) / Loss recognised in the period	447,969	(233,928)
Expenses Recognised in statement of Profit and Loss	860,696	211,373

v) **Recognised in other comprehensive income for the year**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Actuarial changes arising from changes in demographic assumptions		
Actuarial changes arising from changes in financial assumptions	458,900	(201,717)
Actuarial changes arising from changes in experience adjustments	3,788,959	2,637,726
Return on plan assets excluding interest income		
Recognised in other comprehensive income	4,247,859	2,436,009

vi) **Major categories of Plan Assets (as percentage of Total Plan Assets)**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Funds managed by Insurer	100%	100%

vii) **Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current Liability (Short term)	1,311,174	264,759
Non-Current Liability (Long term)	2,477,758	2,372,967
Present Value of Obligation as at the end	3,788,932	2,637,726

viii) **Expenses recognised in the statement of profit and loss for the year**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current service cost	490,691	421,119
Interest cost on benefit obligation (Net)	201,642	176,765
Total expenses included in employee benefits expense	692,333	597,884

c) **Actuarial assumptions**

i) **Financial Assumptions**

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Discount Rate per annum	7.70%	7.65%
Salary growth Rate per annum	5.00%	7.00%
Expected rate of return on plan assets (per annum)	7.70%	8.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd…)

ii) Demographic Assumptions

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Mortality rate (% of IALM 06-08)	100%	100%
Normal retirement age	58 Years	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

28 Segment Reporting

The Company derives more than 90% of its revenues from a single segment viz. real estate and property development. Consequently, Segment Report as as per the Indian Accounting Standard 108 issued by the ICAI is not applicable. Further, there are no tangible and intangible fixed assets of the Company, which are located outside India as at balance sheet date.

29 Disclosure under Indian Accounting standard 24 - Related Party Disclosures

i) 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 Satya Sai Constructions (Partnership Firm) Sri Krishna Devaraya Hatcheries Private Limited SSPDL Ventures Private Limited Edala Estates Private Limited SSPDL Infrastructure Developers Private Limited
Key Managerial Personnel	Mr. Prakash Challa, Managing Director Mr. E. Bhaskar Rao, Director Mrs. Sridevi Challa, Director Mr. K. Akmaluddih Sheriff, Independent director Mr. B. Lokanath, Independent director Mr. T. Krishna Reddy, Independent director Mr. U S S Ramanjaneyulu N, Chief Financial Officer Mr. A.Shailendra Babu, Company Secretary
Relative of Key Managerial Personnel	Mr. Suresh Challa (Spouse of Director) Mrs. Padmaja Eadala (Spouse of Director)

ii) Related party transactions during the Year

Particulars	Key Managerial Personnel		Relatives of key managerial persons		Enterprises owned or significantly influenced by Key management personnel or their relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Unsecured Loan Taken								
Prakash Challa	10,000,000	-	-	-	-	-	10,000,000	-
Repayment of Unsecured Loans taken								
Srinivas Hatcheries Limited	-	-	-	-	-	8,000,000	-	8,000,000
Interest accrued on unsecured loans taken								
Sri Krishna Devaraya Hatcheries Private Limited	-	-	-	-	6,746,251	5,558,568	6,746,251	5,558,568
E. Bhaskar Rao	11,970,023	10,760,024	-	-	-	-	11,970,023	10,760,024
Prakash Challa	674,618	-	-	-	-	-	674,618	-
SSPDL Ventures Private Limited	-	-	-	-	3,600,000	5,400,001	3,600,000	5,400,001
Srinivas Hatcheries Limited	-	-	-	-		35,507	-	35,507
Loans and Advances given or (Received)								
Prakash Challa	(5,220,000)	-	-	-	-	-	(5,220,000)	-
Increase / (Decrease) in Trade Receivables								
Alpha City Chennai IT Park Projects Private Limited	-	-	-	-	(538,439)	(7,575,430)	(538,439)	(7,575,430)
Consideration received towards sale of House								
A.Shailendra Babu	834,260	2,296,750	-	-	-	-	834,260	2,296,750
Rent paid							-	-
Suresh Challa	-	-	1,254,000	1,254,000	-	-	1,254,000	1,254,000
Remuneration							-	-
Prakash Challa	10,775,496	9,575,676	-	-	-	-	10,775,496	9,575,676
U S S Ramanjaneyulu N	1,260,623	-	-	-	-	-	1,260,623	-
A.Shailendra Babu	2,415,010	-	-	-	-	-	2,415,010	-

iii) Outstanding Balances at the end of the Year

Particulars	Key Managerial Personnel		Relatives of key managerial persons		Enterprises owned or significantly influenced by Key management personnel or their relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Unsecured loan Taken								
Sri Krishna Devaraya Hatcheries Private Limited	-	-	-	-	57,861,127	52,062,460	57,861,127	52,062,460
E. Bhaskar Rao	106,573,108	95,800,088	-	-	-	-	106,573,108	95,800,088
Prakash Challa	10,607,156	-	-	-	-	-	10,607,156	-
SSPDL Ventures Private Limited	-	-	-	-	47,367,289	44,127,289	47,367,289	44,127,289
Investment in Equity Shares							-	-
Alpha City Chennai IT Park Projects Private Limited	-	-	-	-	99,800	99,800	99,800	99,800
Trade receivables								
Alpha City Chennai IT Park Projects Private Limited	-	-	-	-	202,008,919	202,547,358	202,008,919	202,547,358
Godrej SSPDL Green Acres LLP	-	-	-	-	-	-	-	-
Loans and advance Recoverable		-		-		-	-	-
SSPDL Intrastructure Developers Pvt Ltd	-	-	-	-	-	763,348	-	763,348
Sri Satya Sai Constructions	-	-	-	-	15,000,000	15,000,000	15,000,000	15,000,000
Godrej SSPDL Green Acres LLP	-	-	-	-	47,923,600	47,923,600	47,923,600	47,923,600
Loans and advance Payable								
Challa Prakash	5,220,000	-	-	-	-	-	5,220,000	-
E. Bhaskar Rao	152,562,507	152,562,507	-	-	-	-	152,562,507	152,562,507
Padmaja Eadala	-	-	20,000,000	20,000,000	-	-	20,000,000	20,000,000
SSPDL Ventures Private Limited		-		-	10,800,000	10,800,000	10,800,000	10,800,000
Consideration received towards sale of House								
A.Shailendra Babu	-	2,700,000	-	-	-	-	-	2,700,000
Rent Payable								
Suresh Challa	-	-	-	112,860	-	-	-	112,860
Remuneration Payable								
Prakash Challa	613,824	-	-	-	-	-	613,824	-
U S S Ramanjaneyulu N	60,880	-	-	-	-	-	60,880	-
A.Shailendra Babu	131,294	-	-	-	-	-	131,294	-
Rent deposits								
Suresh Challa	-	-	90,000	90,000	-	-	90,000	90,000

As per our attached report of even date

For A. Madhusudana & Co.,
Chartered Accountants
Firm Registration No. : 007405S

For and on behalf of the Board of Directors

Divakar Atluri
Partner
Membership No. : 022956

Prakash Challa
Chairman and Managing Director
(DIN:02257638)

E.Bhaskar Rao
Director
(DIN: 00003608)

Place : Hyderabad
Date : 30-05-2019

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

FORM AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of companies (accounts) rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

PART A: SUBSIDIARIES

(All amounts in Indian Rupees, unless otherwise stated)

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-18 to March-19	INR	100,000	(11,265,199)	72,164,064	83,329,263	-	55,400	(1,465,738)	-	(1,465,738)	-	100%
2	SSPDL Reality India Private Limited	April-18 to March-19	INR	100,000	(27,983,391)	71,372,050	99,255,441	-	-	(6,666,387)	-	(6,666,387)	-	100%
3	SSPDL Real Estates India Private Limited	April-18 to March-19	INR	100,000	(49,243,909)	128,251,837	177,395,745	-	5,279,345	(8,961,639)	-	(8,961,639)	-	100%
4	SSPDL Infra Projects India Private Limited	April-18 to March-19	INR	100,000	(12,074,136)	42,323,124	54,297,260	-	-	(3,309,336)	-	(3,309,336)	-	100%
5	SSPDL Infratech Private Limited	April-18 to March-19	INR	1,196,000	68,489,631	75,500,965	5,815,334	-	5,193,080	3,600,229	-	3,600,229	-	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	Northwood Properties India Private Limited
1	**Latest audited Balance Sheet Date**	31.03.2019
2	**Shares of Associate / Joint Ventures held by the company on the year end**	
	No of Equity Shares	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**	NA
5	**Networth attributable to shareholding as per latest audited Balance Sheet**	-23,965,606
6	**Profit / (Loss) for the year**	-865,968
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-865,968

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 and Managing Director
(DIN :02257638)

E.Bhaskar Rao
Director
(DIN :00003608)

Place : Hyderabad
Date : 30-05-2019

U S S Ramanjaneyulu N
Chief Financial Officer

A.Shailendra Babu
Company Secretary

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.

(All amounts in Indian Rupees, unless otherwise stated)

Name of the entity			Net Assets i.e. total assets minus total liabilities		Share in Profit / (Losss)	
			As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or (Loss)	Amount
Parent		SSPDL Limited	117.07%	345,303,788	92.89%	-204,011,314
Subsidiaries		Indian				
	1	SSPDL Resorts Private Limited	-3.79%	-11,165,199	0.67%	-1,465,738
	2	SSPDL Reality India Private Limited	-9.45%	-27,883,391	3.04%	-6,666,387
	3	SSPDL Real Estates India Private Limited	-16.66%	-49,143,909	4.08%	-8,961,639
	4	SSPDL Infra Projects India Private Limited	-4.06%	-11,974,136	1.51%	-3,309,336
	5	SSPDL Infratech Private Limited	23.63%	69,685,631	-1.64%	3,600,229
		Minority Interest in all Subsidiaries	-	-	-	-
Associates *		**Indian**				
	1	Northwood Properties India Private Limited	**0.00%**	-	**0.00%**	-

* Investments as per equity method

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SSPDL LIMITED
CIN: L70100TG1994PLC018540
Regd.Off: 3rd Floor, Serene Towers, 8-2-623/A,
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 Fifth Annual General Meeting of the Company, to be held on Monday, the 30th day of September, 2019 at 12:00 P.M. at Grand Ball Room, 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, 2019, 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, 2019, together with the Report of the Auditor thereon.		
2.	To appoint a Director in place of Smt. Sridevi Challa, who retires by rotation.		
	Special Business:		
3.	Re-appointment of Sri B.Lokanath as an Independent Director in terms of section 149 of the Companies Act, 2013.		
4.	Appointment of Sri Annam Dilip Kumar as an Independent Director in terms of section 149 of the Companies Act, 2013.		
5	Re-appointment of Sri Prakash Challa as Chairman and Managing Director and fixing remuneration.		
6	Amendment to Articles of Association of the Company.		

Signed this ____________ day of ______________________, 2019.

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: 3rd Floor, Serene Towers, 8-2-623/A,
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 Fifth Annual General Meeting** of the Company **held on Monday, the 30th day of September, 2019 at 12:00 P.M. at Grand Ball Room, 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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Notes

Notes

Apartments Project (LIG Flats) at Kollur / Osman Nagar, Hyderabad

Our Villa and Apartments Project at Kollur Osman Nagar, Hyderabad

Godrej SSPDL AZURE Residential Project at Kalipathur, OMR, Chennai

SSPDL
Group

Building the big picture

Regd. Office: 3rd Floor, Serene Towers, 8-2-623/A, Road No. 10, Banjara Hills,
Hyderabad - 500 034, Telangana.
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