



SSPDL
Limited

Building the big picture

ANNUAL REPORT
2011-12





NPA-Hyderabad



NSIC-Hyderabad

BOARD OF DIRECTORS	Sri PRAKASH CHALLA	Managing Director
	Sri E.BHASKAR RAO	Director
	Sri SURESH CHALLA	Director
	Sri S.SURYANARAYANA	Director
	Sri K.AKMALUDDIN SHERIFF	Director
	Sri B.LOKANATH	Director
AUDIT COMMITTEE	Sri S.SURYANARAYANA	Chairman
	Sri B.LOKANATH	Member
	Sri E.BHASKAR RAO	Member
SHAREHOLDERS AND INVESTOR GRIEVANCES REDRESSAL COMMITTEE	Sri SURESH CHALLA	Chairman
	Sri S.SURYANARAYANA	Member
	Sri E.BHASKAR RAO	Member
COMPANY SECRETARY CUM MANAGER (FINANCE)	Sri A.SHAIENDRA BABU	
AUDITORS	M/s. KARVY & CO., CHARTERED ACCOUNTANTS, No. 2, BHOOMA PLAZA, St.No. 4, AVENUE 7, BANJARA HILLS, HYDERABAD - 500 034.	
BANKERS	STATE BANK OF INDIA - HYDERABAD & CHENNAI & AXIS BANK LIMITED - HYDERABAD & CHENNAI	
REGISTERED OFFICE	8-2-595/3/6, 'EDEN GARDENS', ROAD NO.10, BANJARA HILLS, HYDERABAD - 500 034.	
CORPORATE OFFICE	'CHALLA MALL', 8TH FLOOR, 11-11A, SIR THIAYAGARAYA ROAD, T.NAGAR, CHENNAI - 600 017.	
SHARE TRANSFER AGENTS AND ELECTRONIC REGISTRARS	KARVY COMPUTERSHARE PRIVATE LIMITED PLOT NO.17 TO 24, VITTALRAO NAGAR, MADHAPUR, HYDERABAD - 500 081.	

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT QUTUB SHAHI HALL, COUNTRY CLUB, 6-3-1219, BEGUMPET, HYDERABAD - 500 016, A.P. AT 3.30 P.M. ON FRIDAY, THE 14TH DAY OF SEPTEMBER, 2012, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, the Statement of Profit and Loss for the year ended as on that date, Cash Flow Statement together with the Auditor's Report and Directors' Report thereon.
2. To appoint a Director in place of Sri K.Akmaluddin Sheriff, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sri E. Bhaskar Rao who retires by rotation, and being eligible, offers himself for reappointment.

4. To appoint Statutory Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Karvy & Co., Chartered Accountants, Hyderabad (firm registration No.001757S), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of Eighteenth Annual General Meeting till the conclusion of Nineteenth Annual General Meeting at a remuneration as may be fixed by the Board of Directors of the Company."

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

A.Shailendra Babu

Company Secretary cum
Manager (Finance)

Place : Hyderabad
Date : 07.08.2012

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. THE 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.
2. The Register of Members and the transfer books of the Company will be closed from 10.09.2012 to 14.09.2012 (both days inclusive).
3. The Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of the Notice.
4. Members holding shares in physical form are requested to notify immediately any change in their address along with their Folio No. to the Registrars and Share Transfer Agents of the Company i.e., M/s. Karvy Computershare Private Limited, or to the Company at its Registered Office at 8-2-595/3/6, Eden Gardens, Road No.10, Banjara Hills, Hyderabad - 500 034, Andhra Pradesh.

Members are also requested to notify immediately any change in their address to their Depository Participants in respect of their holdings held in electronic form.

Non-Resident Indian Members are requested to inform M/s. Karvy Computershare Private Limited of the change in residential status immediately on return to India for permanent settlement.
5. **Members desirous of seeking any information/clarifications on the annual accounts are requested to write to the Company at least 7 (seven) working days before the date of Annual General Meeting so that the required information can be made available at the meeting.**
6. Members/Proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Nos. and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
8. Corporate Members intending to send their Authorized Representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
9. In case of Joint holders attending the meeting only such Joint Holder who is higher in the order of names will be entitled to vote.
10. Members are requested to note that, as per Section 205A of the Companies Act, 1956, as amended, the unpaid or unclaimed dividend for a period of seven years shall be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Accordingly, the last date for claiming unpaid / unclaimed dividend declared for the year 2006-07 is 26.10.2014. The Members who have not en-cashed their Dividend for the year 2006-07, are requested to write to the Company Secretary and Compliance Officer at the Registered Office of the Company.

11. The Company's equity shares are listed on Bombay Stock Exchange (BSE). The Company has promptly paid annual listing fees to the BSE for the year 2012-13.
12. Members who hold shares in physical form and wish to make/change nomination in respect of their shareholding in the Company may submit duly filled in and signed Form No.2B to the Registrars and Share Transfer Agents of the Company.
13. Members who hold shares in physical form are requested to submit a copy of Permanent Account number (PAN) to the Share Transfer and Registrar of the Company.
14. **Appointment/Re-appointment of Directors:** The Information to be provided in terms of Clause 49 of the Listing Agreement relating to Appointment/Reappointment of Directors is provided in the Corporate Governance Report.

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

A.Shailendra Babu
Company Secretary cum
Manager (Finance)

Place : Hyderabad
Date : 07.08.2012

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars, vide nos. 17/2011 and 18/2011, dated 21 and 29 April 2011 respectively, stating that services of notice/documents including annual report can be sent electronically by e-mail to its members.

This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. Additionally, it will avoid loss in postal transit, save time, energy and costs.

By understanding the underlying theme of the above circulars, to support this green initiative of the government in full measure, the Company has started to send documents like Notice convening general meetings, Financial Statements, Directors Report, Auditors' Report etc., for the year ended March 31st, 2011 onwards, to the e-mail address registered with the depositories by the shareholders holding shares in electronic form and for Shareholders holding Shares in physical form with Registrar and Share transfer Agents of the Company.

In this regard, we request shareholders who have not registered their e-mail address, so far, to register their e-mail addresses, in respect of electronic holding with depository through their concerned Depository Participants and Members who hold shares in physical form are requested to register the same with Karvy Computershare Private Limited, Registrar and Share Transfer Agents of the Company.

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the Eighteenth Annual Report on the business and operations of the Company together with the Audited Financial Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

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

PARTICULARS	₹ in Lakhs	
	2011-2012	2010-2011
Total Income	1198.19	4055.73
Less: Operating Expenses	1466.53	3231.07
Gross Profit/(Loss) before Depreciation and Interest	(268.34)	824.66
Less: Depreciation	15.85	19.96
Interest & Finance Charges	339.39	443.43
Profit / (Loss) before Tax Before exceptional and extra-ordinary items	(623.58)	361.26
Exceptional Item	3.88	0.00
Extra-ordinary Item	-	582.45
Profit / (Loss) before Tax after exceptional and extra-ordinary items	(627.46)	943.71
Less: Provision for Tax	(244.04)	333.32
Profit / (Loss) after Tax	(383.42)	610.40
Balance of Profit brought forward	3021.17	2410.77
Profit available for appropriation	2637.76	3021.17
APPROPRIATIONS		
Proposed Dividend	-	-
Tax on proposed dividend	-	-
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	2637.76	3021.17

BUSINESS OVERVIEW

The total income of your Company for the year under review is ₹ 1198.19 lakhs as compared to ₹ 4055.73 lakhs for the previous year ended 31st March, 2011. Profit/(Loss) after tax was ₹ 383.42 lakhs as against ₹ 610.40 lakhs in the previous year.

Various projects undertaken by the Company are under different stages of execution, and the performance of the Company during the current year i.e., 2012-13 is expected to be in accordance with Company's plans.

PROPERTY DEVELOPMENT PROJECTS

CHENNAI

Alpha City Project

The construction of 4,77,000 Sft IT Park has been completed in 2007 and software majors like IBM are Tenants in this building.

This building was nominated by CNBC AWAZ for best Commercial Building in 2008. During the year under review an extent of ₹ 8.14 crores has been recovered from Alpha City IT park.

Matrix Towers

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

NOVOTEL/IBIS Hotels at the Promenade

This project was originally conceived for doing a Shopping Mall and Commercial Buildings on a Joint Venture basis with the Land Owners. Total area planned was 1.2 Million Sft. This project is being executed under the SPV, SSPDL infrastructure Developers (P) Ltd partnering with M/s. Innovative India Realty Opportunity Fund Ltd., Cyprus.

However, as the commercial markets got hit, Company has reduced its scope of development to the Novotel & IBIS Hotels only. The requisite sanctions have been received and the work has commenced and slated to complete by December, 2012. Total value of the hotel projects is ₹ 29.73 crores and 76% of work is completed.

The Construction is being executed by your subsidiary Company M/s. SSPDL Interserve Private Limited (SIPL).

Green Acres

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

Considering the market scenario the Company has renegotiated with the Land Owners for enhanced sharing ratio for us. Also, Company has identified an investor for doing the project jointly.

For this purpose Company incorporated a new SPV on 10.06.2011 in the name of "SSPDL Green Acres LLP" with sharing of 36:64 respectively by the Company and the investor.

The built up area is around 8.81 lakhs sft. and SSPDL Green Acres LLP share will be 5.66 lakh sft. The development will mostly be residential with some commercial area of value ₹ 200 crores for development in a period January 2013-December 2015. Architects have been appointed and detailed drawings are currently being developed. The project will be launched in mid of January, 2013.

SSPDL Crescent

A Residential Premium Apartments project on a 1.12 Ac plot of land situated at Keelambakkam on Vandalur Road, Off the IT Express Highway, Chennai. Out of total 53 Apartments to our Company's share and Company has sold all apartments of its share. However, still have an sold commercial space of about 2430 sft. whose expected sale value is about ₹ 80 Lakhs

The construction work is being done by SIPL on cost plus profit basis with effect from 7th July 2010. Construction work is completed and delivered. The expected sale value of unsold area is approx. ₹ 79.52 Lakhs.

SSPDL Lakewood Enclave/ Mayfair Apartments

A Residential Villa / Apartment project is on a 3.89 Ac plot of land situated at Thalambur Village of Old Mahabalipuram, (IT Express Highway), Chennai. The construction work is being done by SSPDL Interserve Private Limited.

This project is being done in phases. 1st Phase consists of 32 Villas and 2nd phase is 76 apartments i.e., Mayfair Apartments. Layout sanction and planning permissions are received. We are developing Lakewood/Mayfair as Gold rated Green Building. We have sold 56% of our share of villas and some of the flats have been booked in Company's share in apartment. We are happy to inform that both the buildings have been pre-certified GOLD by Indian Green Building Council (IGBS).

We have already sold about 10 Villas and 10 apartments in the two projects. The project is slated for delivery in all aspects by December, 2013 or so.

HYDERABAD

The Retreat

The Retreat is envisaged as a 90+ acre township project located close to the outer ring road at Kollur/Osman Nagar. Plans are being worked out for affordable independent homes market catering to the mid market segment. Due to the continuing adverse market Conditions, this project is still in the planning phase, however, the Company is exploring various options for developing the town ship including strategic alliances with third parties.

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.

Considering the market conditions Company is evaluating the project and planning for affordable homes also.

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. This project is slated for commencement in first quarter of 2013.

We are happy that the Kerala budget is announced and recently Government has relaxed the conditions for housing and resorts. Considering the same, Company is developing a strategy to make it more attractive to the customers.

CONSTRUCTION BUSINESS:

Members are aware that, as part of the restructuring exercise, Company has incorporated a Subsidiary Company i.e., SSPDL

Interserve Private Limited (SIPL) for carrying on the Construction Business. Our Company is holding 51% and M/s. Interserve Plc., UK based Construction and allied services company is holding 49% equity in SSPDL Interserve Private Limited. The details of construction contracts executed by SIPL are provided below:

Lakewood Enclave & Mayfair Apartments, Chennai

A Residential Villa / Apartment project situated at Thalambur Village of Old Mahabalipuram, (IT Express Highway), Chennai. The total work value is ₹ 28 crores for an area of about 1,57,000 Sft. and the expected completion is in December 2013. This project is for SSPDL Limited. Construction of Villas in Lakewood is in progress and Apartments in Mayfair have just started.

Novotel/IBIS Hotels, Chennai

A Hotel construction project was awarded by SSPDL Infrastructure Developers Pvt Ltd. The original estimated value of this project was ₹ 28 Crores. Subsequently the project scope has been extended and its value is revised to ₹ 34 crores considering the variations, escalations, etc. Construction work is under progress and expected to be completed in December, 2012.

The Retreat, Bangalore

A high end Villa project with an area of about 6,00,000 Sft and the work is awarded by Sri Satya Sai Constructions for a total value of ₹ 115 crores. Constructions work is in progress and work completed as on March 31st, 2012 is ₹ 23.34 crores. The project is expected to be completed in December, 2014.

Frangipani, Pudupakkam

Construction of Residential Building at Pudupakkam inside Siruseri IT park, Chennai, for building 2,79,760 sft. for M/s. Arihant Foundations & Housing Ltd. The value of the order is ₹ 22.26 crores and an additional work of ₹ 2.6 crores has been awarded. The value of the work completed is ₹ 14.92 crores.

Sundara Kanda Residential Building at Medavakkam, Chennai

Revised Value of the project is ₹ 8.00 crores from M/s. Vishranthi Homes Pvt. Ltd., Chennai for construction of Residential Building at Medavakkam, Chennai. Work completed value is about ₹ 7.00 crores and entire project is expected to be completed in September, 2012.

Meeting House, Bangalore

Value of the project is ₹ 15.00 crores from M/s. Indian Society of Church of Latter day Saints. Work completed value is about ₹ 6.61 crores and entire project is expected to be completed in October, 2012. The architects for the project are M/s. Sundara Sundaram Architects, Coimbatore.

Further orders for construction of Service centre Building in the same premises have been received for ₹ 14 crores and work is in progress.

Projects completed during the year 2011-12 and location of the projects: (1) Crescent, Kelambakkam, Chennai (2) Township Project, Tuticorin (3) Panache, Chennai, and (4) Jashn, Chennai.

DIVIDEND

Your Directors do not recommend any dividend for the Financial Year ended 31st March, 2012.

DIRECTORS

There were no changes in the composition of the Board for the financial year ended 31st March, 2012

Sri K.Akmaluddin Sheriff and Sri E.Bhaskar Rao, Directors retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for reappointment.

Brief resume of the Directors proposed to be appointed and reappointed, nature of their experience in specific functional areas are provided in the Corporate Governance Report.

Your Directors recommend the reappointment of Sri K. Akmaluddin Sheriff, and Sri E.Bhaskar Rao as Directors at the ensuing Annual General Meeting.

Sri Suresh Challa and Sri S.Suryanarayana were retired at the previous annual general meeting.

AUDITORS AND AUDITORS' REPORT

M/s. Karvy & Co., Chartered Accountants, Hyderabad, the Company's Statutory Auditors retire at the conclusion of the ensuing Annual General Meeting. They have signified their willingness to be re-appointed and have further confirmed their eligibility u/s 224(1B) of the Companies Act, 1956. The Auditors' Report to the shareholders does not contain any qualification or adverse remarks which require any clarification or explanation.

SUBSIDIARY COMPANIES

As on 31st March, 2012, your Company has 8 subsidiaries i.e., (1) Kollur Residential Project Private Limited, (2) SSPDL Infra Projects India Private Limited, (3) SSPDL Matrix Towers Private Limited, (4) SSPDL Resorts Private Limited, (5) SSPDL Realty India Private Limited, (6) SSPDL Real Estates India Private Limited, (7) SSPDL Almoayyed Projects Private Limited and (8) SSPDL Interserve Private Limited. There has been no material change in the nature of the business of the subsidiaries.

Your Company has decided to close the non operative subsidiary companies namely (1) Kollur Residential Project Private Limited, (2) SSPDL Matrix Towers Private Limited and (3) SSPDL Almoayyed Projects Private Limited. Accordingly, Company has submitted the necessary applications as per section 560 of the Companies Act, 1956 under Fast Tract Exit (FTE) mode for striking off the names of the above three companies.

Considering the application submitted by SSPDL Almoayyed Projects Private Limited, the Registrar of Companies, Tamil Nadu has given approval under section 560(5) of the Companies Act, 1956 and issued a notice stating that the name of SSPDL Almoayyed Projects Private Limited has been struck off from the Register and the said Company is dissolved. However, the status of application submitted by Kollur Residential Project Private Limited and SSPDL Matrix Towers Private Limited are under process with the Registrar of Companies, Andhra Pradesh.

As per Section 212 of the Companies Act, 1956, we are required to attach the Directors' Report, Balance Sheet and Profit and Loss Account of our subsidiaries to our annual report. The Ministry of Corporate Affairs, Government of India vide its circular no.2/2011 dated 8 February 2011 has provided an exemption to

companies from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies with the Annual Report of the parent Company, provided such companies publish the audited consolidated financial statements in the annual report, etc. Accordingly, the Company has availed the exemption from attaching the accounts of the subsidiary companies and the annual report 2011-12 does not contain the financial statements of our subsidiaries. A Statement containing brief financial details of the subsidiary companies for the financial year ended March 31, 2012 is annexed.

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

CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated financial statements presented by the Company are prepared in accordance with the Accounting Standard AS-21 on consolidated financial statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, Listing Agreement as prescribed by the Securities and Exchange Board of India.

INSURANCE

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

DEPOSITS

Your Company has not invited or accepted any fixed deposits and hence no amount of principal or interest was outstanding as on the date of the Balance Sheet.

CORPORATE GOVERNANCE CODE

A separate section on Corporate Governance with a detailed compliance report thereto is given which forms part of the annual report. The Auditor's Certificate with regard to the compliance with the Corporate Governance code as required under clause 49 of the listing agreement is also enclosed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A separate report on Management Discussion and Analysis is enclosed as an annexure to the Director's Report.

SHARES PLEDGED BY THE PROMOTERS/DIRECTORS

The pledge created on the Equity Shares of the Company held by Sri Prakash Challa, Managing Director and Sri Suresh Challa, Director of the Company is released during the year 2011-12.

On 13.06.2011 Sri E.Bhaskar Rao, Director of the Company has created pledge on the shares of the company held by him in favour of State Bank of India, Hospet, Karnataka for availing loan for business purposes.

The details of the shares pledged by promoter and directors of the company are mentioned below:

Sl. No.	Name of the Director	No. of Shares on which pledge created
1	E.Bhaskar Rao	1,50,000
	Total	1,50,000

INFORMATION UNDER SECTION 217(1)(e)

Information required to be furnished under The Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is furnished below:

- A. CONSERVATION OF ENERGY** : 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.
- B. TECHNOLOGY ABSORPTION** : NIL
- C. FOREIGN EXCHANGE EARNINGS** : NIL
- FOREIGN EXCHANGE OUTGO** : NIL

PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A)

As per the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time, the particulars are

Sl. No.	Name	Age (Yrs)	Designation	Remuneration	Qualification	Experience (Yrs)	Date of Joining	Previous Employment	Nature of Duties
1.	Prakash Challa	59	Managing Director	₹ 37.30 Lakhs	M. Sc and CIAB	35 Years	From Date of Inception	Andhra Bank	As per the provisions of the Companies Act, 1956

1. Remuneration comprises of Salary, Bonus, and Companies contribution to PF, as eligible.
2. Sri. Prakash Challa is a relative of Sri Suresh Challa, Director as per the definition of "relative" under the Companies Act, 1956.
3. Nature of employment: Sri Prakash Challa appointment is as per provisions of the Companies Act, 1956.
4. Sri Prakash Challa holds 2% or more of the paid up equity share capital of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, the Directors confirm that:

1. In preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. Appropriate accounting policies have been applied consistently. Judgments and estimates, which are reasonable and prudent, have been made so far as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of the loss of the Company for the period.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
4. The Annual Accounts have been prepared on a going concern basis.

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

Place : Hyderabad
Date : 07.08.2012

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2011-12

1. ECONOMY OVERVIEW:

Global growth slowed in 2011, but the world economy stayed on the path of slow recovery, reducing the likelihood of a double-dip recession. Growth prospects for 2012-13 in the recent times have improved following policy interventions in the euro area and positive data from the US.

The Indian economy after two successive years of fairly robust growth of GDP at 8.4 per cent, is estimated to decelerate sharply to 6.9 percent during 2011-12, with a marked slowdown in agriculture, mining and quarrying, manufacturing and construction sectors and mainly due to global uncertainties and domestic cyclical and structural factors. In an uncertain global economic environment, the interplay between growth slowdown, high inflation, wide current account, fiscal gaps and falling investment has weakened the economy.

The Reserve Bank persisted with its monetary tightening between February 2010 and October 2011 with continuing inflation risks. In this cycle, policy rates were effectively raised by 525 bps starting in March 2010. As expected, domestic demand slowed, partly due to monetary policy actions.

Outlook : The IMF in its July update of the World Economic Outlook has made significant downward revisions in its current year growth estimates for India, UK, Brazil and China.

After almost two years of sustained high inflation, inflation started declining from November 2011. Inflation has moderated in recent months to under 7 per cent. However, the path of inflation in 2012-13 could remain sticky with high oil prices, exchange rate passthrough and structural impediments to supply response, etc.

The outlook for the Indian economy remains weak and the downside risks to growth continued to rise reflecting weakening global economic outlook and domestic policy uncertainties. On the domestic front, the macro economic and structural factors that are impeding growth still remain to be addressed. Persistence of high global oil prices and slowing growth in the euro area and China, however, pose downside risks. However, the quick policy response to address structural bottlenecks and encourage investment, will impact growth. If fiscal pressures are contained, the interest rate cycle could turn, supporting a pick-up in investment demand. Growth is likely to improve moderately in 2012-13, supported mainly by a pickup in industry on the back of consumption demand and some improvement in investment. However, the depleted investment pipeline and depressed new investment may keep the pace of recovery slow.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS:

Global economic uncertainties have affected India's economy, including the real estate market. "Macroeconomic indicators are not healthy. Fiscal deficit and interest rates are high while the rupee is depreciating. All this does not bode well for any industry, especially real estate."

High prices and interest rates have been dampeners. "Demand has been stagnating in a few cities even as supply remains high. Investors as well as end-users have been showing signs of weariness. Repeated increases in interest rates have led to a decline in sale of residential properties. This is likely to have an impact on residential sales in 2012 as well."

Flow of funds is a concern for developers. "Real estate developers are reeling under high debt and foreign direct investment inflows have slowed,"

The good news is allowing External Commercial Borrowing (ECB) for affordable housing translates into availability of capital for developers focusing on low-cost housing.

This segment of housing is characterized by low margins, and it becomes attractive only if developers are enabled to produce greater volumes. Better capital availability will help in timely project execution, which will result in higher volumes.

The Reserve Bank's quarterly House Price Index (HPI), based on official data on property transaction from 9 cities, indicates that during Q3 of 2011-12, house price increased for all cities, barring Kolkata on an annual basis. However, price increases moderated in Mumbai, Jaipur and Kanpur. The number of transactions on an annual basis declined in Mumbai, Bengaluru and Kanpur, while they-o-y increase moderated in Ahmedabad and Jaipur.

3. OPPORTUNITIES, THREATS/RISKS AND CONCERNS:

Opportunities:

The market opportunities in real estate sector are in all asset classes, including residential, commercial, retail and hospitality. Closely tied to this is the immense opportunity in the construction industry especially in the infrastructure development sector. The construction industry in India is one of the largest economic activities contributing to the nation's development. India has been witnessing tremendous growth in building and construction sector for the past five years. With the increase in income levels there are also changes in the life styles of various sections of the society. While this is a healthy trend, it is putting enormous pressure on the industry to play a vital role in preserving the environment.

Green Buildings: According to the Indian Green Building Council (IGBC) the market for Leadership in Energy and Environmental Design (LEED)- rated green buildings in India is projected to increase to USD \$ 5.11 billion by 2012 and the total market for green building materials and equipment in India is estimated to be about eight times the size of the LEED-rated green building market in India. The projected market potential for green building material and technologies is estimated to be \$40 billion by the year 2012. Also as the building sector is the third largest consumer of energy and energy consumption is expected to grow at rate of 4.3 percent (exceeds 1.3 percent population growth rate), but green buildings have an upper hand in this, which becomes clear with the stating that it has the potential to save 30-40 percent energy. The IGBC has demanded from the governing bodies that it should be mandatory for buildings above 20,000 square feet to incorporate minimum green features. It also sought incentives such as reduction in property tax and lower water and electricity tariffs for buildings that are Leadership in Energy and Environmental Design certified.

Affordable Housing: The Union Budget had announced access to external commercial borrowing (ECB) for affordable housing. The Union Ministry of Housing and Urban Poverty Alleviation (Mhupa) is in the process of framing an affordable housing policy.

The real-estate sector may soon get a boost as the Reserve Bank of India is likely to issue shortly the final guidelines for External Commercial Borrowing (ECB) for low-cost, affordable housing. This is a good opportunity as Real estate players can have greater access to market credit.

Considering the low margins, in the proposed policy the government may include increasing the floor space index (FSI) and easing of density norms. Compulsory parking lot norms will also be relaxed and have a provision for interest subsidy and capital subsidy to builders.

Threats/Risks and Concerns:

Sluggish Demand to Continue: High EMIs, resulting from significantly higher interest rates, lower household surplus due to high inflation and high residential unit prices have reduced the affordability of homes. Purchases slowed significantly during H1 2012 and are likely to continue at these new levels during current year.

The oversupply of commercial space continues in some markets. However, the demand for office space is likely to be maintained at low levels as the hiring momentum of the IT/ITeS sector, the major driver of office spaces in India.

Margin Pressure: Depressed demand, together with increased construction costs, both material and labour-have compressed margins and this is likely to continue.

Liquidity Pressures: Fitch, the global rating agency, expects the dependence on operational cash flows to fund growth and service debt to increase. Foreign direct investment (FDI) and private equity (PE) funding has dwindled and a weak equity market no longer makes IPOs a viable funding option. All this, together with the banks' cautious approach, limits fund raising options.

The Company's business is substantially affected by the prevailing and changing economic conditions in India and at global level. Due to rise in interest rates, inflation, changes in tax, trade, fiscal and monetary policies, scarcity of credit, delays in obtaining necessary approvals etc. all these factors have affected the business of the Company.

The business is labour-intensive and thus, hiring and retention of talent can pose a significant challenge for the Company. The Company has made good policies to recruit and retain the best talent available. Because of the cordial industrial relations maintained the Company has not experienced any work stoppages on account of significant labour disruptions during the year.

4. FUTURE OUTLOOK:

Early indicators suggest that growth may have bottomed out in Q3 of 2011-12 but recovery may be slow during 2012-13. Lower global demand, domestic policy uncertainties and the cumulative impact of monetary tightening lowered the growth rate to below seven percent over the last two quarters.

The long-term view on the Indian real estate industry is positive as the fundamental demand drivers such as increasing urbanisation, favourable demographics, growth of service sector and rising incomes are still intact. Absorption of affordably priced projects is literally guaranteed, no matter what the drawbacks of the location are, and the land prices are much lower than they are closer to the city centers.

The management is of the view that, the real estate and construction industry will do well in future considering the inherent strengths of the Indian economy. To enable it to

provide housing at affordable prices, the Company will strive to take all necessary measures to respond to the market and reduce its costs of development in order to keep its costs low and maintain a reasonable profit.

5. SEGMENT WISE PERFORMANCE:

The company is engaged in construction and development of commercial, residential properties in metropolitan and Tier II cities and infrastructure projects. The Company has already embarked on development of Residential properties, IT parks, residential townships and these projects are currently under various stages of execution. The details of status of projects undertaken by the company are mentioned in the Directors Report.

6. INTERNAL CONTROL SYSTEMS:

The 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 are adequate to protect the enterprise resources. The Audit Committee reviews the adequacy of internal control 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 Income: The total income of the company is ₹ 7,552.54 lakhs, against ₹ 7,240.50 lakhs (including extra ordinary income) in 2010-11.

Profit/ (Loss) before Depreciation and Interest : ₹ (943.88), as compared to Profit of ₹ 1,541.82 lakhs for 2010-11.

Profit Before Tax: The Company's Profit Before Tax for the year under review stood at ₹ (1,617.69) lakhs, as compared to profit of ₹ 936.80 lakhs in 2010-11.

Profit After Tax: The Profit/ (Loss) after tax (PAT) of the company is ₹ (1,373.64) lakhs against profit of ₹ 603.48 lakhs in 2010-11.

The results reflect the current market conditions. With the improving real estate markets the Company's performance is expected to get back on the growth path in future.

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, 2012 SSPDL Ltd had 29 employees on its payroll.

CAUTIONARY STATEMENT:

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

REPORT ON CORPORATE GOVERNANCE

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 including the Board of Directors, Insider Trading Policy and Whistle Blower Policy to ensure compliances and fairness in all its operations and dealings. The Code of Conduct is available on the Company's website at www.sspdl.com. The Company is in compliance of requirements of Corporate Governance guidelines stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

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, 2012, the Board comprised of six members. The Board consists of both promoter and external Directors.

During the year 2011-12 Four Meetings of the Board of Directors were held on 14th May, 2011, 13th August, 2011, 12th November, 2011 and 14th February 2012. The time gap between any two board meetings did not exceed four months. Minimum four Board Meetings are held in each year, which are 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.

The details of the composition of the Board of Directors 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	Shareholding of the Directors
					Public	Private		
1	Sri Prakash Challa	Managing Director; Executive Promoter Director	4	Yes	Nil	23*	Nil	2359390
2	Sri E.Bhaskar Rao	Non-Executive Promoter Director	4	Yes	Nil	28	Nil	2127500
3	Sri Suresh Challa	Non-Executive Promoter Director	4	Yes	Nil	24	Nil	887600
4	Sri S.Suryanarayana	Independent Non-Executive Director	4	Yes	Nil	1	Nil	300
5	Sri K.Akmaluddin Sheriff	Independent Non-Executive Director	4	Yes	Nil	5	Nil	6634
6	Sri B.Lokanath	Independent Non-Executive Director	4	Yes	Nil	2	Nil	0

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956, except Sri Prakash Challa and Sri Suresh Challa, who are related to each other as brothers.

* Including one Limited Liability Partnership Firm.

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.

- Quarterly financial results of the Company.
- Minutes of the meetings of Audit Committee and other Committees of the Board.
- The minutes of the Board Meetings of Subsidiary companies.
- The information on recruitment and remuneration of senior personnel just below the Board Level, including appointment of Chief Financial Officer and the Company Secretary.
- Audit Reports (through audit committee)
- Statement of Significant transactions and arrangements entered by Subsidiary Companies.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders services such as delay in share transfer etc.
- Details of any joint venture or collaboration agreement.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- General notice of interest of Directors
- Terms of reference of Board Committees.
- Any material default in financial obligations to and by the Company.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business, etc.

Appointment/Re-appointment of Directors:

Brief profile of Sri K.Akmaluddin Sheriff:

Sri K.Akmaluddin Sheriff, aged about 51 years holds a Masters Degree in Business Administration. He has experience in the field of construction and real estate. He is actively engaged in real estate in Bangalore.

He is also a Director in the following Companies:

Crescent Information and Management Centre Private Limited, Network Homes Private Limited, Crescent Projects Private Limited, CBA Hotels Private Limited and International Franchise Arena Private Limited.

He is not a member in any Committee of the Board of any other Company.

None of the directors of the Company are relatives of Sri K.Akmaluddin Sheriff.

Brief profile of Sri E.Bhaskar Rao:

Sri E.Bhaskar Rao, who retires by rotation, and being eligible, offers himself for reappointment. Sri E. Bhaskar Rao, aged about 51 years is on the Board of the Company since its inception. He is a Commerce graduate and has varied experience in the business of poultry breeding and real estate and construction spanning more than two decades.

He is also a Director in the following Companies:

Srinivasa Agri Tech Pvt. Ltd., Sri Krishna Devaraya Hatcheries Pvt. Ltd., Sri Srinivasa Aqua Feeds Pvt. Ltd., Srinivasa Foods and Feeds Pvt. Ltd., Sri Jagapati Farms Pvt. Ltd., Monisha Sri Durga Farms Pvt. Ltd., Jaagruthi Foundations Pvt. Ltd., Sri Lakshmi Narasamma Minerals Pvt. Ltd., Pallavi Perfumes And Cosmetics Pvt. Ltd., Sahiti Farms Pvt. Ltd., Mojasa Enterprises Pvt. Ltd., Jaagruthi Ventures Pvt. Ltd., Edala Infrastructures Pvt. Ltd., Edala Estates Pvt. Ltd., Sahiti Suharika Properties Pvt. Ltd., Sahiti Suharika Estates Pvt. Ltd., SSPDL Retreat Pvt. Ltd., SSPDL Ventures Pvt. Ltd., SSPDL Resorts Pvt. Ltd., SSPDL Real Estates India Pvt. Ltd., SSPDL Realty India Pvt. Ltd., SSPDL Infrastructure Developers Pvt. Ltd., SSPDL Infra Projects India Pvt. Ltd., SSPDL Matrix Towers Pvt. Ltd., Kollur Residential Project Pvt. Ltd., CBA Hotels & Resorts Pvt. Ltd., Kansas Feeds Pvt. Ltd. and Jahnvi Realtors Pvt Ltd.

He is not a member in any Committee of the Board of any other Company.

None of the directors of the Company are relatives of Sri E.Bhaskar Rao.

3. BOARD COMMITTEES

Currently the Board has Five Committees viz., Audit Committee, Shareholders and Investor Grievances Redressal Committee, Remuneration Committee, Borrowing Committee and Board 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

Composition:

The Audit Committee comprises of Sri S Suryanarayana, non-executive Independent Director as the Chairman and Sri B.Lokanath, non-executive Independent Director and Sri E.Bhaskar Rao, non-executive Director as the members and Mr.Shailendra Babu

Ande, Company Secretary is the Secretary to the Audit Committee. All the members of the Audit Committee possess adequate financial/accounting expertise. The Managing Director, Auditors, and Person heading the Finance and Accounts Department are invitees to the meetings. The terms of reference of the Audit Committee are wide enough to cover all the aspects in accordance with Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

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.

During the year under review, the Audit Committee met Five times, i.e., on 6th April, 2011, 14th May, 2011, 13th August, 2011, 12th November, 2011 and 14th February, 2012. 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 S.Suryanarayana	Chairman	5	5
Sri E.Bhaskar Rao	Member	5	5
Sri B.Lokanath	Member	5	5

Role of the Audit Committee

The terms of reference of the Audit Committee are broadly as under:

1. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors' and the fixation of audit fees.
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 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 (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval. Also reviewing with the management, the statement of uses/application of funds raised through an issue, etc.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. 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.
8. Discussion with internal auditors on any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of Internal control systems of a material nature and reporting the matter to the board.
10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. 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.
12. To review the functioning of the Whistle Blower mechanism.
13. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

(B) SHAREHOLDERS AND INVESTOR GRIEVANCE REDRESSAL COMMITTEE**Composition**

A Shareholders and Investor Grievance Redressal Committee was constituted with Sri Suresh Challa as its Chairman and Sri E. Bhaskar Rao and Sri S.Suryanarayana as its members. The Company Secretary, Mr. Shailendra Babu Ande is the Compliance Officer.

Terms of reference

The Committee, inter alia, approves transfer of shares, issue of duplicate certificates and all matters concerning shareholders. The committee also looks into requests like revalidation of Dividend Warrants and oversees the performance of the R&T Agents M/s. Karvy Computershare Private Limited. The R&T Agents of the Company shall also look after the day to day complaints /correspondence of the Shareholders and the details of the same are furnished to the Company on quarterly basis. The Committee meets as and when the need arises and the Board of Directors is given periodically information about the matters taken up by the Committee.

During the year under review, the Shareholders and Investor Grievance Redressal Committee met Four times, i.e., on 14th May, 2011, 13th August, 2011, 12th November, 2011 and 14th February 2012. 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 Suresh Challa	Chairman	4	4
Sri E.Bhaskar Rao	Member	4	4
Sri S.Suryanarayana	Member	4	4

During the year the Company has received only 03 complaints from the investors and all the complaints were resolved. There were no complaints and no shares pending transfer as on 31st March, 2012.

The status of shareholder's complaints during the financial year 2011-12 is as under:

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

SEBI Complaints Redress System (SCORES): SEBI vide its Circular No. CIR/OIAE/2/2011 dated June 03, 2011, has commenced processing of investor complaints on a centralized web based

Complaints redress system called SCORES. During the financial year 2011-12, the Company has not received any investor complaints through the same.

(C) REMUNERATION COMMITTEE**Composition**

The Company has constituted the Remuneration Committee as per the terms in Schedule XIII of the Companies Act, 1956. As on 31st March, 2012 the Remuneration Committee comprises of Sri S.Suryanarayana as the Chairman, Sri K.Akmaluddin Sheriff and Sri B.Lokanath as the members.

Terms of reference

- All the members of the remuneration committee be present at its meeting.
- Chairman of the remuneration committee be present at the Annual General Meeting
- Fix and approve the remuneration packages for executive directors. The remuneration Committee while approving the remuneration shall:
 - Take into account, financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.,
 - Be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the company and the shareholders.

Number of meetings of held during the year - Nil.

Remuneration of Directors is decided by the Board and approved by the Shareholders.

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 2011-12 are given below:

Name of the Director	Sitting Fee (In ₹)			Remuneration (In ₹)	Commission (In ₹)
	Board Meetings	Audit Committee Meetings	Shareholders and Investors Grievances Redressal Committee Meetings		
Sri Prakash Challa	Nil	Nil	Nil	37,29,600*	Nil
Sri E.Bhaskar Rao	80,000	12,500	10,000	Nil	Nil
Sri Suresh Challa	80,000	Nil	10,000	Nil	Nil
Sri S.Suryanarayana	80,000	12,500	10,000	Nil	Nil
Sri K.Akmaluddin Sheriff	80,000	Nil	Nil	Nil	Nil
Sri B.Lokanath	80,000	12,500	Nil	Nil	Nil

* Includes, Salary of ₹ 36,00,000/- and Contribution to Provident Fund of ₹ 129,600/-.

Notice period, severance fee and stock options are not applicable.

(D) BORROWING COMMITTEE**Composition**

During the year under review, pursuant to provisions of Section 292 of the Companies Act, 1956 Company has constituted a Borrowing Committee on 31.07.2009 and delegated the authority to procure the funds, for the purpose of executing the Northwood project, from banks, financial institutions, etc. as may require from time to time up to maximum of ₹ 50.00 crores and to approach the financial consultancy agencies, negotiate and execute the documents as may be required.

The Borrowing Committee comprises of Sri E.Bhaskar Rao and Sri Suresh Challa, Directors of the Company as the members of the Committee.

Terms of reference

- All the members of the remuneration committee be present at its meeting.
- All the resolutions shall be passed unanimously and in case of difference in opinion in the members on any matter, such matter be placed before the Board Meeting for its approval.
- borrow money, from banks, financial institutions, etc., as may require from time to time for the purpose of the Northwood Project up to a ceiling of ₹ 50.00 Crores.

- take decisions for the requirement of the funds and to make borrowings of the required amount within the above ceiling from any bank and financial institution and to negotiate, settle and finalise all terms and conditions for the borrowings and to offer and provide security and to create/extend charges on the assets of the company as the committee may consider appropriate in the interest of the Company
- approach the financial consultants i.e., arranger of the loans, and negotiate the terms and conditions and also execute necessary documents and to do all acts and deeds as may be required in this regard on behalf of the Company
- authorise any two directors jointly to execute and sign the loan, security and other documents and to affix the Common Seal of the Company in presence of any two directors of the Company.

Since the project is on hold no borrowings made and Borrowing Committee did not met during the year under review.

(E) BOARD COMMITTEE

The Company has constituted a Board Committee to focus on specific areas as delegated by the Board and make informed decisions within the authority delegated. The Board Committee was constituted with Sri S.Suryanarayana as its Chairman, Sri Suresh Challa and Sri E.Bhaskar Rao as its members. Number of meetings of held during the year - Nil.

4. GENERAL BODY MEETINGS

The details of Annual General Meetings are as follows:

Year	Location	Nature of Meeting	Date	Time	No. of Special Resolutions passed
2010-2011	Country Club, Begumpet, Hyderabad	AGM	30th September, 2011	3.00 P.M.	No Special Resolution was passed
2009-2010	Country Club, Begumpet, Hyderabad	AGM	30th September, 2010	11.30 A.M.	*1 Special Resolution was passed
2008-2009	Country Club, Begumpet, Hyderabad	AGM	30th September, 2009	11.30 A.M.	No Special Resolution was passed

* A Special Resolution was passed unanimously by the shareholders, considering the no profits or inadequacy of profits during year 2009-10, for revising the remuneration payable to Sri Prakash Challa, Managing Director of the Company. ₹ 3,00,000/- (Rupees Three Lakhs Only) and other perquisites per month has been fixed as the remuneration for a period of three years i.e., from 01.10.2009 to 30.09.2012.

No Extraordinary General Meeting of the Members was held during the year.

5. DISCLOSURES

- The Company has entered into certain related party transactions as set out in the notes to accounts, but they do not have any potential conflict with the interests of the Company at large.
- There were no non-compliances by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three financial years.
- Whistle Blower Policy: The Company established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of code of conduct policy. The mechanism also provides for adequate safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
- Details of Compliance with non-mandatory requirements: The Board of Directors has constituted a Remuneration Committee to fix and approve the remuneration package for executive directors.

6. SUBSIDIARY COMPANIES

As per the provisions of clause 49 of the Listing Agreement M/s. SSPDL Interserve Pvt. Ltd. is a material non-listed Indian Subsidiary to the Company and Mr. S. Suryanarayana, Independent Director of the company has been appointed as a Director on the Board of M/s. SSPDL Interserve Pvt. Ltd.

7. MEANS OF COMMUNICATION

The Quarterly / Half Yearly and Annual Financial Results of the Company are submitted to the Bombay Stock Exchange Ltd., where the shares of the Company are listed. The financial results are 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 also 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 14th September, 2012 the Friday, at 3.30 P.M. At Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016, A.P.
2.	Financial Year	1st April, 2012 to 31st March, 2013
3.	Financial Calendar (tentative)	<ul style="list-style-type: none"> ● Financial Reporting for the First Quarter ending 30th June, 2012: Second week August, 2012. ● Financial Reporting for the Second Quarter / Half year ending 30th September, 2012: Second week of November, 2012. ● Financial Reporting for the Third Quarter / Nine months ending 31st December, 2012: Second week of February, 2013. ● Financial Reporting for the Fourth Quarter / Year ending 31st March, 2013: Second week of May, 2013.
4.	Dates of Book Closure	From 10th day of September to 14th day of September, 2012 (Both days inclusive).
5.	Dividend Payment Date	Not Applicable
6.	Listing on Stock Exchange	The Company's Shares are listed on Bombay Stock Exchange. The Address of the Exchange is as given below: Bombay Stock Exchange Limited, 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. The Company has duly paid the Listing fees for the year 2012-13.
7.	Stock Code	(BSE) 530821 SCRIP ID OF BOLT SYSTEM SSPDL

Green Initiative by Ministry of Corporate Affairs

The Ministry of Corporate Affairs vide Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, has permitted Companies to deliver annual reports to investors through electronic mode. In furtherance to the same, SEBI vide its circular CIR/CFD/DIL/7/2011 dated October 05, 2011 has made consequential amendments to Clause 32 of the Listing Agreement directing listed companies to send soft copies of the annual report to shareholders 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.

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

Month and Year	High (In ₹)	Low (In ₹)
April 2011	30.00	24.00
May 2011	28.20	21.00
June 2011	25.00	18.05
July 2011	23.55	18.70
August 2011	21.85	15.00
September 2011	19.45	14.50
October 2011	17.10	13.25
November 2011	17.00	12.65
December 2011	16.00	11.25
January 2012	17.50	12.61
February 2012	19.10	14.10
March 2012	17.00	12.00

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



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

M/s. Karvy Computershare Private Limited
Plot No.17 to 24, Vittalrao Nagar, Madhapur,
Hyderabad - 500081
Phone Nos : 040 - 4465 5000.
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 Shareholders and Investor Grievances Redressal Committee within a period of 30 days if the documents are order in all respects.

13. Shareholding Information:

i) Distribution Schedule as on 31.03.2012

Sl. No.	Category	No. of Shareholders	% of Shareholders	Amount (₹)	% of Shareholding
1	Upto - 500	3217	76.05	5032920	3.89%
2	501 - 1000	397	9.39	3198080	2.47%
3	1001 - 2000	240	5.67	3671980	2.84%
4	2001 - 3000	106	2.51	2718130	2.10%
5	3001 - 4000	54	1.28	1888200	1.46%
6	4001 - 5000	42	0.99	1916080	1.48%
7	5001 - 10000	76	1.80	5369430	4.15%
8	10001 - and above	98	2.32	105497680	81.60%
	Total	4230	100.00	12929250	100.00

ii) Shareholding Pattern as on 31.03.2012

Sl. No.	Category	No. of Shareholders	Total Shares	% to Equity
1	PROMOTERS	16	6994041	54.09%
2	RESIDENT INDIVIDUALS	3929	4020922	31.10%
3	BODIES CORPORATE	121	692868	5.36%
4	NON-RESIDENT INDIANS	39	964271	7.46%
5	HUF	119	197202	1.53%
6	CLEARING MEMBERS	6	59946	0.46%
	Total	4230	12929250	100.00%

14. Dematerialisation of Shares and Liquidity

The Company's equity shares are compulsorily traded in dematerialized form for all investors. Investors are therefore advised to open a Demat account with the Depository Participant of their choice to trade in Demat form. The list of depository participants is available with NSDL and CDSL. The ISIN allotted to the Company's Scrip is INE838C01011.

98.31% of Company's shares are now held in Electronic form. The Company's shares are currently traded in TS Group on the BSE, Mumbai.

Shareholding Summary

As of 31st March 2012, the shareholding summary is as under:

Category	No. of Holders	Total Shares	% to Equity
Physical	225	2,18,970	1.69
NSDL	2,376	88,95,415	68.80
CDSL	1,629	38,14,865	29.51
Total	4,230	1,29,29,250	100.00

In accordance with stipulations of SEBI, a company Secretary in practice carried out Secretarial Audit to reconcile the total issued capital with NSDL and CDSL with the listed capital and the Report was submitted to the Stock Exchanges along with quarterly statement of shareholding pattern and Corporate Governance compliance report for the quarter ended 30.06.11, 30.09.11, 31.12.11 and 31.03.12.

15. Outstanding ADRs/GDRs

As on March 31, 2012, the Company has not issued any ADR/GDR.

16. Plant Locations

Not applicable

17. Addresses for Correspondence**Registered Office:**

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

Registrars and Transfer Agents:

M/s. Karvy Computershare Private Limited
Plot No.17 to 24, Vittalrao Nagar,
Madhapur, Hyderabad - 500081.
Phone Nos : 040 - 4465 5000.
Fax Nos : 040 - 2342 0814.
E-mail : einward.ris@karvy.com

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

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

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Board Members and senior management personnel of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year

ended on 31st March, 2012 as envisaged in Clause 49 of the Listing Agreement.

Place : Hyderabad
Date : 07.08.2012

PRAKASH CHALLA
MANAGING DIRECTOR

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

We, Prakash Challa, Managing Director and D.Balakrishnan, General Manager (Accounts) of SSPDL Ltd certify that:

- a. We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2012 and that to the best of our knowledge and belief.
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of 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 the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee,
 - i. deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee
 - i. Significant changes in internal controls over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. That there have been no instances of significant fraud of which we have become aware, and the involvement there in, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

PRAKASH CHALLA
Managing Director (CEO)

D.BALAKRISHNAN
General Manager (Accounts)

Place : Hyderabad
Date : 26.05.2012

AUDITOR'S REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
SSPDL Limited

We have examined the Compliance of conditions of Corporate Governance by M/s. SSPDL LIMITED ("the Company"), for the year ended on 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations 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.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has

complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

for **KARVY & CO.,**
Chartered Accountants
(Registration No: 001757S)

(K.AJAY KUMAR)
PARTNER
M. No. 021989

Place : Hyderabad
Date : 07.08.2012

AUDITORS' REPORT

To,
The Members of
M/s. SSPDL LTD

1. We have audited the attached Balance Sheet of M/s. SSPDL Ltd ("the Company") as at 31st March, 2012 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies Audit (Auditor's Report) (Amendment) Order, 2004 ("Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to above, we state that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, the company has kept proper books of accounts as required by Law so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit & Loss account and Cash Flow statement dealt with by this report are in agreement with the books of account.

- (iv) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable.
 - (v) On the basis of written representation received from the directors of the company as at March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of under Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
 - (b) In case of Profit & Loss account, of the LOSS of the company for the year ended on that date.
- And
- (c) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **KARVY & CO.,**
Chartered Accountants
(Registration No: 001757S)

(K.AJAY KUMAR)
Partner
M. No.: 021989

Place : Hyderabad
Date : 26.05.2012

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR AUDIT REPORT OF EVEN DATE TO THE MEMBERS OF M/S. SSPDL LIMITED FOR THE YEAR ENDED 31ST MARCH, 2012.

i. In respect of its fixed assets:

- a) The company has maintained proper records to show full particulars including quantitative details and situation of the fixed assets.
- b) The company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, substantial fixed assets were physically verified by management during the year and no material discrepancies were identified during such verification.
- c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

ii. In respect of its inventories:

- a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion, the procedures of physical verification of stocks followed by the Management and the frequency of verification are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The company is maintaining proper records of inventory, the discrepancies noticed between the physical inventory and book stocks were not material.

iii. In respect of the loans, secured or unsecured, granted or taken by the company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

- a) The company has granted loans to three subsidiaries and four associates of the company. In respect of the said loans, the maximum amount outstanding at any time during the year is ₹ 23.69 and the year end balance is ₹ 23.69 Crores.
- b) In our opinion and according to the information and explanation given to us, the said loans are interest free and other terms and conditions of the loans, are not prima facie prejudicial to the interest of the company.
- c) The outstanding amounts are repayable on demand and there is no repayment schedule.
- d) In respect of the said loans, the same are repayable on demand and therefore the question of overdue does not arise.
- e) According to the information and explanations given to us, the company has taken unsecured loans from parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding at any time during the year is ₹ 14.90 Crores and the year-end balance is ₹ 14.90 Crores.

f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the company.

g) The said loan is repayable on demand and there is no repayment schedule.

iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of business with regard to the purchase of inventories and fixed assets and with regard to sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal controls.

v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:

a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5 lakhs in respect of each party have been made at prices which appears reasonable as per information available with the company.

vi. According to information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Act. Accordingly, clause 4(vi) of the Order is not applicable.

vii. In our opinion the company has an internal audit system commensurate with size and nature of its business.

viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

ix. a. According to the books and records as produced and examined by us in and also based on management representations, undisputed statutory dues in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Service tax, Custom duty, Excise duty and Cess and other material statutory dues, to the extent applicable, have been regularly deposited during the year with appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the above are in arrears as at the year end for a period of more than six months from the date on which they become payable.

- b. According to the information and explanation given to us the following amounts have not been deposited with the appropriate authorities on account of dispute:

Name of the Statute	Nature of Due	Amount (₹ In Crores)	Period to which amount relates to	Forum where dispute is pending
Tamilnadu General Sales Tax Act.	Disallowances of Input Tax Credit	0.33	2006-2007	Commercial Tax Officer, Chennai
Finance Act 1994	Service Tax demand	3.76	2006-2010	The commissioner of service Tax, Chennai
Finance Act 1994	Service Tax demand	0.023	2011-12	Decided to appeal before Appellate Tribunal, Hyderabad

- x. The company does not have accumulated losses at the end of the year. However, the company has incurred cash losses amounting to ₹ 6 crores during the financial year covered by audit. There was no cash loss in the immediately preceding financial year.
- xi. Based on our audit procedures and on the basis of 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. The company has not taken any loans from financial institutions.
- xii. In our opinion and according to information and explanations given to us and as per verification of records, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4(xii) of the Order is not applicable.
- xiii. In our opinion, the company is not a Chit fund / Nidhi Mutual benefit fund / societies / NBFC. Accordingly, clause 4(xiii) of the Order is not applicable.
- xiv. The Company has not dealt or traded in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the Order is not applicable.
- xv. In our opinion and as per information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
- xvi. To the best of our knowledge and belief and according to the information and explanations given to us, no term loans were taken by the company during the year. Accordingly, Clause 4(xvi) of the order is not applicable.
- xvii. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we are of the opinion that no funds raised on short-term basis have been used for long term investment.
- xviii. The company has not made any preferential allotment of shares to the parties covered in the register maintained under Section 301 of the Companies Act, 1956 during the year. Accordingly clause 4 (xviii) of the Order is not applicable.
- xix. The company during the year has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- xx. The company has not raised any money from the public by issue of shares during the year.
- xxi. According to the information and explanations given to us and on the basis of examination of records, no fraud on or by the company was noticed or reported during the year.

For **KARVY & CO.,**
Chartered Accountants
(Registration No: 001757S)

Place : Hyderabad
Date : 26.05.2012

(K.AJAY KUMAR)
PARTNER
M. No.: 021989

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	129,292,500	129,292,500
(b) Reserves and Surplus	3	502,904,205	541,245,914
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	-	13,583,617
(b) Other Long Term Liabilities	5	900,000	900,000
(c) Long-Term Provisions	6	884,806	881,072
(3) Current Liabilities			
(a) Short-Term Borrowings	7	516,992,181	489,339,682
(b) Trade Payables	8	65,853,624	81,504,784
(c) Other Current Liabilities	9	22,026,718	151,281,682
(d) Short-Term Provisions	10	590,763	223,554
TOTAL		1,239,444,797	1,408,252,805
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	10,459,955	11,895,310
(b) Non-Current Investments	12	247,514,542	247,564,442
(c) Deferred Tax Assets (Net)	13	27,094,757	7,403,886
(2) Current Assets			
(a) Inventories	14	288,383,492	286,715,000
(b) Trade Receivables	15	280,969,514	365,958,465
(c) Cash and Cash Equivalents	16	10,028,261	41,636,118
(d) Short-Term Loans and Advances	17	252,227,502	223,052,203
(e) Other Current Assets	18	122,766,774	224,027,381
TOTAL		1,239,444,797	1,408,252,805
III. Notes to financial statements			
	1-31		

As per our attached report of even date
For **KARVY & CO.,**
Chartered Accountants
(Firm Registration No. : 001757S)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)
PARTNER
M. No.: 021989

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

Place : Hyderabad
Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)

A.SHAIENDRA BABU
COMPANY SECRETARY CUM MANAGER (FINANCE)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	For the year ended 31.03.2012 In ₹	For the year ended 31.03.2011 In ₹
INCOME			
1 Revenue from Operations	19	87,134,410	368,474,986
2 Other Incomes	20	32,685,135	37,098,098
Total Revenue (1+2)		119,819,545	405,573,084
3 Expenses:			
a) Construction expenses	21	109,655,423	272,018,786
c) Employees Benefit Expenses	22	19,689,289	25,607,964
d) Finance Costs	23	33,938,803	44,343,312
e) Depreciation and Amortization Expense	11	1,584,990	1,996,330
f) Other Expenses	24	17,308,715	25,480,247
Total Expenses		182,177,220	369,446,639
4 Profit before Exceptional and Extraordinary Items and Tax (1+2-3)		(62,357,675)	36,126,445
5 Exceptional Items		388,100	-
6 Profit before Extraordinary Items and Tax (4-5)		(62,745,775)	36,126,445
7 Extra Ordinary Items		-	58,245,046
8 Profit/(Loss) before Tax (6-7)		(62,745,775)	94,371,491
9 Tax Expense:			
(a) Current tax		-	20,662,298
(b) (Less): MAT credit Entitlement of earlier years		(4,713,195)	(12,427,059)
(e) Deferred tax		(19,690,871)	25,096,711
10 Profit/(Loss) for the period		(38,341,709)	61,039,541
11 Earnings Per Share			
- Basic and Diluted	25	(2.97)	4.72

Notes to the financial statements

1-31

As per our attached report of even date
For **KARVY & CO.,**
Chartered Accountants
(Firm Registration No. : 001757S)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)
PARTNER
M. No.: 021989

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

Place : Hyderabad
Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)

A.SHAIENDRA BABU
COMPANY SECRETARY CUM MANAGER (FINANCE)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at 31.03.2012		As at 31.03.2011	
	In ₹	In ₹	In ₹	In ₹
A CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extraordinary Items		(62,745,775)		36,126,445
Adjustments for:				
Depreciation and Amortization	1,584,990		1,996,330	
Interest Income	(22,555,995)		(13,078,263)	
Interest on Borrowing	33,938,803		41,050,650	
Dividend Income	-		(28,155)	
Profit/Loss on Sale of Fixed Assets	-		(1,038,585)	
		12,967,798		28,901,977
		(49,777,977)		65,028,422
Operating Profit before Working Capital Charges				
Adjustments for:				
Trade and Others Receivables	197,891,507		218,548,960	
Inventories	(1,668,492)		(11,688,491)	
Trade Payables and Other Liabilities	(116,886,416)		(11,799,051)	
Decrease/(Increase) in Net current Assets		79,336,600		195,061,418
Cash Generated from Operation		29,558,623		260,089,839
Adjustments for income tax paid		(37,058,040)		(8,872,860)
Adjustments for Extraordinary items				58,245,046
Net Cash from Operating Activities	(A)	(7,499,417)		309,462,026
B CASH FLOWS FROM INVESTING ACTIVITIES				
Disposal of Investments		299,902		506,790
Purchase of Investments in Associates		(250,000)		(66,645,000)
Purchase of Fixed Assets		(149,635)		(4,929,366)
Sale of Fixed Assets		-		35,613,349
Profit/loss on Sale of Fixed Assets		-		1,038,585
Interest Received		23,509,981		12,499,385
Dividend Income		-		28,155
Net Cash from Investing Activities	(B)	23,410,248		(21,888,102)
C CASH FLOWS FROM FINANCING ACTIVITIES				
Interest on Borrowings		(33,938,803)		(41,050,650)
Proceeds/(Repayment) of Borrowings		(13,579,883)		(229,809,360)
Net Cash used in Financing Activities	(C)	(47,518,686)		(270,860,010)
Net Increase/(Decrease) in Cash & Cash equivalent (A+B+C)		(31,607,855)		16,713,914
Cash and Cash Equivalents at the beginning of the Year		41,636,118		24,922,203
Cash and Cash Equivalents at the end of the Year		10,028,262		41,636,118

NOTES :

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

As per our attached report of even date

For **KARVY & CO.,**

Chartered Accountants

(Firm Registration No. : 0017575)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)

PARTNER

M. No.: 021989

PRAKASH CHALLA

MANAGING DIRECTOR

E.BHASKAR RAO

DIRECTOR

Place : Hyderabad

Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)**A.SHAIENDRA BABU**
COMPANY SECRETARY CUM MANAGER (FINANCE)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2012

1) SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting:

The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the accounting standards notified under section 211(3C) of the Companies Act, 1956 of India (the Act) and the relevant provisions of the Act.

During the year ended 31 March, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported value of assets & liabilities on the date of the financial statements and reported amount of revenue and expenditure for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c. Revenue Recognition:

i. Construction Contracts

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

ii. Development Projects

Revenue is recognized when the company enters into an agreement for sale with the buyer and all significant risks and rewards have been transferred

to the buyer and there is no uncertainty regarding reliability of the sale consideration.

iii. Real Estate Projects

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

iv. Interest Income

Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

v. Rental Receipts

Rent and service receipts are accounted for on accrual basis, except in cases where ultimate collection is considered doubtful.

d. Fixed Assets:

All the Fixed Assets are stated at cost less depreciation, wherever applicable. Cost comprises the purchase price and any other attributable costs of bringing the asset to its working condition for its intended use.

e. Depreciation:

Depreciation is provided on straightline basis at the rates prescribed in schedule XIV of the Companies Act, 1956. The Company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year.

f. Investments:

Non Current investments are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature.

g. Inventories:

i. Land and plots are valued at cost or net realizable value whichever is less.

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

h. Employee Benefits:

i. Provident Fund:

The Company has Defined Contribution Plan for its employees' retirement benefits comprising of Provident Fund. The Company contributes to State Plans namely Employees Pension Scheme, 1995.

ii. **Gratuity:**

The company has Defined Benefit Plan comprising of Gratuity Fund. The Company contributes to Gratuity Fund administered by LIC. The liability for the Gratuity Fund is determined on the basis of actuarial valuation done at the year end. Actuarial Gains and Losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognized immediately in the profit and loss account as income or expense.

iii. **Compensated Absences:**

The Company has been providing for disbursement of leave encashment on calendar year basis as per policy.

i. **Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition of a fixed asset are capitalized as part of the cost of the asset till the date the asset is ready for commercial use. All other borrowing costs are charged to Revenue.

j. **Taxation:**

The current charge for taxes is calculated in accordance with relevant tax regulations applicable to the Company.

The deferred tax for the timing differences between the book and tax profits for the year-end is accounted for, using the tax rates and laws that have been substantially enacted as of the balance sheet date.

Deferred tax Assets arising from timing differences are recognized and carried forwarded only if there is reasonable certainty that they will be realized in future and reviewed for the appropriateness of their respective carrying value at each balance sheet date.

k. **Earnings per Share:**

The basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

l. **Impairment of Assets:**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the assets or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

m. **Provisions:**

Provisions are recognized when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of obligation.

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
2) SHARE CAPITAL		
Authorised Capital	250,000,000	250,000,000
2,50,00,000 (Previous Year 2,50,00,000) equity shares of ₹ 10/- each		
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

Equity shares	As at March 31, 2012		As at March 31, 2011	
	Number	Value	Number	Value
At the beginning of the period	12,929,250	129,292,500	12,929,250	129,292,500
Issued during the period	-	-	-	-
Outstanding at the end of the period	12,929,250	129,292,500	12,929,250	129,292,500

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares referred to as equity shares having at 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, 2012		As at March 31, 2011	
	Number	% holding in the class	Number	% holding in the class
Prakash Challa	23,59,390	18.25	23,59,390	18.25
Edala Bhaskar Rao	21,27,500	16.45	21,27,500	16.45
Sri Krishna Devaraya Hatcheries Private Limited	11,70,152	9.05	11,70,152	9.05
Suresh Challa	8,87,600	6.87	8,87,600	6.87

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
3) RESERVES AND SURPLUS		
(a) General Reserve		
As per last Balance Sheet	18,241,459	18,241,459
Addition during the year	-	-
(A)	18,241,459	18,241,459
(b) Securities Premium		
As per last Balance Sheet	220,887,000	220,887,000
Addition during the year	-	-
(B)	220,887,000	220,887,000
(c) Surplus i.e. Balance in the Statement of Profit & Loss		
As per last Balance Sheet	302,117,455	241,077,915
Addition during the year	(38,341,709)	61,039,540
(C)	263,775,746	302,117,455
Total (A)+(B)+(C)	502,904,205	541,245,914

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
4) LONG-TERM BORROWINGS		
Term Loan		
- From SBI (Secured)	-	13,583,617
Total	-	13,583,617
5) OTHER LONG-TERM LIABILITIES		
Security Deposits Received	900,000	900,000
Total	900,000	900,000
6) LONG-TERM PROVISIONS		
Provision for employee benefits		
- Provision for Gratuity	884,806	881,072
Total	884,806	881,072
7) SHORT-TERM BORROWINGS		
(a) Secured Loans		
- Loans repayable on demand from bank * (Refer below)	92,903,395	78,305,082
(b) Unsecured Loans		
- Loans from Related Parties	424,088,786	411,034,600
Total	516,992,181	489,339,682
* Cash credit from SBI is secured by		
As Primary Security		
1 The first charge on all the current assets of the company including hypothecation on construction materials, work in progress, receivables.		
2 First charge (equitable mortgage) of company's share of 70% of the proposed built-up space together with undivided share of land to an extent of 75,865 Sq.ft at Navallur Village, Old Mahabalipuram Road, Kanchipuram District, Chennai.		
As Collateral Security		
1 Equitable mortgage of residential property at hakimpet village, jubilee hills, Hyderabad.		
2 Equitable mortgage of vacant land at kollur village, medak, Andhra Pradesh.		
Personal Guarantee of Director.		
1 Sri Prakash Challa		
2 Sri Suresh Challa		
8) TRADE PAYABLES		
- Micro Small and Medium Enterprises *(Refer Below)	-	-
- Others	65,853,624	81,504,784
Total	65,853,624	81,504,784
*		
The company is seeking confirmation from its suppliers whether they fall under the category of micro, small and medium 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, Small and Medium Enterprises. Further the company has not paid/accrued any interest under this MSMED Act.		
9) OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term Debts * (Refer below)	1,096,093	2,008,905
b) Advance received from clients	15,177,037	144,576,296
c) Statutory Liabilities	3,089,193	2,514,716
d) Unclaimed Dividends	109,152	109,152
e) Outstanding expenses and others	2,555,243	2,072,613
Total	22,026,718	151,281,682
*		
Current maturities of long term debts represents vehicle loan taken from Axis bank and HDFC bank and are secured by the respective vehicles.		
10) SHORT-TERM PROVISIONS		
Provision for Employee Benefits	590,763	223,554
Total	590,763	223,554

NOTES TO THE FINANCIAL STATEMENTS

11) FIXED ASSETS

Tangible Assets:

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 01.04.2011	Additions during the year	Deletions during the year	As at 31.03.2012	Upto 31.03.2011	For the year	Adjust- ments	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
Construction Equipment	979,274	-	-	979,274	33,259.00	46,424	-	79,682	899,592	946,015
Furniture & Fixtures	3,995,006	16,892	-	4,011,898	1,421,689.00	253,932	-	1,675,620	2,336,278	2,573,317
Vehicle	6,679,219	52,170	-	6,731,389	2,205,400.00	640,910	-	2,846,310	3,885,079	4,473,819
Office Equipment	2,845,255	36,323	-	2,881,578	699,817.00	136,311	-	836,128	2,045,450	2,145,438
Computers	3,088,562	44,250	-	3,132,812	1,331,843.00	507,414	-	1,839,257	1,293,555	1,756,719
TOTAL	17,587,316	149,635	-	17,736,951	5,692,006	1,584,990	-	7,276,996	10,459,955	11,895,310
Previous Year	54,782,385	4,932,330	42,127,399	17,587,316	10,206,751	1,996,330	6,514,050	5,692,006	11,895,310	44,575,634

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
12) NON-CURRENT INVESTMENTS		
Trade Investments - Unquoted		
A. In Equity Shares of Subsidiary Companies: Fully Paid-up		
- SSPDL Resorts Pvt. Ltd. 10,000 (Previous Year : 10,000) Equity Shares of ₹ 10/- each	100,000	100,000
- SSPDL Realty India Pvt. Ltd. 10,000 (Previous Year : 10,000) Equity Shares of ₹ 10/- each	100,000	100,000
- SSPDL Real Estates India Pvt. Ltd. 10,000 (Previous Year : 10,000) Equity Shares of ₹ 10/- each	100,000	100,000
- SSPDL Matrix Towers Pvt. Ltd. Nil (Previous Year : 10,000) Equity Shares of ₹ 10/- each	-	100,000
- SSPDL Infra Projects India Pvt. Ltd. 10,000 (Previous Year : 10,000) Equity Shares of ₹ 10/- each	100,000	100,000
- Kollur Residential Project Pvt. Ltd. Nil (Previous Year : 10,000) Equity Shares of ₹ 10/- each	-	100,000
- SSPDL Almoayyed Projects Pvt. Ltd. Nil (Previous Year : 9,990) Equity Shares of ₹ 10/- each	-	99,900
- SSPDL Interserve Private Limited 510,000 (Previous Year : 510,000) Equity Shares of ₹ 1/- each	510,000	510,000
B. In Equity Shares of Associate Companies - Fully Paid-up :		
- Alpahcity Chennai IT Park Projects Pvt. Ltd. 9,980 (Previous Year : 9,980) Equity Shares of ₹ 10/- each	99,800	99,800
- SSPDL Infrastructure Developers Pvt. Ltd. 234,000 (Previous Year : 234,000) Class A Equity Shares of ₹ 10/- each 1(Previous Year : 1) Class B Equity Shares of ₹ 10/- each	2,340,000 10	2,340,000 10
- Northwood Constructions India Pvt. Ltd. : 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,450,684	25,000 100,000 2,450,684
- Northwood Properties India Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 3,530,849	25,000 100,000 3,530,849
- Northwood Realty India Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,250,849	25,000 100,000 2,250,849
- Northwood Residential Ventures India Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 1,858,622	25,000 100,000 1,858,622
- Northwood Township Project Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,563,622	25,000 100,000 2,563,622
- SSPDL Northwood Homes Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,890,845	25,000 100,000 2,890,845

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
- SSPDL Northwood Residence Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each	25,000	25,000
10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each	100,000	100,000
Share Application Money	2,270,849	2,270,849
- SSPDL Northwood Villas Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each	25,000	25,000
10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each	100,000	100,000
Share Application Money	2,630,849	2,630,849
- Northwood Infratech Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each	25,000	25,000
10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each	100,000	100,000
Share Application Money	1,028,603	1,028,603
- SSPDL Green Acres LLP	2,50,000	-
C. In Equity Shares of Other Companies - Fully Paid-up :		
- SSPDL Properties Pvt. Ltd. 168,796 (Previous Year : 168,796) Equity Shares of ₹ 10/- each	1,687,960	1,687,960
D. Debentures in Associates (Non Quoted and Long Term) :		
- SSPDL Infrastructure Developers Pvt. Ltd. 70,460 (Previous Year : 14,040) Class Y 27.46% Cumulative Compulsory Convertible Debentures of ₹ 1000/- each	70,460,000	70,460,000
Optionally Convertible 15% Debentures (Series B) of ₹ 10/- each fully paid-up :		
- Northwood Constructions India Pvt. Ltd. : 1,786,830 (Previous Year : 1,786,830) of ₹ 10/- each	17,868,300	17,868,300
- Northwood Properties India Pvt Ltd 1,824,060 (Previous Year : 1,824,060) of ₹ 10/- each	18,240,600	18,240,600
- Northwood Realty India Pvt. Ltd. 1,786,830 (Previous Year : 1,786,830) of ₹ 10/- each	17,868,300	17,868,300
- Northwood Residential Ventures India Pvt. Ltd. 1,228,390 (Previous Year : 1,228,390) of ₹ 10/- each	12,283,900	12,283,900
- Northwood Township Project Pvt. Ltd. 1,902,070 (Previous Year : 1,902,070) of ₹ 10/- each	19,020,700	19,020,700
- SSPDL Northwood Homes Pvt. Ltd. 1,769,100 (Previous Year : 1,769,100) of ₹ 10/- each	17,691,000	17,691,000
- SSPDL Northwood Residence Pvt. Ltd. 1,769,100 (Previous Year : 1,769,100) of ₹ 10/- each	17,691,000	17,691,000
- SSPDL Northwood Villas Pvt. Ltd. 1,866,610 (Previous Year : 1,866,610) of ₹ 10/- each	18,666,100	18,666,100
- Northwood Infratech Pvt. Ltd. 953,610 (Previous Year : 953,610) of ₹ 10/- each	9,536,100	9,536,100
NON-TRADE INVESTMENTS - Unquoted		
E. Investment in Govt. Securities	3,00,000	3,00,000
Total	247,514,542	247,564,442
Aggregate Value of		
- Quoted Investments	-	-
- Unquoted Investments	247,514,542	247,564,442

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
13) DEFERRED TAX ASSETS (NET)		
a) Deferred Tax Asset		
Disallowances u/s. 43B of Income Tax Act, 1961	287,075	365,787
Unabsorbed Business Loss	28,858,035	9,364,838
Total (a)	<u>29,145,110</u>	<u>9,730,625</u>
b) Deferred Tax Liability		
Difference between book and tax depreciation (b)	2,050,353	2,326,739
Total (b)	<u>2,050,353</u>	<u>2,326,739</u>
C) Net Deferred Tax Asset/(Liability) (a-b)	<u>27,094,757</u>	<u>7,403,886</u>
14) INVENTORIES		
Work-in-Progress	185,718,392	184,049,900
Land held for sale	102,665,100	102,665,100
Total	<u>288,383,492</u>	<u>286,715,000</u>
15) TRADE RECEIVABLES		
Secured, considered good		
- Outstanding for a period exceeding six months		
i) Due by Pvt. Companies in which directors are interested	227,312,250	267,489,295
ii) Others	23,538,357	35,597,894
Unsecured, considered good		
- Outstanding for a period exceeding six months	30,118,907	62,871,276
- Other debts	-	-
Total	<u>280,969,514</u>	<u>365,958,465</u>
16) CASH AND CASH EQUIVALENTS		
a) Balance with Banks		
- In Current Account	2,522,845	3,942,245
- Dividend Account	109,152	109,152
- Bank deposit - BG Margin Money account	6,968,348	37,252,611
b) Cash on Hand	427,916	332,110
Total	<u>10,028,261</u>	<u>41,636,118</u>
17) SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loans and Advances to Employees	81,691	221,943
Security Deposits	15,238,320	17,453,847
Loans & Advances Related Parties (Refer note 17 (a))	236,907,491	205,376,413
Total	<u>252,227,502</u>	<u>223,052,203</u>

NOTES TO THE FINANCIAL STATEMENTS

17 (a) Loans and Advances Include

Particulars	Maximum Amount Outstanding at any time during the year		As At	As At
	2011-2012	2010-2011	31.03.2012	31.03.2011
Advances to Subsidiaries:				
- SSPDL Realty India Pvt Ltd	63,352,825	63,342,605	63,352,825	63,352,825
- SSPDL Real Estates India Pvt Ltd.	92,721,571	92,711,351	92,713,471	83,677,077
- SSPDL Infra Projects India Pvt Ltd	37,914,132	37,903,912	37,914,132	37,164,132
- SSPDL Almoayyed Projects Pvt Ltd	-	56,074	-	57,039
- SSPDL Matrix Towers Pvt Ltd	-	12,535	-	12,535
- SSPDL Resorts Pvt Ltd	-	10,276	-	10,276
- SSPDL Interserve Pvt Ltd	-	214,914	-	214,914
Advances to companies in which directors are interested:				
- SSPDL Retreat Pvt Ltd	872	-	872	-
- Alpha City Chennai IT Park Projects Pvt Ltd	15,796,848	15,947,079	15,796,848	15,947,079
- SSPDL Infrastructure Developers Pvt Ltd	611,606	4,917,142	611,606	4,917,142
- SSPDL Properties Pvt Ltd	-	23,394	-	23,394
- SSPDL Green Acres LLP	26,517,737	-	26,517,737	-
Total			236,907,491	205,376,413

Since the above details meet the requirements of clause 32 of the listing agreement, no separate disclosure is made.

18) OTHER CURRENT ASSETS

Prepaid Expenses	148,491	39,721
Advance to Suppliers and contractors	33,047,646	172,299,207
Interest Receivable	790,043	1,897,462
Balance with Statutory/Govt. authorities		
i) Income Tax paid (Net of provision)	67,661,163	30,603,123
ii) VAT Receivable	1,908,316	1,226,883
iii) MAT Credit	17,140,254	12,427,059
iv) Sales Tax Receivable	819,738	-
v) Service Tax Rceivable	1,251,123	5,533,926
Total	122,766,774	224,027,381

NOTES TO THE FINANCIAL STATEMENTS

Particulars	For the year ended 31.03.2012 In ₹	For the year ended 31.03.2011 In ₹
19) REVENUE FROM OPERATIONS		
Sale of flats	81,687,568	220,122,776
Contract Revenue	54,46,842	148,352,210
Total	87,134,410	368,474,986
20) OTHER INCOMES		
a) Interest Income		
Interest from Fixed Deposits & BGs Margin Money	1,468,900	1,711,223
Interest on Debentures	19,402,546	11,367,040
Other Interest Income	1,684,549	1,467,995
b) Dividend Income	-	28,155
c) Net Gain on sale of Investments	-	1,038,585
d) Other Non Operative Income		
Maintenance Charges	6,593,607	6,028,368
Infrastructure & Amenities -Crescent Transferred	658,932	-
Other Income	2,876,602	15,456,732
Total	32,685,135	37,098,098
21) (a) CONSTRUCTION EXPENSES		
Works Construct including Contractor's Bills	95,659,341	226,742,698
Masonry and other works	8,027,760	30,875,300
Power and Fuel Charges	1,106,329	3,706,616
Rates & Taxes	3,257,622	5,087,933
Survey and Investigation Work	8,824	15,271
Project Consultancy Charges	2,914,039	7,779,469
Land	350,000	9,500,000
	111,323,915	283,707,287
(b) Changes in Inventories of Work-in-Progress and Stock-in-Trade		
Inventories at the end of the year		
- Work in process	185,718,392	184,049,900
- Land	102,665,100	102,665,100
	(A) 288,383,492	286,715,000
Inventories at the beginning of the year		
- Work in process	184,049,900	172,361,399
- Land	102,665,100	102,665,100
	(B) 286,715,000	275,026,499
Net (Increase)/ Decrease in inventories	(B) - (A) (1,668,492)	(11,688,501)
Construction Expenses	109,655,423	272,018,786
22) EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	18,120,947	23,827,143
Contribution to PF and Other Funds	1,143,971	1,212,505
Staff Welfare Expenses	424,371	568,316
Total	19,689,289	25,607,964

NOTES TO THE FINANCIAL STATEMENTS

Particulars	For the year ended 31.03.2012 In ₹	For the year ended 31.03.2011 In ₹
23) FINANCE COSTS		
Interest Expenses	32,299,223	41,050,649
Others	1,639,580	3,292,663
Total	33,938,803	44,343,312
24) OTHER EXPENSES		
Power & Fuel	354,247	372,894
Rent	2,670,010	2,462,600
Repairs and maintenance - Machinery	-	13,410
Repairs and maintenance - Others	992,185	270,450
Insurance	106,403	461,773
Rates & Taxes	847,637	2,161,936
Communication cost	797,297	974,159
Travelling and conveyance	2,118,196	3,390,536
Printing and stationery	266,952	436,684
Business promotion	874,753	5,590,107
Security Charges	323,315	359,645
Legal and professional	3,021,268	4,119,953
Payment to Auditors As:		
a) Auditor		
- Statutory Audit Fees	337,080	248,175
- Tax Audit Fees	112,360	126,845
b) For management services	44,326	-
c) For Reimbursement of expenses	24,088	47,602
Vehicle Running & Maintenance	559,850	684,981
Car Hire Charges	170,902	176,378
Miscellaneous Expenses	3,687,846	3,582,119
Total	17,308,715	25,480,247
25) EARNINGS PER SHARE		
Net Profit for the year after tax (a)	(38,341,709)	61,039,541
Weighted Average number of Equity shares outstanding during the year for Basic and Diluted Earnings Per Share (b)	12,929,250	12,929,250
Basic and Diluted Earnings per share (face value ₹ 10/- each) (a) / (b)	(2.97)	4.72

26) NOTES TO ACCOUNTS**26.1. Contingent liabilities:**

- i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ Nil (Previous Year ₹ Nil).
- ii) Company has given a corporate guarantee on behalf of M/s SSPDL Infrastructure Developers Private Limited for an amount of ₹ 85,739,276/- (Previous Year ₹ 85,739,276/-) in favour of Accent Hotels Private Limited and for an amount of ₹ 52,758,962/- (Previous Year ₹ 52,758,962/-) in favour of Inter Globe Hotels Private Limited.
- iii) Guarantees given by bank to various parties on behalf of the company outstanding as on 31st March, 2012 ₹ 33,507,785/- (Previous Year ₹ 50,067,376).

- iv) During the Financial Year 2009-10 the company has received a notice from the Office of the Commercial Tax Officer, Chennai directing to pay ₹ 32,96,101/- along with interest on disallowance of input tax claimed by the company during 2006-07 under Section 19 (11) of Tamil Nadu VAT Act due to delay in submission of returns. The Company has filed a writ, demand notice will be decided after outcome of the judgment on Writ Petition.
- v) During the Financial year 2011-12 the Company has received a Service Tax demand for ₹ 230,730/-. The company has decided to appeal before the Service Tax Tribunal. No provision has been made in the accounts for this demand as the Company expects a favorable decision in appeal.
- vi) Service Tax demand to the extent of ₹ 3,76,38,547/- for the period 2006-07 to 2010. The company has filed a writ petition against the notice before The Commissioner of Service tax, Chennai. No provision has been made in the accounts for this demand as the Company expects a favorable decision in appeal.

26.2. Value of Direct Imports calculated on C.I.F basis:

(Amounts in ₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Components and spare parts	NIL	NIL

26.3 Expenditure in Foreign Currency:

(Amounts in ₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
On account of Travel	-	128,051
Others	-	-

26.4 Disclosure in accordance with AS-7:

(Amounts in ₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Contract Revenue recognize as revenue in the period	5,446,842	148,352,210
Cost incurred and Recognized Profit or Losses up to the reporting period	23,963,463	860,162,257
Advances received	NIL	4,669,000
Retention Money	27,42,584	19,244,555
Gross amount due from customers for contract work as asset	15,070,063	38,989,189
Gross amount due to customers for contract work as liability	-	-

27) AS PER ACCOUNTING STANDARD 15 "EMPLOYEES BENEFITS", THE DISCLOSURES OF EMPLOYEES BENEFITS AS DEFINED IN THE ACCOUNTING STANDARD ARE GIVEN BELOW

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

(Amounts in ₹)

Particulars	2011-12	2010-11
Employer's Contribution to Provident Fund	414,823	501,179

27.2. **Defined Benefit Plans** : Provisions for Gratuity has been provided in accordance with AS-15. Actuarial valuation was performed in respect of the Gratuity based on the following assumptions:

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
A. Change in present value of obligation		
Present value of obligation at the beginning of the year	11,23,535	920,226
Current Service cost	109,895	174,141
Interest cost	89,883	73,618
Benefits paid	(1,96,339)	(36,577)
Net Actuarial (Gain) / Loss Recognized during the year	40,410	(7,873)
Present value of obligation at the end of the year	11,67,384	11,23,535
B. Changes in the Fair Value of Plan Assets		
Present Value of Plan Assets at the beginning of the year	242,463	257,001
Expected Return on Plan Assets	30,170	22,039
Actuarial gain/ (loss) on plan assets	NIL	NIL
Contributions	452,931	NIL
Benefits Paid	(196,339)	(36,577)
Fair Value of Plan Assets at the end of the year	529,225	242,463
C. Net (Asset) / Liability recognized in the Balance Sheet		
Present value of obligation at the end of the year	167,884	11,23,535
Fair value of Plan Assets at the end of the year	529,225	242,463
Funded status (surplus) / deficit	(638,159)	(881,072)
Net (Asset) / Liability recognized in the Balance Sheet	638,159	(882,072)
D. Expenses recognized in the Profit & Loss Account		
Service Cost	109,895	174,141
Interest Cost	89,883	73,618
Expected return on Plan Assets	(30,170)	(22,039)
Net Actuarial (Gain) / Loss recognized during the year	40,410	(7,873)
Total Expenses/ (Income) recognized in Profit and Loss account	210,018	217,847
E. Actuarial assumptions :		
Discount rate	8%	8%
Salary escalation - over a long term	5%	5%
Attrition Rate	5%	5%
Expected return of the planned assets	8%	8%

28) SEGMENT INFORMATION:

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

29) RELATED PARTY DISCLOSURES

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

List of the Related parties and Relationships:**29.1 Subsidiaries:**

1. M/s. SSPDL Resorts Pvt Ltd
2. M/s. SSPDL Reality India Pvt Ltd
3. M/s. SSPDL Real Estates India Pvt Ltd
4. M/s. SSPDL Infra Projects India Pvt Ltd
5. M/s. SSPDL Interserve Pvt Ltd

29.2 Associates:

1. M/s. Northwood Infratech Pvt Ltd
2. M/s. Northwood Constructions India Pvt Ltd
3. M/s. Northwood Properties India Pvt Ltd
4. M/s. Northwood Realty India Pvt Ltd
5. M/s. Northwood Residential Ventures India Pvt Ltd
6. M/s. Northwood Township Projects Pvt Ltd
7. M/s. SSPDL Northwood Homes Pvt Ltd
8. M/s. SSPDL Northwood Residence Pvt Ltd
9. M/s. SSPDL Northwood Villas Pvt Ltd
10. M/s. SSPDL Infrastructure Developers Pvt Ltd

29.3 Enterprises owned/significantly influenced by Key Managerial Personnel:

1. M/s. Alpha City Chennai IT Park Projects Pvt Ltd
2. M/s. Sri Satya Sai Constructions (Partnership Firm)
3. M/s. Sri Satya Sai Constructions (Sole Proprietary Concern)
4. M/s. Sri Krishna Devaraya Hatcheries Private Limited
5. M/s. SSPDL Ventures Pvt Ltd
6. M/s. SSPDL Retreat Pvt.Ltd

29.4 Key Managerial Personnel:

1. Mr. Challa Prakash Managing Director
2. Mr. Challa Suresh Director
3. Mr. E. Bhaskar Rao Director

29.5 Related party transactions:

(Amount in ₹)

Nature of Transactions	Subsidiaries	Associates	Key Managerial Personnel
Contract Revenue Accepted	-	- (26,575,684)	-
Remuneration	-	-	37,29,600 (37,29,600)
Rental Charges	-	-	2,670,010 (2,462,600)
Asset Purchased/car	-	-	-
Investments	910,000 (1,209,900)	244,616,582 (242,155,542)	16,87,960 -
Sundry Debtors	-	227,312,250 (268,519,290)	-
Advances Given	193,980,428 (184,227,808)	42,927,063 (11,01,728)	200 (200)
Loan Taken	11,20,761 -	97,442,726 (94,941,652)	50,469,771 (45,347,422)
Rent Deposits	-	-	1,000,000 (1,000,000)
Advances received	44,642,987 (45,432,987)	- (130,768,052)	-
Non-Compete fee received	- (58,245,046)	-	-
Sale of Assets	- (35,164,955)	-	-
Common sharing expenses	3,663,409 (2,183,940)	-	-
Project management Consultancy Fee paid	753,204 (2,715,007)	-	-

Note : Figures in brackets indicates previous year figures.

30) Other information required to be disclosed as per part II of Schedule VI to the Companies Act, is either 'NIL' or 'NOT APPLICABLE' in the case of this company.

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

As per our attached report of even date
For **KARVY & CO.,**
Chartered Accountants
(Firm Registration No. : 001757S)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)
PARTNER
M. No.: 021989

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

Place : Hyderabad
Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)

A.SHAIENDRA BABU
COMPANY SECRETARY CUM MANAGER (FINANCE)

SSPDL LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

AS ON

31ST MARCH, 2012

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board Directors of
M/s. SSPDL LTD

1. We have examined the attached consolidated balance sheet of SSPDL LIMITED (the company) and its subsidiaries (collectively referred to as "the Group") as at 31st March, 2012, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date and annexed thereto. These consolidated financial statements are the responsibility of the management of SSPDL LIMITED ("Management"). Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiaries whose financial statements reflect total assets of ₹44.32 Crores as at 31.03.2012, total revenue of ₹ 63.54 Crores and net Cash outflows amounting to ₹ 17.41 crores and certain associates whose financial statements reflect the Group's share of profit (Net) of ₹ 0.59 crores for the year ended on that date. These financial statements and other financial information has been audited by the other auditors, whose report has been furnished to us and our opinion is solely based on the report of the other auditors.
4. Without qualifying our opinion, we draw attention to the matters as mentioned in the Note 35, where the auditors of SIPL (SSPDL Interserve Private Limited) have drawn attention on certain points relating to Fixed Assets, Strengthening of

internal controls and delays in remittances of taxes and other statutory dues.

5. We report that consolidated financial statements have been prepared by the company's management in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements", AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements" as notified under the Companies (Accounting Standards) Rules, 2006 ("the rules") and on the basis of the separate audited financial statements of SSPDL LIMITED and its subsidiaries.
6. Based on our audit as aforesaid, and on consideration of the reports of the other auditors on the separate financial statements/consolidated financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with accounting principles generally accepted in India:
 - a) In the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March, 2012,
 - b) In the case of the Consolidated Profit and Loss Account, of the LOSS of the Group for the year ended on that date,

And

 - c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For **KARVY & CO.,**
Chartered Accountants
(Registration No: 001757S)

(K.AJAY KUMAR)
Partner
M. No.: 021989

Place : Hyderabad
Date : 26.05.2012

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	129,292,500	129,292,500
(b) Reserves and Surplus	3	630,332,558	713,304,116
(C) Minority Interest	4	119,460,015	167,981,289
(2) Share Application Money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	5	1,315,881	118,132,762
(b) Other Long Term Liabilities	6	900,000	1,630,171
(c) Long-Term Provisions	7	1,425,276	2,569,169
(4) Current Liabilities			
(a) Short-Term Borrowings	8	472,349,192	420,339,682
(b) Trade Payables	9	28,553,133	81,504,784
(c) Other Current Liabilities	10	286,095,630	217,276,449
(d) Short-Term Provisions	11	12,956,054	6,422,559
TOTAL		1,682,680,239	1,858,453,481
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	12.a	105,836,748	70,043,271
(ii) Intangible Assets	12.b	48,052,168	53,876,668
(b) Non-Current Investments	13	250,206,961	244,085,180
(c) Deferred Tax Assets (Net)	14	27,094,757	7,403,886
(d) Long term loans and advances	15	29,231,211	9,432,405
(e) Other Non current assets	16	1,233,830	1,447,895
(2) Current Assets			
(a) Inventories	17	521,051,726	494,119,141
(b) Trade Receivables	18	374,191,642	464,168,134
(c) Cash and Cash Equivalents	19	21,140,459	226,895,955
(d) Short-Term Loans and Advances	20	58,247,077	38,580,728
(e) Other Current Assets	21	246,393,660	248,400,219
TOTAL		1,682,680,239	1,858,453,481
III Notes to consolidated financial statements		1-36	

As per our attached report of even date
For **KARVY & CO.,**
Chartered Accountants
(Firm Registration No. : 001757S)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)
PARTNER
M. No.: 021989

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

Place : Hyderabad
Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)

A.SHAIENDRA BABU
COMPANY SECRETARY CUM MANAGER (FINANCE)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	For the year ended 31.03.2012 In ₹	For the year ended 31.03.2011 In ₹
INCOME			
1 Revenue from Operations	22	719,543,981	619,416,235
2 Other Incomes	23	35,710,472	46,388,616
Total Revenue (1+2)		755,254,453	665,804,851
3 Expenses:			
a) Construction Expenses	24&25	706,173,351	466,249,320
b) Employee Benefit Expenses	26	98,389,393	63,475,537
c) Finance Costs	27	35,304,718	45,294,713
d) Depreciation and Amortization Expense	28	31,687,456	15,207,007
e) Other Expenses	29	45,080,015	40,143,077
Total Expenses		916,634,933	630,369,654
4 Profit before Exceptional and Extraordinary Items and Tax (1+2-3)		(161,380,480)	35,435,197
5 Exceptional Items		388,100	-
6 Profit before Extraordinary Items and Tax (4-5)		(161,768,580)	35,435,197
7 Extra Ordinary Items		-	58,245,046
8 Profit/(Loss) before Tax (6-7)		(161,768,580)	93,680,243
9 Tax Expense:			
(a) Current tax		-	20,662,298
(b) MAT credit entitlement of earlier years		(4,713,195)	(12,427,059)
(c) Deferred tax		(19,690,871)	25,096,711
10 Profit/(Loss) for the period from Continuing Operations (8-9)		(137,364,514)	60,348,293
11 Less : Share of Profit/(Loss) of Minority Interest		(48,521,175)	(338,711)
12 Share of Profit/(Loss) from Associated Company		5,871,781	(1,629,718)
13 Profit/(Loss) for the year (10+12)		(82,971,558)	59,057,286
Earning Per Share			
- Basic and Diluted	30	(6.42)	4.72
Notes to the financial statements	1-36		

As per our attached report of even date
For **KARVY & CO.,**
Chartered Accountants
(Firm Registration No. : 0017575)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)
PARTNER
M. No.: 021989

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

Place : Hyderabad
Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)

A.SHAIENDRA BABU
COMPANY SECRETARY CUM MANAGER (FINANCE)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at 31.03.2012		As at 31.03.2011	
	In ₹	In ₹	In ₹	In ₹
A CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extraordinary Items		(161,768,580)		93,680,243
Adjustments for:				
Depreciation	31,687,456		15,207,007	
Interest Income	(26,175,827)		(19,956,070)	
Interest on Borrowing	35,304,718		41,100,218	
Dividend Income	-		(28,155)	
Profit / Loss on Sale of Fixed Assets		40,816,347	(1,038,585)	35,284,415
		<u>(120,952,234)</u>		<u>128,964,658</u>
Operating Profit before Working Capital Charges				
Adjustments for:				
Trade and Others Receivables	275,466,501		(73,062,982)	
Inventories	(26,932,586)		(28,684,939)	
Trade Payables and Other Liabilities	(110,904,833)		75,428,263	
(Increase)/Decrease in Net current Assets		<u>137,629,082</u>		<u>(26,319,658)</u>
Cash Generated from Operation		<u>16,676,849</u>		<u>102,645,000</u>
Adjustments for income tax paid		(37,058,040)		(16,944,187)
Net Cash from Operating Activities (A)		<u>(20,381,192)</u>		<u>85,700,813</u>
B CASH FLOWS FROM INVESTING ACTIVITIES				
Disposal of Investment		-		506,790
Purchase of Investments		(250,000)		(65,699,307)
Increase in Minority Interest		-		168,320,000
Purchase of Fixed Assets		(61,751,894)		(129,762,409)
Sale of Fixed Assets		95,460		35,616,324
Profit /loss on Sale of Fixed Assets		-		1,038,585
Increase in Capital Reserve		-		174,680,100
Interest Received		29,093,635		17,201,743
Pre-Operative Expenses		214,065		(67,197)
Miscellaneous Expenditure		76,201		(7,800)
Dividend Income		-		28,155
Net Cash from Investing Activities (B)		<u>(32,522,533)</u>		<u>201,854,984</u>
C CASH FLOWS FROM FINANCING ACTIVITIES				
Interest on Borrowings		(35,304,718)		(41,100,218)
Proceeds / (Repayment) of Borrowings		(117,547,052)		(44,800,627)
Net Cash used in Financing Activities (C)		<u>(152,851,770)</u>		<u>(85,900,845)</u>
Net Increase/(Decrease) in Cash & Cash equivalent (A+B+C)		<u>(205,755,495)</u>		<u>201,654,952</u>
Cash and Cash Equivalents at the beginning of the Year		<u>226,895,954</u>		<u>25,241,001</u>
Cash and Cash Equivalents at the end of the Year		<u><u>21,140,459</u></u>		<u><u>226,895,954</u></u>

NOTES :

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

As per our attached report of even date

For **KARVY & CO.,**

Chartered Accountants

(Firm Registration No. : 0017575)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)

PARTNER

M. No.: 021989

PRAKASH CHALLA
MANAGING DIRECTOR**E.BHASKAR RAO**

DIRECTOR

Place : Hyderabad

Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)**A.SHAIENDRA BABU**
COMPANY SECRETARY CUM MANAGER (FINANCE)

Note 1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS:**I) SIGNIFICANT ACCOUNTING POLICIES****a. Basis of Preparation :**

The consolidated financial statements of SSPDL Limited, its subsidiaries and associates ("the Group") are prepared under the historical cost convention and in accordance with requirements of the Companies Act, 1956.

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

b. Principles of Consolidation:

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

- i. The Financial statements of the company and its subsidiary are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions, except wherever otherwise stated in accordance with accounting standard (AS-21) "Consolidated Financial Statements" notified under the Companies (Accounting Standards, 2006) ("the rules").
- ii. The difference between the costs of investments in the subsidiaries, over the net assets at the time of acquisition of the shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

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

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest
M/s. SSPDL Resorts Pvt Ltd	India	100%
M/s. SSPDL Realty India Pvt Ltd	India	100%
M/s. SSPDL Real Estates India Pvt Ltd	India	100%
M/s. SSPDL Infra Projects India Pvt Ltd	India	100%
M/s. SSPDL Interserve Pvt Ltd	India	51%

During the year the necessary applications were submitted, by 3 non-operative subsidiary companies namely M/s. SSPDL Matrix Towers Pvt Ltd, M/s. Kollur Residential Project Pvt Ltd and M/s. SSPDL Almoayyed Projects Pvt Ltd to the concerned Registrar of Companies, Ministry of Corporate affairs under section 560 of the Companies Act, 1956 for striking off the name of the Company under the Fast Track Exit (FTE) mode.

- iii. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in consolidated balancesheet separately from liabilities and equity of company's shareholders.
- iv. Minority Interest in the assets of consolidated subsidiaries consists of:
 - a) The amount of equity attributable to minority at the date on which investment in subsidiaries is made; and
 - b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.
- v. Minority Interest's share of net profit for the year of consolidated subsidiaries is identified and against the profit after tax of the group. Investment in equity method as per (AS 23) - "Accounting for Investments in Associates in Consolidation Financial Statements."
- vi. The company accounts for its share in the change in net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its Profit and Loss Account to the extent such change is attributable to the associates' Profit and Loss account and through its reserves for the balance, based on available information.
- vii. The difference between the costs of investments in the associates and the share of net assets at the time of acquisition of the shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- viii. The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar and are presented in the same manner as the Company's separate financial statements.

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

Name of the Associate	Country of Incorporation	Proportion of Ownership Interest
M/s. Northwood Infratech Pvt Ltd	India	25.00%
M/s. Northwood Constructions India Pvt Ltd	India	25.00%
M/s. Northwood Properties India Pvt Ltd	India	25.00%
M/s. Northwood Realty India Pvt Ltd	India	25.00%
M/s. Northwood Residential Ventures India Pvt Ltd	India	25.00%
M/s. Northwood Township Projects Pvt Ltd	India	25.00%
M/s. SSPDL Northwood Homes Pvt Ltd	India	25.00%
M/s. SSPDL Northwood Residence Pvt Ltd	India	25.00%
M/s. SSPDL Northwood Villas Pvt Ltd	India	25.00%
M/s. SSPDL Infrastructure Developers Pvt Ltd	India	26.00%
M/S. SSPDL Green Acres LLP	India	36.00%

e. Revenue Recognition:**i. Construction Contracts**

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

ii. Development Projects

Revenue is recognized when the company enters into an agreement for sale with the buyer and all significant risks and rewards have been transferred to the buyer and there is no uncertainty regarding reliability of the sale consideration.

iii. Real Estate Projects

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

iv. Interest Income

Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

v. Rental Receipts

Rent and service receipts are accounted for on accrual basis, except in cases where ultimate collection is considered doubtful.

f. Fixed Assets:

All the Fixed Assets are stated at cost less depreciation, wherever applicable. Cost comprises the purchase price and any other attributable costs of bringing the asset to its working condition for its intended use.

g. Depreciation:

Depreciation is provided on straight-line basis at the rates prescribed in schedule XIV of The Companies Act, 1956. The Company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year.

h. Intangible assets and amortization:

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

Assets Category	Amortization period
Non-Compete Fee	10 Years

i. Investments:

Long-term investments are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature.

Investments other than Long Term Investments are stated at cost or market value whichever is less. Any increase/reduction in the carrying cost is credited/charged to the Profit and Loss account.

j. Inventories:

- i. Land and plots are valued at cost or net realizable value whichever is less.
- ii. Work-in-Progress with respect to construction contracts is valued at the contract rates and with respect to development projects is valued at cost.

k. Employee Benefits:**i. Provident Fund:**

The Company has Defined Contribution Plan for its employees' retirement benefits comprising of Provident Fund. The Company contributes to State Plans namely Employees Pension Scheme, 1995.

ii. Gratuity:

The company has Defined Benefit Plan comprising of Gratuity Fund. The Company contributes to Gratuity Fund administered by LIC. The liability for the Gratuity Fund is determined on the basis of actuarial valuation done at the year end. Actuarial Gains and Losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognized immediately in the profit and loss account as income or expense.

iii. Compensated Absences:

The Company has been providing for disbursement of leave encashment on calendar year basis as per policy. From the year 2012 onwards company has withdrawn the leave encashment benefit.

l. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition of a fixed asset are capitalized as part of the cost of the asset till the date the asset is ready for commercial use. All other borrowing costs are charged to Revenue.

m. Foreign Currency Transaction:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Exchange differences arising on foreign exchange transactions during the year and on restatement of monetary assets and liabilities are recognized in the profit and loss account of the year.

n. Lease:

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

o. Taxation:

The current charge for taxes is calculated in accordance with relevant tax regulations applicable to the Company.

The deferred tax for the timing differences between the book and tax profits for the year-end is accounted for, using the tax rates and laws that have been substantially enacted as of the balance sheet date.

Deferred tax Assets arising from timing differences are recognized and carried forward only if there is reasonable certainty that they will be realized in future and reviewed for the appropriateness of their respective carrying value at each balance sheet date.

p. Earnings per Share:

The basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

q. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the assets or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

r. Provisions:

Provisions are recognized when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of obligation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
2) SHARE CAPITAL		
Authorised Capital	250,000,000	250,000,000
2,50,00,000 (Previous Year 2,50,00,000) equity shares of Rupees 10/- each		
Issued, Subscribed and Paid up		
1,29,29,250 (Previous Year 1,29,29,250) equity shares of Rupees 10/- each fully paid up	129,292,500	129,292,500
	129,292,500	129,292,500

(a) Reconciliation of number of shares

Equity shares	As at March 31, 2012		As at March 31, 2011	
	Number	Value	Number	Value
At the beginning of the period	12,929,250	129,292,500	12,929,250	129,292,500
Issued during the period	-	-	-	-
At the end of the period	12,929,250	129,292,500	12,929,250	129,292,500

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares referred to as equity shares having at 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, 2012		As at March 31, 2011	
	Number	% holding in the class	Number	% holding in the class
Prakash Challa	23,59,390	18.25	23,59,390	18.25
Edala Bhaskar Rao	21,27,500	16.45	21,27,500	16.45
Sri Krishna Devaraya Hatcheries Private Limited	11,70,152	9.05	11,70,152	9.05
Suresh Challa	8,87,600	6.87	8,87,600	6.87

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
3) RESERVES AND SURPLUS		
a) Capital Reserve		
As per last Balance Sheet	174,680,100	174,680,100
Addition during the year	-	-
	A	174,680,100
b) Share Premium		
As per last Balance Sheet	220,887,000	220,887,000
Addition during the year	-	-
	B	220,887,000
c) General Reserve		
As per last Balance Sheet	18,241,459	18,241,459
Addition during the year	-	-
	C	18,241,459
d) Surplus from Profit & Loss Account		
As per last Balance Sheet	299,495,557	240,438,271
Addition during the year	(82,971,558)	59,057,286
	D	299,495,557
Total (A+B+C+D)	630,332,558	713,304,116

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
4) MINORITY INTEREST		
Share Capital	490,000	490,100
Share Premium	167,829,900	167,829,900
Share of Loss	(48,859,885)	(338,711)
Total	119,460,015	167,981,289
5) LONG TERM BORROWINGS		
Term Loan		
- From Banks (Secured) *	1,315,881	118,132,762
Total	1,315,881	118,132,762
*Other loans represent vehicle loan secured by vehicles purchased. For the current portion of these long term borrowings.		
6) OTHER LONG-TERM LIABILITIES		
Security Deposits Received	900,000	900,000
Long Term Borrowings	-	730,171
Total	900,000	1,630,171
7) LONG TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Gratuity	884,806	2,131,067
Provision for Other Employee Benefits	250,725	-
Provision for Leave benefits	289,745	438,102
Total	1,425,276	2,569,169
8) SHORT TERM BORROWINGS		
(a) Secured Loans		
- Loans repayable on demand from bank * (Refer below)	92,903,395	78,305,082
(b) Unsecured Loans	-	-
- Amount received from Related Parties	379,445,797	342,034,600
Total	472,349,192	420,339,682
* Cash credit from SBI is secured by		
As Primary Security		
1	The first charge on all the current assets of the company including hypothecation on construction materials, work in progress, receivables.	
2	First charge (equitable mortgage) of company's share of 70% of the proposed built-up space together with undivided share of land to an extent of 75,865 Sq.ft at Navallur Village, Old Mahabalipuram Road, Kanchipuram District, Chennai.	
As Collateral Security		
1	Equitable mortgage of residential property at Hakimpet Village, Jubilee Hills, Hyderabad.	
2	Equitable mortgage of vacant land at Kollur Village, Medak, Andhra Pradesh.	
Personal Guarantee of director.		
1	Sri Prakash Challa	
2	Sri Suresh Challa	
9) TRADE PAYABLES	28,553,133	81,504,784
Total	28,553,133	81,504,784

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at	As at
	31.03.2012	31.03.2011
	In ₹	In ₹
10) OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term Debts *(Refer below)	1,558,696	2,182,142
b) Advance received from clients	137,040,958	108,516,080
c) Statutory Liabilities	11,963,599	10,132,880
d) Unclaimed Dividends	109,152	109,152
e) retention money to suppliers	9,125,282	-
f) Billing in excess of revenue	13,326,110	10,433,579
g) Accrued Salaries and Benefits	4,541,522	46,283,599
h) Trade payables	100,033,978	33,680,830
i) Other payables	8,396,333	5,938,187
Total	286,095,630	217,276,449
* Current maturities of long term debts represents vehicle loan taken from Axis bank, SBI and HDFC bank and are secured by the respective vehicles.		
11) SHORT-TERM PROVISIONS		
i) Provision for Employee Benefits	1,908,089	456,035
ii) Provision for contract loss	10,987,965	5,767,440
iii) Others (Prov. For outstanding expenses like audit fee and others)	60,000	199,084
Total	12,956,054	6,422,559

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

12(a) FIXED ASSETS
Tangible Assets:

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK			
	As at 01.04.2011	Additions during the year	Deletions during the year	As at 31.03.2012	Upto 31.03.2011	For the year	Adjust- ments	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
Buildings	-	-	-	-	-	-	-	-	-	-
Construction Equipments	60,240,372	51,633,213	95,460	111,759,563	8,149,271	22,142,116	19,512	30,271,875	81,487,688	52,091,101
Furniture and Fixtures	4,902,679	1,139,667	-	6,028,875	1,562,561	370,153	-	1,932,714	4,096,161	3,340,118
Computers	5,144,095	554,654	-	5,698,749	1,503,562	978,706	-	2,482,267	3,216,482	3,640,533
Office Equipments	3,437,083	417,909	-	3,842,312	814,315	306,144	-	1,120,458	2,722,169	2,622,768
Vehicles	10,913,373	2,091,674	-	13,005,047	2,564,624	1,353,077	-	3,917,701	9,087,346	8,348,749
Leasehold improvements	-	5,939,662	-	5,939,662	-	712,759	-	712,759	5,226,903	-
Total	84,637,602	61,776,779	95,460	146,274,208	14,594,331	25,862,955	19,512	40,437,775	105,836,748	70,043,271
Previous Year	55,247,637	71,517,364	42,127,399	84,637,602	10,266,776	10,838,630	6,511,050	14,594,331	70,043,271	44,980,861
Note 12 (b) :										
Intangible Assets										
Non-Compete fee	58,245,045	-	-	58,245,045	4,368,377	5,824,500	-	10,192,877	48,052,168	53,876,668
Total	58,245,045	-	-	58,245,045	4,368,377	5,824,500	-	10,192,877	48,052,168	53,876,668
Previous Year	-	58,245,045	-	58,245,045	-	4,368,377	6,511,050	4,368,377	53,876,668	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
13) NON-CURRENT INVESTMENTS		
Trade Investments - Unquoted		
A. In Equity Shares of Associate Companies - Fully Paid-up :		
- Alpahcity Chennai IT Park Projects Pvt. Ltd. 9,980 (Previous Year : 9,980) Equity Shares of ₹ 10/- each	99,800	99,800
- SSPDL Infrastructure Developers Pvt. Ltd. 234,000 (Previous Year : 234,000) Class A Equity Shares of ₹ 10/- each 1(Previous Year : 1) Class B Equity Shares of ₹ 10/- each	2,340,000 10	2,340,000 10
- Northwood Constructions India Pvt. Ltd. : 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,450,684	25,000 100,000 2,450,684
- Northwood Properties India Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 3,530,849	25,000 100,000 3,530,849
- Northwood Realty India Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,250,849	25,000 100,000 2,250,849
- Northwood Residential Ventures Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 1,858,622	25,000 100,000 1,858,622
- Northwood Township Project Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,563,622	25,000 100,000 2,563,622
- SSPDL Northwood Homes Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,890,845	25,000 100,000 2,890,845
- SSPDL Northwood Residence Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,270,849	25,000 100,000 2,270,849
- SSPDL Northwood Villas Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 2,630,849	25,000 100,000 2,630,849
- Northwood Infratech Pvt. Ltd. 2,500 (Previous Year : 2,500) Equity Shares of ₹ 10/- each 10,000 (Previous Year : 10,000) Class B Equity Shares of ₹ 10/- each Share Application Money	25,000 100,000 1,028,603	25,000 100,000 1,028,603
- SSPDL Green Acres LLP	2,50,000	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
B. In Equity Shares of Other Companies - Fully Paid-up :		
- SSPDL Properties Pvt. Ltd. 168,796 (Previous Year : 168,796) Equity Shares of ₹ 10/- each	1,687,960	1,687,960
C. Debentures in Associates (Non Quoted and Long Term) :		
- SSPDL Infrastructure Developers Pvt. Ltd. 70,460 (Previous Year : 14,040) Class Y 27.46% Cumulative Compulsory Convertible Debentures of ₹ 1000/- each	70,460,000	70,460,000
Optionally Convertible 15% Debentures (Series B) of ₹ 10/- each fully paid-up :		
- Northwood Constructions India Pvt. Ltd. : 1,786,830 (Previous Year : 1,786,830) of ₹ 10/- each	17,868,300	17,868,300
- Northwood Properties India Pvt Ltd 1,824,060 (Previous Year : 1,824,060) of ₹ 10/- each	18,240,600	18,240,600
- Northwood Realty India Pvt. Ltd. 1,786,830 (Previous Year : 1,786,830) of ₹ 10/- each	17,868,300	17,868,300
- Northwood Residential Ventures India Pvt. Ltd. 1,228,390 (Previous Year : 1,228,390) of ₹ 10/- each	12,283,900	12,283,900
- Northwood Township Project Pvt. Ltd. 1,902,070 (Previous Year : 1,902,070) of ₹ 10/- each	19,020,700	19,020,700
- SSPDL Northwood Homes Pvt. Ltd. 1,769,100 (Previous Year : 1,769,100) of ₹ 10/- each	17,691,000	17,691,000
- SSPDL Northwood Residence Pvt. Ltd. 1,769,100 (Previous Year : 1,769,100) of ₹ 10/- each	17,691,000	17,691,000
- SSPDL Northwood Villas Pvt. Ltd. 1,866,610 (Previous Year : 1,866,610) of ₹ 10/- each	18,666,100	18,666,100
- Northwood Infratech Pvt. Ltd. 953,610 (Previous Year : 953,610) of ₹ 10/- each	9,536,100	9,536,100
NON-TRADE INVESTMENTS - Unquoted		
D. Investment in Govt. Securities	3,00,000	3,00,000
Total	250,206,961	244,085,180
Aggregate Value of		
- Quoted Investments	-	-
- Unquoted Investments	250,206,961	244,085,180

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at 31.03.2012 In ₹	As at 31.03.2011 In ₹
14) DEFERRED TAX ASSETS (NET)		
Disallowances u/s. 43B of Income Tax Act, 1961	287,075	365,787
Unabsorbed Business Loss	28,858,035	9,364,838
Total (a)	<u>29,145,110</u>	<u>9,730,625</u>
Deferred Tax Liability		
Difference between book and tax depreciation (b)	2,050,353	2,326,739
Total (b)	<u>2,050,353</u>	<u>2,326,739</u>
Net Deferred Tax Asset/(Liability) (a-b)	<u>27,094,757</u>	<u>7,403,886</u>
15) LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Deposits with banks maturing after 12 months from the reporting date	1,464,000	-
Deposits	7,407,407	2,321,710
Tax deducted at source	20,359,804	7,110,695
Total	<u>29,231,211</u>	<u>9,432,405</u>
16) OTHER NON CURRENT ASSETS		
Pre operative expenses	1,233,830	1,447,895
Total	<u>1,233,830</u>	<u>1,447,895</u>
17) INVENTORIES		
Work-in-Progress	418,386,626	391,454,040
Land	102,665,100	102,665,100
Total	<u>521,051,726</u>	<u>494,119,140</u>
18) TRADE RECEIVABLES		
Secured, considered good		
- Outstanding for a period exceeding six months		
i) Due by Pvt. Companies in which directors are interested	227,312,250	267,489,295
ii) Others	45,310,442	112,108,893
Unsecured, considered good		
- Outstanding for a period exceeding six months	101,568,950	84,569,946
- Others	-	-
Total	<u>374,191,642</u>	<u>464,168,134</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at	As at
	31.03.2012	31.03.2011
	In ₹	In ₹
19) CASH AND CASH EQUIVALENTS		
a) Balance with Banks		
- In Current Account	7,267,361	14,739,549
- In Dividend Account	109,152	109,152
- Bank Deposit - BG Margin Money	6,968,349	37,252,611
- In deposit accounts	6,056,348	173,948,757
b) Cash on Hand	739,249	845,886
Total	21,140,459	226,895,955
20) SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loans and Advances to Employees	81,691	221,943
Security Deposits	15,238,323	16,293,726
Loans & Advances Related Parties (refer note 20 (a) below)	42,927,063	22,065,059
Total	58,247,077	38,580,728

20 (a) Loans and Advances Include

Particulars	Maximum Amount Outstanding at any time during the year		As At	As At
	2011-2012	2010-2011	31.03.2012	31.03.2011
Advances to Subsidiaries:				
- SSPDL Realty India Pvt Ltd	63,352,825	63,352,825	63,352,825	63,352,825
- SSPDL Real Estates India Pvt Ltd.	92,713,471	83,677,077	92,713,471	83,677,077
- SSPDL Infra Projects India Pvt Ltd	37,914,132	37,164,132	37,914,132	37,164,132
- SSPDL Almoayyed Projects Pvt Ltd	-	57,039	-	57,039
- SSPDL Matrix Towers Pvt Ltd	-	12,535	-	12,535
- SSPDL Resorts Pvt Ltd	-	10,276	-	10,276
- SSPDL Interserve Pvt Ltd	-	1,100,594	-	1,100,594
Advances to companies in which directors are interested:				
- SSPDL Retreat Pvt Ltd	872	-	872	-
- Alpha City Chennai IT Park Projects Pvt Ltd	15,796,848	15,947,079	15,796,848	15,947,079
- SSPDL Infrastructure Developers Pvt Ltd	611,606	4,917,142	611,606	4,917,142
- SSPDL Properties Pvt Ltd	-	20,394	-	20,394
- SSPDL Green Acres LLP	26,517,737	-	26,517,737	-
Less : Subsidiary companies:				
- SSPDL Infra Projects India Pvt. Ltd.	-	-	(37,914,132)	(37,164,132)
- SSPDL Real Estate India Pvt. Ltd.	-	-	(92,713,471)	(83,677,077)
- SSPDL Reality India Pvt. Ltd.	-	-	(63,352,825)	(63,352,825)
Total			42,927,063	22,065,059

Since the above details meet the requirements of clause 32 of the listing agreement, no separate disclosure is made.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As at	As at
	31.03.2012	31.03.2011
	In ₹	In ₹
21) OTHER CURRENT ASSETS		
Prepaid Expenses	1,757,004	3,766,238
Advance to Suppliers and contractors	79,506,956	169,623,790
Preliminary expenses	83,688	159,889
Interest Receivable	1,001,670	3,919,478
Unbilled revenue	75,263,748	21,139,833
Balance with Statutory/ Govt. authorities		
i) Income Tax paid (Net of provision)	67,661,163	30,603,123
ii) VAT Receivable	1,908,316	1,226,883
iii) MAT Credit	17,140,254	12,427,059
iv) Sales Tax Receivable	819,738	-
v) Service Tax Receivable	1,251,124	5,533,926
Total	246,393,661	248,400,219

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the year ended 31.03.2012 In ₹	For the year ended 31.03.2011 In ₹
22) REVENUE FROM OPERATIONS		
Sale of Flats	81,687,568	220,122,776
From Contract Revenue	637,856,413	399,293,459
Total	719,543,981	619,416,235
23) OTHER INCOME		
a) Interest Income		
Interest on Fixed Deposits & BGs Margin Money	5,088,732	8,589,030
Interest Received on Debentures	19,402,546	11,367,040
Other Interest Income	1,684,549	3,880,706
Dividend Income		
Dividend Income (Long-Term-Others)	-	28,155
Net Gain on sale of Investments	-	1,038,585
Other Non Operative Income		
Other Operating Revenues	-	15,456,732
Maintenance Charges	2,930,198	2,976,106
Other Income from Maintenance	-	3,052,262
Infrastructure & Amenities	658,932	-
Other Income	5,192,311	-
Revenue from project management consultancy services	753,204	-
Total	35,710,472	46,388,616
24) CONSTRUCTION EXPENSES		
Work cost including Contractor's bills	717,441,363	279,570,371
Masonry and other works	8,027,760	188,535,229
Power and fuel charges	1,106,329	3,706,616
Rates and taxes	3,257,622	5,087,933
Survey and investigation work	8,824	15,272
Project Consultancy fee	2,914,039	7,779,469
Land	350,000	9,500,000
Total	733,105,937	494,194,890
25) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year		
- Work in Process	418,386,626	391,454,040
- Land	102,665,100	102,665,100
(A)	521,051,726	494,119,140
Inventories at the beginning of the year		
- Work in Process	391,454,040	192,798,552
- Land	102,665,100	273,375,018
(B)	494,119,140	466,173,570
Decrease/(Increase) In Inventories	(B) - (A)	(26,932,586)
Construction Expenses	706,173,351	466,249,320
26) EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	86,287,197	54,288,764
Director Sitting Fees	420,000	
Contribution to PF and Other Funds	4,164,657	3,263,747
Staff Welfare Expenses	7,517,539	5,923,026
Total	98,389,393	63,475,537

NOTES TO THE FINANCIAL STATEMENTS

Particulars	For the year ended 31.03.2012 In ₹	For the year ended 31.03.2011 In ₹
27) FINANCE COST		
Interest Expenses	33,280,964	41,100,218
Others	2,023,754	4,194,495
Total	35,304,718	45,294,713
28) DEPRECIATION	31,687,456	15,207,007
29) OTHER EXPENSES		
Power & Fuel	622,382	590,694
Rent	8,619,703	3,682,102
Repairs and maintenance - Machinery	1,463,697	895,993
Repairs and maintenance - Bulidings	449,181	225,354
Repairs and maintenance - Others	1,160,090	397,774
Insurance	3,425,971	1,491,811
Rates & Taxes	1,116,915	2,407,564
Communication Cost	2,084,709	1,714,834
Travelling and conveyance	8,456,004	7,176,999
Printing and stationery	993,346	921,927
Advertisement Charges	-	4,833,966
Business promotion	1,005,336	1,439,770
Legal and professional	42,03,888	6,057,984
Security charges	4,604,641	1,987,987
Provision for doubtful advances	817,440	-
Advances Written off	160,306	-
Loss on sale of fixed assets	38,001	-
Payment to Auditors:		
Statutory Audit Fee	1,337,080	958,175
Tax Audit Fee	112,360	132,725
For management services	44,326	-
Reimbursement of expenses	24,088	44,120
Vehicle Running & Maintenance	559,850	684,981
Car Hire Charges	170,902	176,378
Miscellaneous Expenses	3,609,801	4,321,939
Total	45,080,015	40,143,077
30) EARNINGS PER SHARE		
Net Profit/Loss for the year after tax	(a) (82,971,558)	59,057,286
Weighted Average number of Equity shares outstanding during the year for Basic and Diluted Earnings Per Share	(b) 12,929,250	12,929,250
Basic and Diluted Earnings per share (face value ₹ 10/- each)	(a) / (b) (6.42)	4.57

30.1 Contingent liabilities:

- i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advances)
- ii) Company has given a corporate guarantee on behalf of M/s SSPDL Infrastructure Developers Private Limited for an amount of ₹ 85,739,276/- in favour of Accent Hotels Private Limited and for an amount of ₹ 52,758,962/- in favour of Inter Globe Hotels Private Limited.
- iii) Guarantees given by bank to various parties on behalf of the company outstanding as on 31st March, 2012 ₹ 53,847,785/- (Previous Year ₹ 107,507,376/-)
- iv) During the Financial Year 2009-10 the company has received a notice from the Office of the Commercial Tax Officer, Chennai directing to pay ₹ 32,96,101/- along with interest on disallowance of input tax claimed by the company during 2006-07 under Section 19(11) of Tamil Nadu VAT Act due to delay in submission of returns. The Company has filed a writ demand notice will be decided after outcome of the judgment on Writ Petition
- v) During the Financial year 2011-12 the Company has received a Service Tax demand for ₹ 230, 730/-. Company will file an appeal before the Service Tax Tribunal. No provision has been made in the accounts for this demands as the Company expects a favorable decision in appeal.
- vi) Service Tax demand to the extent of ₹ 3,76,38,547/- for the period 2006-07 to 2010. Represented the case before The Commissioner of Service tax, Chennai. No provision has been made in the accounts for this demands as the Company expects a favorable decision in appeal.

30.2. Value of Direct Imports calculated on C.I.F basis:

(Amounts in ₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Capital Goods	986,184	4,158,042

30.3. Expenditure in Foreign Currency:

(Amounts in ₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
On account of Travel	598,393	761,837
Others	598,040	105,306

30.4. Disclosure in accordance with AS-7:

(Amounts in ₹)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Contract Revenue recognize as revenue in the period	718,965,932	482,912,817
Cost incurred and Recognized Profit or Losses up to the reporting period	1,048,496,686	1,188,955,415
Advances received	51,953,538	50,952,599
Retention Money	28,290,832	27,537,532
Gross amount due from customers for contract work as asset	90,333,811	60,129,022
Gross amount due to customers for contract work as liability	13,326,110	10,433,579

31) EMPLOYEE BENEFITS

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

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

(Amounts in ₹)

Particulars	2011-2012	2010-2011
Employer's Contribution to Provident Fund	2,290,664	1,193,564
Employer's Contribution to State Insurance Plan	1,222,156	486,484

31.2 Defined Benefit Plans: Provision for Gratuity has been provided in accordance with AS-15. Actuarial valuation was performed in respect of the Gratuity based on the following assumptions:

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
A. Change in present value of obligation		
Present value of obligation at the beginning of the year	2,459,978	920,226
Current Service cost	600,491	569,884
Interest cost	200,808	73,618
Benefits paid	(1,96,339)	(36,577)
Net Actuarial (Gain) / Loss Recognized during the year	(1,222,712)	(7,873)
Present value of obligation at the end of the year	1,842,226	24,59,978
B. Changes in the Fair Value of Plan Assets		
Present Value of Plan Assets at the beginning of the year	242,463	257,001
Expected Return on Plan Assets	90,398	22,039
Actuarial gain/ (loss) on plan assets	1,338,405	NIL
Contributions	440,596	NIL
Benefits Paid	(196,339)	(36,577)
Fair Value of Plan Assets at the end of the year	1,915,523	242,463
C. Net (Asset) / Liability recognized in the Balance Sheet		
Present value of obligation at the end of the year	842,726	11,23,535
Fair value of Plan Assets at the end of the year	1,915,523	242,463
Funded status (surplus) / deficit	(1,349,615)	(881,072)
Net (Asset) / Liability recognized in the Balance Sheet	1,349,615	(882,072)
D. Expenses recognized in the Profit & Loss Account		
Service Cost	600,491	569,884
Interest Cost	200,808	73,618
Expected return on Plan Assets	(90,398)	(22,039)
Net Actuarial (Gain) / Loss recognized during the year	(1,210,377)	932,827
Total Expenses/ (Income) recognized in Profit and Loss account	(499,476)	1,554,290
E. Actuarial assumptions		
Discount rate	8%	8%
Salary escalation - over a long term	5%	7.5%
Attrition Rate	5%	6.5%
Expected return of the planned assets	8%	8%

i) Other Benefit Plans: The Liability for Leave Encashment as at the year is ₹ 386,326/- (previous year ₹ 830,468/-)

32) SEGMENT INFORMATION:

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

33) RELATED PARTY DISCLOSURE

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

33.1 List of the Related parties and Relationships:**Subsidiaries**

1. M/s. SSPDL Resorts Pvt Ltd
2. M/s. SSPDL Reality India Pvt Ltd
3. M/s. SSPDL Real Estates India Pvt Ltd
4. M/s. SSPDL Infra Projects India Pvt Ltd
5. M/s. SSPDL Interserve Pvt Ltd

33.2 Associates:

1. M/s. Northwood Infratech Pvt Ltd
2. M/s. Northwood Constructions India Pvt Ltd
3. M/s. Northwood Properties India Pvt Ltd
4. M/s. Northwood Realty India Pvt Ltd
5. M/s. Northwood Residential Ventures India Pvt Ltd
6. M/s. Northwood Township Projects Pvt Ltd
7. M/s. SSPDL Northwood Homes Pvt Ltd
8. M/s. SSPDL Northwood Residence Pvt Ltd
9. M/s. SSPDL Northwood Villas Pvt Ltd
10. M/s. SSPDL Infrastructure Developers Pvt Ltd

33.3 Enterprises owned/significantly influenced by Key Management Personnel:

1. M/s. Alpha City Chennai IT Park Projects Pvt Ltd
2. M/s. Sri Satya Sai Constructions (Partnership Firm)
3. M/s. Sri Satya Sai Constructions (Sole Proprietary Concern)
4. M/s. Sri Krishna Devaraya Hatcheries Private Limited
5. M/s. SSPDL Ventures Pvt Ltd
6. M/s. SSPDL Retreat Pvt.Ltd

33.4 Key Managerial Personnel:

1. Mr. Challa Prakash Managing Director
2. Mr. Challa Suresh Director
3. Mr. E. Bhaskar Rao Director

33.5 Related party transactions:

Nature of Transactions	Associates	Key Managerial Personnel	Entities in which directors are interested
Contract Revenue Accepted	- (28,155,270)	- -	- (84,129,706)
Remuneration	- -	37,29,600 (37,29,600)	- -
Rental Charges	- (-)	32,09,432 (2,732,981)	- -
Asset Purchased/Car	-	-	-
Finance (including Loans and Equity contributions in cash or kind)	475,281,251 (582,883,837)	1000,000 (1000,000)	- -
Outstanding Balance	72,800,000 (141,529,491)	188,672,342 (146,150,732)	41,792,787 (42,498,394)

Note : Figures in brackets indicates previous year figures.

34) LEASE OBLIGATIONS :

The group is obligated under lease agreements in relating to vehicles obtained on finance lease basis. The details are as under:

Particulars	As at 31.03.2012	As at 31.03.2011
Future minimum lease payments		
Not later than one year	6,35,942	2,50,560
Later than one year and not later than five years	15,15,273	8,56,080
Total	21,51,215	11,06,640
Less: Amounts representing future interest	3,72,731	2,03,232
Present value of minimum lease payments	17,78,484	9,03,408
Less: Amounts due not later than one year	4,62,566	1,73,237
Amounts due later than one year and not later than five years	13,15,918	7,30,171

35) THE AUDITORS OF SIPL (SSPDL INTERSERVE PRIVATE LIMITED) HAVE DRAWN ATTENTION TO THE FOLLOWING MATTERS IN THEIR AUDITOR'S REPORT FOR THE YEAR ENDED MARCH 31, 2012.

- In relation to fixed assets, the company has to further strengthen its records so as to include comprehensive details of quantitative information and situation of fixed assets.
- Pursuant to physical verification of fixed assets, certain fixed assets were counted during the year and the company is in the process of reconciling the differences with the book records.
- Internal controls in respect of purchase of inventories and fixed assets and sale of services need to be significantly strengthened to make it commensurate with the size and nature of its business.
- There are certain delays in remittances of income tax deducted at source, service tax, provided Fund and employee state insurance dues ranging between 1 to 290 days.

The Board of SIPL has initiated necessary steps to address the above mentioned matters.

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

As per our attached report of even date
For **KARVY & CO.,**
Chartered Accountants
(Firm Registration No. : 0017575)

For and on behalf of the Board of Directors

(K.AJAY KUMAR)
PARTNER
M. No.: 021989

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

Place : Hyderabad
Date : 26.05.2012

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)

A.SHAIENDRA BABU
COMPANY SECRETARY CUM MANAGER (FINANCE)

Statement Pursuant to Section 212 (8) of the Companies Act, 1956 relating to Subsidiary Companies

(Particulars regarding subsidiary companies, pursuant to general exemption granted by Ministry of Corporate Affairs vide its General Circular No: 2 /2011 dated 8th February, 2011)

Sl. No.	Name of the Subsidiary Company	Financial Year ended on	Capital	Reserves	Total Assets	Total Liabilities	Investments (except in case of investment in subsidiaries)	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit (Loss) after Taxation	Proposed Dividend	Country
1	SSPDL Resorts Pvt Ltd	31.03.2012	100,000	-	72,830,204	72,730,204	-	-	-	-	-	-	India
2	SSPDL Reality India Pvt Ltd	31.03.2012	100,000	-	69,385,980	69,285,980	-	-	-	-	-	-	India
3	SSPDL Real Estates India Pvt Ltd	31.03.2012	100,000	-	94,79,7542	94,697,542	-	-	-	-	-	-	India
4	SSPDL Infra Projects India Pvt Ltd	31.03.2012	100,000	-	41,103,859	41,003,859	-	-	-	-	-	-	India
5	SSPDL Interserve Pvt Ltd	31.03.2012	1,000,000	242,795,949	448,982,149	205,186,200	-	724,501,010	(99,022,806)	-	(99,022,806)	-	India

For and on behalf of the Board of Directors

PRAKASH CHALLA
MANAGING DIRECTOR

E.BHASKAR RAO
DIRECTOR

D.BALAKRISHNAN
GENERAL MANAGER (ACCOUNTS)

A.SHAIENDRA BABU
COMPANY SECRETARY CUM MANAGER (FINANCE)

Place : Hyderabad
Date : 26.05.2012

SSPDL LIMITED

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

ATTENDANCE SLIP

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

I hereby record my presence at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company held at Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016 (A.P.) on Friday, the 14th September, 2012 at 3.30 P.M.

NAME(S) OF THE SHAREHOLDER(S) (in block capitals) -----

NAME OF THE PROXY (in block capitals)-----

FOLIO NO./CLIENT ID NO.*: ----- DP ID No.* -----

SIGNATURE(S) If Shareholder: ----- / If Proxy: -----

* Applicable to only Shareholders holding shares in Demat form.

NOTE : Members are requested to bring their copies of the Annual Report to the meeting.

SSPDL LIMITED

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

PROXY FORM

I/We ----- of (Place) -----

being a member / members of SSPDL LIMITED under Folio No. / Client ID No.-----

DP ID. No.----- hereby appoint Mr./Ms.-----

of (Place) ----- failing him/her Mr./Ms.-----

of (Place) -----as my/our proxy to vote for me / us and on my / our behalf at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company to be held at Qutub Shahi Hall, Country Club, 6-3-1219, Begumpet, Hyderabad - 500 016 (A.P.) on Friday the 14th September, 2012 at 3.30 P.M. and at any adjournment(s) thereof.

Signed this ----- day of ----- 2012.

Note : The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

Affix Ps.15/-
Revenue
Stamp
and sign
across

PLEASE NOTE THAT NO GIFTS WILL BE GIVEN AT THE AGM AS THE SAME IS PROHIBITED

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars, vide nos. 17/2011 and 18/2011, dated 21 and 29 April 2011 respectively, stating that services of notice/documents including annual report can be sent electronically by e-mail to its members.

This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. Additionally, it will avoid loss in postal transit, save time, energy and costs.

By understanding the underlying theme of the above circulars, to support this green initiative of the government in full measure, the Company has started to send documents like Notice convening general meetings, Financial Statements, Directors Report, Auditors' Report etc., for the year ended March 31st, 2011 onwards, to the e-mail address registered with the depositories by the shareholders holding shares in electronic form and for Shareholders holding Shares in physical form with Registrar and Share transfer Agents of the Company.

In this regard, we request shareholders who have not registered their e-mail address, so far, to register their e-mail addresses, in respect of electronic holding with depository through their concerned Depository Participants and Members who hold shares in physical form are requested to register the same with Karvy Computershare Private Limited, Registrar and Share Transfer Agents of the Company.



Retreat-Bangalore



Novotel & IBIS Hotels - Chennai



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