

# SOUTH INDIA PROJECTS LIMITED

CIN L72100WB1981PLC034342

Corp. Off.: Mahaveer Techno Park, Plot No.6, Survey No .64, Software Units Layout,  
5th Floor, Inorbit Mall Road, Hi-Tech City, Madhapur, Hyderabad, Telangana - 500081, India.  
Ph.: 040-43366058, E-mail: southindiaprojectslimited@gmail.com, Website: www.southindiaprojectslimited.in

Date: 23<sup>rd</sup> July, 2018

To,

Bombay Stock Exchange Limited,  
Department of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-40001

**Sub: Submission of Annual Report for the year ended 31<sup>st</sup> March, 2017, in terms of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Ref: Scrip Code: SIPROJECTS

Scrip ID : 538891

Dear Sir/Madam,

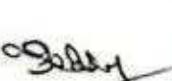
Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the year ended March 31, 2017.

You are requested to take the same on your record and acknowledge the receipt of the same.

Thanking You,

Yours Faithfully,

For South India Projects Limited,

  
Jagan Mohan Reddy Thumma  
Director  
DIN: 06554945



**SOUTH INDIA PROJECTS LTD**  
**[CIN: L72100WB1981PLC034342]**

Registered office: 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India.  
Corp. office: #164, Survey No. 48, 4th Floor, Kavuri Hills, Madhapur, Hyderabad,  
Telangana - 500081, India.  
Telephone No.: 040-43366058

Email: southindiaprojectslimited@gmail.com | Website: www.southindiaprojectslimited.in

**NOTICE**

**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of South India Projects Ltd will be held Friday, September 29, 2017 at 11:00 am (IST) at 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India, to transact the following Business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2017 together with the Reports of the Board of Directors and Auditor's thereon.
2. To take note on Interim Dividend declared by the Company
3. To appoint a Director in place of Mr. Joseph Sudheer Reddy Thumma [DIN: 07033919], who retires by rotation, and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

4. Appointment of Statutory Auditor to fill casual vacancy.

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

**“RESOLVED THAT** pursuant to the provisions of Section 139(8) and other applicable provisions, *if any*, of the Companies Act, 2013 and Rules made thereunder (*including any statutory modification or amendment thereto or re-enactment thereof for the time being in force*), and pursuant to the recommendations of the Board of Directors, M/s. D. Kothary & Co., Chartered Accountants, [*bearing Firm Regd. No. 105335W*] be and are hereby appointed as Statutory Auditors of the Company to fill in the casual vacancy caused by the resignation of M/s. J.M. Pabari & Associates, Chartered Accountants and they shall hold the office until the conclusion of 36<sup>th</sup> Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.”

5. Appointment of Statutory Auditor.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139(8) and other applicable provisions, *if any*, of the Companies Act, 2013 and Rules made thereunder (*including any statutory modification or amendment thereto or re-enactment thereof for the time being in force*), and pursuant to the recommendation of the Board of Directors, M/s. D. Kothary & Co., Chartered Accountants, [bearing Firm Regd. No. 105335W] be and are hereby appointed as Statutory Auditors of the Company and the said appointment for the term of five years *i.e.* from the conclusion of this Annual General Meeting till the conclusion of 41<sup>st</sup> Annual General Meeting to be held in financial year 2022.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to fix such remuneration payable to them for the financial year 2017-18, as may be determined by the audit committee in consultation with the auditors and that such remuneration may be paid as may be agreed upon between the auditors and the Board of Directors."

6. To consider appointment of Mr. Jagan Mohan Reddy Thumma (DIN: 06554945) as the Managing Director of the Company.

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

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (*including any statutory modification(s) or re-enactment thereof for the time being in force*), approval of the Company be and is hereby accorded to the appointment of Mr. Jagan Mohan Reddy Thumma (DIN: 06554945) as Managing Director of the Company, for a period of 5 (five) years with effect from 01<sup>st</sup> October, 2016, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to this Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Jagan Mohan Reddy Thumma.

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisite and other allowances or any contribution thereof shall not exceed the aggregate of annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013, whichever is lower, unless otherwise determined by the Board of Director.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider approval under Section 180(1)(c) of the Companies Act, 2013.

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

**"RESOLVED THAT** in supersession of the resolution passed by the Shareholders of the Company and pursuant to Section 180 (1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is

hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding shall be in excess of the aggregate of the paid-up share capital and free reserves, but not exceeding INR 500,00,00,000.00 (Indian Rupees Five Hundred Crores only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

8. To consider approval under Section 180(1)(a) of the Companies Act, 2013.

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

**"RESOLVED THAT** in supersession of the resolution passed by the Shareholders of the Company and pursuant to Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situated, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding INR 500,00,00,000.00 (Indian Rupees Five Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors or such Committee or person/(s) as may be authorized by the Board be and is hereby authorized to finalize the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions and at such time(s) / tranch(es) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."

9. To consider approval of members under Section 186 of the Companies Act, 2013

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) the approval of the members of the Company be and is hereby accorded to the Board to give any loan to any person or other body corporate, to give any guarantee or provide security in connection with a loan to any other body corporate or person; and to acquire by way of subscription, purchase or otherwise, securities of anybody corporate from time to time in one or more trenches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding INR 5,00,00,00,000.00 Crores (Indian

Rupees Five Hundred Crores Only) outstanding at any time notwithstanding that such loan, guarantee and investments are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

10. To consider increase in authorised capital of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Section 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (*including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force*), the Authorized Share Capital of the Company be and is hereby increased from INR. 6,50,00,000.00 (Indian Rupees Six Crore Fifty lakhs only) divided into 65,00,000 (Sixty Five Lakhs) Equity Shares of INR 10.00 (Indian Rupees Ten only) each to INR 30,00,00,000.00 (Indian Rupees Thirty Crore only) by creation of additional 2,35,00,000 (Two Crore Thirty Five Lakhs) Equity shares of INR 10.00 (Indian Rupees Ten only) each and consequently the respective Capital clause in the Memorandum of Association of the Company do stand altered accordingly and also as provided in the succeeding Resolutions to be proposed at this meeting.

**RESOLVED FURTHER THAT** on the Resolution for alteration of the Capital Clause being duly passed and becoming effective, Clause VI of the Memorandum of Association of the Company be deleted and in place thereof the following new Clause VI be substituted:-

VI. The Authorized share capital of the company is INR 30,00,00,000.00 (Indian Rupees Thirty Crore only) divided into 3,00,00,000 (Three Crore) equity shares of INR 10.00 (Indian Rupees Ten only) each with power of the company to increase or reduce the capital and the shares in the capital for the time being into several classes and to attach thereto respectively such preferential differed qualified or special rights, privileges or conditions and to vary or modify or abrogate any such rights, privileges or conditions as may for the time being be provided by the regulations of the company and to issue any part of its capital original or increased with or without any preference priority or special privileges or subject to any postponement of any conditions or restrictions and that unless the conditions of issue shall otherwise expressly declare every issue of share whether declared to preference or otherwise shall be subject to the power herein before contained.

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to file all relevant forms along with all relevant documents as may be deemed expedient by them with the Ministry of Corporate Affairs (Registrar of Companies) and to take all effective steps as may be deemed necessary by them for and on behalf of the Board of Directors of the Company."

**By Order of the Board of Directors**



**Jagan Mohan Reddy Thumma**  
Director  
[DIN: 06554945]

**Registered Office:**

5 & 6, Fancy Lane, Kolkata - 700001,  
West Bengal, India.

*Dated: September 01, 2017*

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. A proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on poll.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23<sup>rd</sup> September, 2017 to Friday, 29<sup>th</sup> September, 2017 (*both days inclusive*).
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.
6. For convenience of members, an attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & public holidays between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.
8. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 for items of Special Businesses is annexed herewith.
9. The Annual Report 2016-17, the Notice of the 36<sup>th</sup> Annual General Meeting and instructions for e-voting, along with the Attendance slip and Proxy form are being sent by electronic mode to all the members whose email address are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode.
10. Members may also note that the Notice of the 36<sup>th</sup> Annual General Meeting and the Annual Report 2016-17 will also made be available on the Company's website [www.southindiaprojectslimited.in](http://www.southindiaprojectslimited.in) for their download. The physical copies of the documents will also be available at the Company's Registered Office in Registered office / Corporate office for inspection during normal business hours on any working day. Even

after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for it, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor e-mail id: southindiaprojectslimited@gmail.com.

11. IF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, BOARD'S REPORT & AUDITOR'S REPORT, THE SAME SHOULD BE FORWARDED TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE MEETING SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS' SATISFACTION.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members at the AGM.
13. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
14. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
15. Members are requested to bring their copies of the reports to Annual General Meeting.
16. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with share certificates to the Registrar & Share Transfer Agent.
17. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date i.e. Friday, September 22, 2017.
18. Members are requested to promptly notify any changes in their addresses to the Registrar & Share Transfer Agent.
19. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Amendment Rules, 2015 as presently in force and the business set out in the Notice will be transacted through such voting.
20. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Income Tax Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.
21. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/ correspondence, if any, directly to:

**NICHE TECHNOLOGIES PVT. LTD.**  
Registrar & Share Transfer Agent  
**Unit: South India Project Ltd.**  
D-511, Bagree Market, 5<sup>th</sup> Floor, 71,  
B. R. B. Basu Road, Kolkata, West Bengal: 700001  
Ph. 033 - 22357270; Fax: 033 - 22156823

**Instructions for Voting through electronics means:**

In compliance with Regulation 44, SEBI Listing Obligation and Disclosure Requirements, 2015, provisions of Section 108 and other applicable provisions of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 36<sup>th</sup> Annual General Meeting (AGM) by electronic means ("e-Voting") and the items of business as detailed in this Notice may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The Members may cast their votes through E-voting from a place other than the venue of the AGM (**"Remote E-voting"**).

The Members who have cast their vote by Remote E-voting may also attend the Meeting but shall not be entitled to cast their vote again.

The Remote E-voting facility will commence from 9.00 AM (IST) on Tuesday, September 26, 2017 and will end at 5.00 PM (IST) on Thursday, September 28, 2017. Remote E-voting will not be allowed beyond the aforesaid date and time and the Remote E-voting module shall be disabled by CDSL upon expiry of aforesaid period.

Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / beneficial owner as on the **cut-off date i.e. Friday, September 22, 2017.**

The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. Friday, September 22, 2017, only shall be entitled to vote on the Resolutions set out in this Notice.

The voting rights of the members shall be in proportion to their paid-up equity share capital of the Company as on cut off date **Friday, September 22, 2017.**

The Board of Directors at their meeting held on September 01, 2017 has appointed Mr. Deep Shukla, Practicing Company Secretary (*Membership No. FCS 5652*) as the Scrutinizer to scrutinize the E-voting process and voting done through physical ballot paper, if any, at the AGM in a fair and transparent manner.

The Scrutinizer shall, after scrutinizing the votes cast at the AGM and through Remote E-voting, not later than 3 (*three*) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman of the meeting.

The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company [www.southindiaprojectslimited.in](http://www.southindiaprojectslimited.in) and on the website of CDSL and shall also be communicated to Stock Exchange(s).

Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. Friday, September 29, 2017.

The instructions for e-voting are as under:

- i. The voting period begins on from 9.00 AM (IST) on **Tuesday, September 26, 2017** and will end at 5.00 PM (IST) on **Thursday, September 28, 2017**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Friday, September 22, 2017**, may cast their vote electronically.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- iii. Click on "Shareholders" tab.
- iv. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user, follow the steps given below:

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

	company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction ( iv ).
--	---

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant Company Name i.e. “South India Project Ltd” on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Institutional Shareholders & Custodians:
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.

xx. Shareholders can also cast their votes using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone can download the app from the App Store and Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

## **EXPLANATORY STATEMENT PRUSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item Nos. 4 & 5:**

M/s. J. M. Pabari & Associates, Chartered Accountants, have tendered their resignation from the position of Statutory Auditors and resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act").

Further, casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the ensuing annual general meeting.

The Board of Directors at their meeting held on September 01, 2017, proposed to appoint M/s. D. Kothary & Co., Chartered Accountants, [bearing Firm Regd. No. 105335W], as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. J. M. Pabari & Associates, Chartered Accountants.

Further, in light of Section 139(1) of the Companies Act, 2013, it is also proposed to appoint M/s. D. Kothary & Co., Chartered Accountants, Chartered Accountant (Firm Registration No. 105335W ) as Statutory Auditors of the Company for a period of 5 years i.e. till the conclusion of the Annual General Meeting to be held in Calendar year 2022 and the appointment of the Auditors shall be placed for ratification at every Annual General Meeting.

M/s. D. Kothary & Co., Chartered Accountants, [bearing Firm Regd. No. 105335W], have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The Board recommends passing of the resolution as set out in Item Nos. 04 & 05 of this notice as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at item nso. 04 & 05 of the Notice except to the extent of their shareholding in the Company.

### **Item No. 06:**

Mr. Jagan Mohan Reddy Thumma, aged 39 years is a has Masters of Information Technology, Sydney, Australia. He has an overall experience of around 15 years in Information Technology sector. He is working as a correspondent since 2001 and presently he is correspondent at St. Francis Institute of Management, Gagillapur, Telangana.

In view of the above and taking into consideration the vast experience and able leadership qualities, your Board proposes to appoint Mr. Jagan Mohan Reddy Thumma (DIN: 06554945) as the Managing Director of the Company on the remuneration package as detailed below and as recommended and approved by the Remuneration Committee.

CATEGORY	PARTICULARS
<b>Basic Salary</b>	Upto maximum Rs. 1,00,000.00 (Rupees One Lac Only) per month or Rs. 12,00,000.00 (Rupees Twelve Lacs Only) per annum based on merit and taking into account the Company's Performance.
<b>Perquisites and Allowances</b>	<p><b>Category A</b></p> <p>Medical Reimbursement: Medical expenses actually incurred for self and family shall be reimbursed by the Company under the mediclaim Policy.</p> <p>Leave Travel Concession: Company shall provide leave travel fare for the Managing Director and his family once a year, anywhere in India as per the Rules applicable to the Company and per Income Tax Rules.</p> <p><b>Category B</b></p> <p>The Company shall contribute towards Provident Funds/ Superannuation Fund/ Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act.</p> <p>The Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service.</p> <p>Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules.</p> <p>The perquisites under this category shall not be included in the computation of ceiling on remuneration.</p>
	<p><b>Category C</b></p> <p>The Company shall provide a car with a driver at the cost of the Company for business use of the Company.</p> <p>The Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.</p> <p>Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be reimbursed.</p> <p>Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Managing Director.</p>
<b>Sitting Fees</b>	The Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meeting of the Board of Directors and the Committees thereof.

<b>General</b>	<ul style="list-style-type: none"> <li>i. The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.</li> <li>ii. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.</li> <li>iii. The Managing Director shall adhere to the Company's Code of Business Conduct &amp; Ethics for Directors and Management Personnel.</li> </ul>
----------------	---

Mr. Jagan Mohan Reddy Thumma satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Except Mr. Jagan Mohan Reddy Thumma (being himself) and Mr. Joseph Sudheer Reddy Thumma (Being brother), no other Director of the Company may be deemed to be concerned or interested in passing of said resolution.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 06 of the Notice for approval by the shareholders.

**Item No. 07:**

Your Board of Directors is of the opinion that for any future business expansion or diversification which may be carried out by the Company, the Company requires infusion of additional funds. Hence, the requirement for mobilization of the funds has been substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers upto the limit of INR 5,00,00,00,000.00.

Accordingly, the consent of the Shareholders at the General Meeting is sought under Section 180(1)(c) of the Companies Act, 2013.

The Directors, therefore, recommend the passing of the Special resolution as per item No. 08 of the accompanying notice in accordance with the applicable provisions of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s).

**Item No.08:**

The Company may borrow monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees. To create mortgage and / or charge upto the limit of INR 5,00,00,00,000.00, approval of the Members is required to be obtained pursuant to Section 180(1)(a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the resolution is placed before the Members for their approval.

The Directors, therefore, recommend the passing of the Special resolution as per item No. 09 of the accompanying notice in accordance with the applicable provisions of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s).

**Item No.09:**

In view of increased turnover and profitability during past years, sometime company may have spare funds. For better utilization of these liquid funds in the hands of company may be invested into securities.

Pursuant to Section 186 of the Companies Act, 2013 and rules made thereunder your company is required to obtain approval by passing special resolution in general meeting in case it proposes to make investment or give loan, guarantee or provide security exceeding the sixty per cent of paid up capital, free reserves and securities premium account or one hundred per cent of free reserves and securities premium account whichever is more. Further Board of Directors in their meeting held on September 01, 2017 decided to seek approval of shareholders for this matter.

In view of better utilization of funds available with the company it is proposed to pass enabling resolution authorizing board of directors of the company to give any loan to any person or other body corporate, to give any guarantee or provide security in connection with a loan to any other body corporate or person; and to acquire by way of subscription, purchase or otherwise, securities of any body corporate within the limits as mentioned in proposed resolution.

The Directors, therefore, recommend the passing of the Special resolution as per item No. 10 of the accompanying notice in accordance with the applicable provisions of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s).

**Item No. 10:**

The present Authorised Share Capital of the Company is INR 6,50,00,000.00 (Indian Rupees Six Crore Fifty Lakhs only) consisting of 65,00,000 (Sixty five Lakhs) Equity Shares of INR 10.00 (Indian Rupees Ten Only) each.

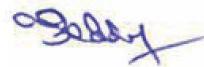
The Board of Directors at their meeting held on September 01, 2017, proposed to increase the existing Authorised Share Capital of the Company i.e. increase to INR 30,00,00,000.00 (Indian Rupees Thirty Crores only) consisting 3,00,00,000 (Three Crore) Equity shares of INR 10.00 (Indian Rupees Ten Only) each. The Directors unanimously gave their consent for such increase of Authorised Share Capital subject to member's approval.

Consequently, the Company shall be required to amend *Clause VI* of the Memorandum of Association of the Company to reflect the said increased of authorised share capital of the Company.

The Directors, therefore, recommend the passing of the ordinary resolution as per item No. 11 of the accompanying notice in accordance with the applicable provisions of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s).

**By Order of the Board of Directors**



**Jagan Mohan Reddy Thumma**  
Director  
[DIN: 06554945]

**Registered Office:**

5 & 6, Fancy Lane, Kolkata - 700001,  
West Bengal, India

**Dated: September 01, 2017**

36<sup>th</sup> Annual General Meeting  
**SOUTH INDIA PROJECTS LTD**  
[CIN: L72100WB1981PLC034342]

Registered office: 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India.  
Corp. office: #164, Survey No. 48, 4th Floor, Kavuri Hills, Madhapur, Hyderabad,  
Telangana - 500081, India.  
Telephone No.: 040-43366058

Email: southindiaprojectslimited@gmail.com | Website: www.southindiaprojectslimited.in

**Form No. MGT-11**  
**FORM OF PROXY**

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

Name of Member(s) :	Email Id :
Registered Address :	Folio No. :
:	*DP Id. :
No. of Shares held :	*Client Id. :

\* Applicable for investors holding shares in electronic form.

I/We, being a member(s) of \_\_\_\_\_ shares of South India Projects Ltd hereby appoint:

1. Mr./Mrs. \_\_\_\_\_  
Address : \_\_\_\_\_

Email Id: \_\_\_\_\_

Signature: \_\_\_\_\_

2. Mr./Mrs. \_\_\_\_\_  
Address : \_\_\_\_\_

Email Id: \_\_\_\_\_

Signature: \_\_\_\_\_

3. Mr./Mrs. \_\_\_\_\_  
Address :

Email Id: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General Meeting of the Company to be held on Friday, September 29, 2017 at 11.00 am (IST) at 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India and at any adjournment thereof in respect of such resolutions as are indicated below:

*\*\* I wish my above Proxy to vote in the manner as indicated in the box below:*

Sl. No.	Resolutions	Number of Shares held	For	Against
Ordinary Business				
1.	To receive, consider and adopt the Audited Financial			

	Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2017 together with the Reports of the Board of Directors and Auditor's thereon.			
2.	To take note on Interim Dividend declared by the Company.			
3.	To appoint a Director in place of Mr. Joseph Sudheer Reddy Thumma [DIN: 07033919], who retires by rotation, and being eligible, offers himself for re-appointment			
<b>Special Business</b>				
4.	Appointment of Statutory Auditor to fill casual vacancy.			
5.	Appointment of Statutory Auditor.			
6.	To consider appointment of Mr. Jagan Mohan Reddy Thumma (DIN: 06554945) as the Managing Director of the Company.			
7.	To consider approval under Section 180(1)(c) of the Companies Act, 2013			
8.	To Consider approval under Section 180 (1)(a) of the Companies Act, 2013			
9.	To consider approval of members under Section 186 of the Companies Act, 2013			
10.	To consider increase in authorised capital of the Company			

*\*\* This is optional. Please put a tick mark (x) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all of the Resolutions, the proxy will be entitled to vote in the manner he/ she thinks appropriate. If a member wishes to abstain from voting on particular resolution, he/she should write "Abstain" across the boxes against the Resolution.*

Signature(s) of the Member(s)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Affix One  
rupee  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

**Notes:**

1. The Proxy to be effective should be deposited at the registered office of the company at least 48 hours before the commencement of the Meeting at 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India.
2. A proxy need not be a member of the company.
3. In the case of the Joint holders, the vote of the senior who tenders vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of the Members.
4. The form of proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

**Attendance Slip**

36<sup>th</sup> Annual General Meeting  
**SOUTH INDIA PROJECTS LTD**  
[CIN: L72100WB1981PLC034342]

Registered office: 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India.  
Corp. office: #164, Survey No. 48, 4th Floor, Kavuri Hills, Madhapur, Hyderabad,  
Telangana - 500081, India.  
Telephone No.: 040-43366058

Email: southindiaprojectslimited@gmail.com | Website: www.southindiaprojectslimited.in

Date	Venue	Time
September 29, 2017	5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India	11:00 AM (IST)

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Folio No. \_\_\_\_\_ \*DP ID No. \_\_\_\_\_ \*Client ID No. \_\_\_\_\_

Name of the Member Mr./Mrs. \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxyholder Mr./Mrs. \_\_\_\_\_ Signature \_\_\_\_\_

\* *Applicable for investors holding shares in electronic form.*

I certify that I am the registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 36<sup>th</sup> Annual General Meeting of the Company held on Friday, September 29, 2017 at 11:00 AM (IST) at 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India.

**Signature of the Member/ Proxy**

*Note: Electronic copy of the Notice of the 36<sup>th</sup> Annual General Meeting with the Attendance slip and Proxy form is being sent to all the members whose email id is registered with the Company/ Depository Participant unless any meeting has been requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.*

*Physical copy of the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email Id is not registered or has requested for hard copy.*

**Details of Directors seeking appointment / re-appointment at the Annual General Meeting**

**[In pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]**

Name of Director	Mr. Joseph Sudheer Reddy Thumma	Mr. Jagan Mohan Reddy Thumma
Date of Birth	07/07/1975	16/11/1977
Actual date of Appointment	29/12/2015	29/12/2015
A brief resume of the director	Qualification: Bachelor of Computer Science Engineering from Osmania University, Telangana, India	Qualification: Masters of Information Technology, Sydney, Australia
Expertise in Specific Functional Area	Experience of around 20 years in IT related services. He started his career at the age of 21. He worked for 4 years in Social Service Society, building up computer programs. Thereafter, he worked with IBM, Singapore & New York for 4 years and National Panasonic for 2 years. Subsequently, he worked for different organizations for 4 years. In the year 2010, he acquired a small IT based product Company in USA, namely JNITH Corporation and also started IT services firm namely JNIT Technologies Inc.	He has an overall experience of around 15 years in Information Technology sector. He is working as a correspondent since 2001 and presently he is correspondent at St. Francis Institute of Management, Gagillapur, Telangana.
Directorships held in other listed companies (As on March 31, 2017)	No	No
Chairmanships/ Memberships of the Committees of the Board of Directors of other listed companies (As on March 31, 2017)	No	No
Shareholding of Directors (As on March 31, 2017)	21,19,346	4,70,000
Relationship between Directors inter-se	Brother of Jagan Mohan Reddy Thumma	Brother of Joseph Sudheer Reddy Thumma

**SOUTH INDIA PROJECTS LTD**  
**[CIN: L72100WB1981PLC034342]**

Registered office: 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India.  
Corp. office: #164, Survey No. 48, 4th Floor, Kavuri Hills, Madhapur, Hyderabad,  
Telangana - 500081, India.  
Phone: 040-43366058 |

email: southindiaprojectslimited@gmail.com | Website: www.southindiaprojectslimited.in

1 Name & Registered address of the :  
Sole/ First Named Shareholder

2 Name of the Joint Holder(s) if any :

3 Registered Folio No. / :  
DP ID & Client ID

4 No. of equity shares held :

Dear Member,

**Subject: Process and manner for availing E-voting facility:**

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44, SEBI Listing Obligation and Disclosure Requirements, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on Friday, September 29, 2017 at 11.00 AM (IST) at 5 & 6, Fancy Lane, Kolkata - 700001, West Bengal, India and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

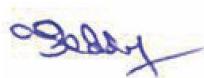
EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
170921039		

The E-voting facility will be available during the following voting period:

Remote e-Voting Start On	Remote e-Voting End On
26 <sup>th</sup> September, 2017 (09:00 am)	28 <sup>th</sup> September, 2017 (5:00 pm)

Please read the instructions mentioned in the Notes of the AGM Notice before exercising your vote.

By order of the Board  
For South India Projects Limited  
Sd/-  
Jagan Mohan Reddy Thumma  
Director  
[DIN: 06554945]



Date:03.09.2017

Place: Kolkata

Encl: AGM Notice/Attendance Slip/Proxy Form/Ballot-Form/Annual Report.



## BOARD'S REPORT

To,  
The Members,  
**SOUTH INDIA PROJECTS LTD**  
**CIN: L72100WB1981PLC034342**  
**KOLKATA**

Your Directors have pleasure in presenting their 36<sup>th</sup> Annual Report on the Audited Financial Statement of South India Projects Ltd ("the Company") for the Financial Year ended March 31, 2017.

### FINANCIAL RESULTS

The summarized financial performance (Standalone & Consolidated) of the Company for the FY 2016-17 and FY 2015-16 is given below:

[Amount in Rs.]

Particulars	Standalone		Consolidated
	F.Y. 2016-17	F.Y. 2015-16	F.Y. 2016-17
Gross Income	400,28,924.00	77,41,416.00	19,66,83,855.00
Profit/(Loss) before depreciation, interest and tax	331,27,716.00	12,57,259.00	18,18,12,134.00
Financial costs	9,390.00	30,00,209.00	3,95,289.00
Depreciation & Amortisation	112,967.00	-	3,49,592.00
Profit before exceptional and extraordinary items and tax	67,78,851.00	34,83,948.00	18,25,57,015.00
- Exceptional Items / Extraordinary Items	-	-	-
Profit Before Tax	67,78,851.00	34,83,948.00	1,41,26,840.00
- Current Tax - Income Tax	21,00,000.00	750,000.00	52,47,307.00
- Earlier Year Tax - Short/(Excess) Provision of Tax	120,039.00	-	1,20,039.00
- Deferred Tax	54,102.00	-	54,102.00
- MAT Credit entitlement	-	-	-
Net Profit After Tax	45,04,710.00	27,33,948.00	87,05,391.00
Surplus carried to Balance Sheet	45,04,710.00	27,33,948.00	87,05,391.00

### REVIEW OF OPERATIONS

#### Standalone

During the year under review, the Company has posted total Income of INR. 400,28,924.00 (Indian Rupees Four Crore Twenty Eight Thousand Nine Hundred Twenty Four only) as against total Income of INR. 77,41,416.00 (Indian Rupees Seventy Seven Lakhs Forty One Thousand Four Hundred Sixteen only) in the corresponding previous year.

Further, net profit after tax for the year under review was INR. 45,04,710 (Indian Rupees Forty Five Lakhs Four Thousand Seven Hundred Ten only) as against net profit after tax of INR. 27,33,948 (Indian Rupees Twenty Seven Lakhs Thirty Three Thousand Nine Hundred Forty Eight only) in the corresponding previous year.

#### Consolidated

During the year under review, the Company has posted total Income of INR 19,66,83,855.00 (Indian Rupees Nineteen Crores Sixty Six Lakhs Eighty Three Thousand Eight Hundred Fifty Five only) and net profit

after tax for the year under review was INR 87,05,391.00 (Indian Rupees Eighty Seven Lakhs Five Thousand Three Hundred Ninety One only).

### **TRANSFER TO STATUTORY RESERVES**

During the financial year under review, your Company transferred of INR 900,942.00 (Indian Rupees Nine Lakh Nine hundred Forty Two only) to Special reserve as provided in Section 45IC of the Reserve Bank of India Act, 1934, for the financial year ended March 31, 2017.

### **DIVIDEND**

The Board of Directors of the Company at their meeting held on August 16, 2017, had declared Interim Dividend of INR 0.50 (Fifty Paise) per equity share of INR 10.00 (Indian Rupees Ten only) each.

### **STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

The Company is concentrating in the Non- Banking Financial Company segment.

### **INDUSTRY SCENARIO**

NBFCs play a vital role in the financial sector of our economy along with other financial institutions. Over the years, due to their strategic management practices and refined operational techniques coupled with lower costs of delivery, lower restrictions on customers etc., have led to it being an alternate choice and at times the first choice for several customers, who need financing. While the RBI has made regulations stringent for the NBFCs, it has also recognized the utility of the NBFCs and thereby made them eligible to set up Banks and also act as an extension of Banks, where the Banks cannot reach. Due to the increase in finance space by NBFCs, the RBI's surveillance has increased. Through its various regulatory measures NBFCs are brought under stricter supervisory regime of RBI. While several steps are being taken to increase the role that the NBFCs play, norms are being strengthened to ensure that there is a strong, transparent and robust non banking financial sector.

### **CHANGE IN NATURE OF BUSINESS**

In order to diversify the business of the company the new object clause was inserted in Main object clause of the Company, to commence the Information Technology and software related businesses.

### **SHARE CAPITAL**

During the Financial Year under review the Authorised Capital of Company has increased from INR 400,00,000.00 (Indian Rupees Four Crore only) divided into 40,00,000 (Forty Lacs) Equity Shares of INR. 10.00 (Indian Rupees Ten) Each to INR. 650,00,000.00 (Indian Rupees Six Crore Fifty Lakhs only) divided into 65,00,000 (Sixty Five Lakhs) Equity Shares of INR. 10.00 (Indian Rupees Ten ) Each.

Further the Paid-up Equity Share Capital of the Company has increased from INR 303,33,880.00 (Indian Rupees Three Crore Three Lakhs Thirty Three Thousand Eight Hundred Eighty only) divided into 30,33,338 (Thirty Lakhs Thirty Three Thousand Three Hundred Thirty Eight) Equity Shares of INR. 10.00 (Indian Rupees Ten) each to INR 503,33,880.00 (Indian Rupees Five Crore Three Lakh Thirty Three Thousand Eight Hundred Eighty only) divided into 50,33,388 (Fifty Lakhs Thirty Three Thousand Three Hundred Eighty Eight) Equity Shares of INR.10.00 (Indian Rupees Ten) Each.

## **Swap related matters**

With object to consolidate Shareholding in the Target Company and make JNIT Technologies, Inc (Company owned by the Acquirers and the PACs) as its Subsidiary Company. Open Offer was made by Mr. Joseph Sudheer Reddy Thumma ("Acquirer 1") & Mr. Jagan Mohan Reddy Thumma ("Acquirer 2") ("Acquirer 1" & "Acquirer 2" collectively being, the "Acquirers") and Mr. Dennis Reddy Thumma ("PAC 1") & Mrs. Innamma Thumma ("PAC 2") ("PAC 1" & "PAC 2" collectively being, the "PACs") to the Equity Shareholders of South India Projects Limited (hereinafter referred to as "SIPL" / "Target Company")

South India Projects Limited i.e. Target Company after receipt of approvals from Shareholders and RBI the issuance, by way of a Preferential Allotment pursuant to the provisions of Section 62 of the Companies Act, 2013 and other applicable legal provisions, including Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ["SEBI (ICDR) Regulations, 2009"] of 20,00,000 Equity Shares of face value of INR 10/- (India Rupees Ten only) each at a price of INR 130/- (Indian Rupees One Hundred Thirty only) each representing 39.73% of Emerging Voting Capital of the Target Company to the Acquirers and the PACs for consideration against swap of Shares of JNIT in the ratio of 2000 : 1 i.e. Two Thousand Equity Shares of the Target Company against One Share of JNIT as per the Valuation Report dated October 01, 2016.

Offer was made to all Eligible Shareholders, to acquire up to 13,08,700 Equity Shares of Face Value of INR 10/- (Indian Rupees Ten only) each, representing 26% of Emerging Voting Capital, at a price of INR 130/- (Indian Rupees One Hundred and Thirty only) per Equity Share plus interest @ 10% per annum per Equity Share i.e. INR 1.60 (Indian Rupee One and Sixty Paise) per Equity Share for delay in payment beyond the Scheduled Payment Date, to be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and subject to the terms and conditions set out in the PA, the DPS and the Letter of Offer. The total funds required for implementation of the Offer (assuming full acceptance) and the same was not subject to differential pricing was INR 17,22,24,920.00 (Indian Rupees Seventeen Crores Twenty Two Lacs Twenty Four Thousand Nine Hundred and Twenty only) ("Maximum Consideration").

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

At the 35<sup>th</sup> Annual General Meeting held on September 30, 2016, Mr. Jagan Mohan Reddy Thumma (DIN: 06554945) was re-appointed as the Director of the Company and his office shall be liable to retire by rotation.

During the Financial Year under review Mr. Sanjay Mohta, Independent Director of the Company and Mr. Pawan Kumar Sureka, Chief Financial Officer of the Company resigned from the Directorship of the Company with effect from 13<sup>th</sup> August, 2016

Also Mr. Sanjay Mahendra Chauhan was appointed as Chief Financial Officer of the Company with effect from 13<sup>th</sup> August, 2016.

Further Mr. Jay Jaju was appointed as Company Secretary of the Company with effect from 30<sup>th</sup> May, 2017 and subsequently he was tendered his resignation from the officer of Company secretary w.e.f. 22<sup>nd</sup> August, 2017.

Also Mr. Subhash Samala Babu, Independent Director of the Company resigned from the Directorship of the Company with effect from Friday, June 30, 2017.

During the Financial year under review Mr. Jagan Mohan Reddy Thumma (DIN: 06554945) were appointed as the Managing director of the company subject to approval of the Members at the ensuing Annual General Meeting of the Company.

In accordance with section 152(6) of the Companies Act, 2013 and in terms of Articles of Association of the Company Mr. Joseph Sudheer Reddy Thumma (DIN: 07033919), Director of the Company, retires by rotation and being eligible; offers himself for re-appointment at the forthcoming 36<sup>th</sup> Annual General Meeting. The Board recommends the said reappointment for shareholders' approval.

### **DECLARATION BY INDEPENDENT DIRECTORS**

As on March 31, 2017 Mr. Subhash samala babu, Mrs. Tiparnapally Nikitha and Mr. Surya Narayan Tripathy are Independent Directors on the Board of your Company. These Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with the requirement of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Further, the Independent Directors of your Company, comprising of Mr. Subhash samala babu, Mrs. Tiparnapally Nikitha and Mr. Surya Narayan Tripathy in the meeting held on February 06, 2017 has reviewed performance evaluation of Non-Independent Directors of the Company and other agendas in line with the requirement of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of Schedule IV of the Companies Act, 2013 were transacted thereat.

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The Directors expressed satisfaction with the evaluation process.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and

- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **NUMBER OF BOARD MEETINGS**

A calendar of meetings is prepared and circulated in advance to the Directors. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, 07 (Seven) Board Meetings were held during the year ended March, 2017, the dates which are May 30, 2016, August 13, 2016, September 08, 2016, October 01, 2016, November 10, 2016, February 06, 2017 and March 20, 2017.

Details of attendance are as under –

Name of the Directors	Date of Board meeting						
	30/05/2016	13/08/2016	08/09/2016	01/10/2016	10/11/2016	06/02/2017	20/03/2017
*Mr. Sanjay Mohta	✓	✓	X	X	X	X	X
Mr. Jagan mohan reddy thumma	✓	✓	✓	✓	✓	✓	✓
Mr. Joseph Sudheer Reddy Thumma	✓	X	✓	X	X	X	X
Mrs. Tiparnapally Nikitha	✓	✓	✓	✓	✓	✓	✓
Mr. Surya Narayan Tripathy	✓	✓	✓	✓	✓	✓	✓
**Mr. Subhash samala babu	✓	✓	✓	✓	✓	✓	✓

\* Resigned from Directorship of the Company w.e.f. August 13, 2016.

\*\* Resigned from Directorship of the Company w.e.f. June 30, 2017.

The provisions of Companies Act, 2013, rules made thereunder and the Secretarial Standards were adhered to while considering the time gap between two meetings and holding the meetings.

### **AUDIT COMMITTEE**

Your Company has formed an Audit Committee as per the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Audit Committee possess strong knowledge of accounting and financial management.

During the Financial Year 2016-17, Five (5) meetings of the Committee were held on, May 30, 2016, August 13, 2016, September 08, 2016, November 10, 2016 and February 06, 2017.

Further, during the financial year under review, there was no requirement for re-constitution of the said Committee. Details of the composition of the Committee and attendance during the year are as under:

S. N.	Name of Directors	Designation	No. of Meetings Attended
1.	Mr. Jagan Mohan Reddy Thumma	Member, Non- Executive Director	5
2.	*Mr. Subhash Samala Babu	Member, Independent Director	5
3.	Mr. Surya Narayan Tripathy	Chairman, Independent Director	5

\* Resigned from Directorship of the Company w.e.f. June 30, 2017.

Further, the Audit Committee is functional as per the provision of Section 177 of Companies Act, 2013 and Rules made thereunder and as per Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration committee of the Company shall perform such role and duties as mentioned in Section 178 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay.

During the Financial Year 2016-17, Five (5) meetings of the Committee were held on, May 30, 2016, August 13, 2016, October 01, 2016, November 10, 2016 and on February 06, 2017.

Further, during the financial year under review, there was no requirement for re-constitution of the said Committee. Details of the composition of the Committee and attendance during the year are as under:

S. N.	Name of Directors	Designation	No. of Meetings Attended
1.	*Mr. Subhash Samala Babu	Chairman, Independent Director	5
2.	Mrs. Tiparnapally Nikitha	Member, Independent Director	5
3.	Mr. Surya Narayan Tripathy	Member, Independent Director	5

\* Resigned from Directorship of the Company w.e.f. June 30, 2017.

#### NOMINATION AND REMUNERATION POLICY

In accordance with Section 178 of the Companies Act, 2015, the Board of Directors has adopted a Policy on Board Diversity, Director Attributes and the Remuneration. The Policy of Nomination and Remuneration Committee has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonably sufficient to attract, retain and motivate them to successfully run the Company.

The policy on remuneration is enclosed as *Annexure IV* and forms part of this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return is enclosed at *Annexure III* in the prescribed form MGT-9 and forms part of this Report.

#### STAKEHOLDER RELATIONSHIP COMMITTEE:

During the Financial Year 2016-17, Four (4) meetings of the Committee were held on, April 30, 2016, July 29, 2016, October 10, 2016 and on March 23, 2017.

Further, during the financial year under review, there was no requirement for re-constitution of the said Committee. Details of the composition of the Committee and attendance during the year are as under:

S. N.	Name of Directors	Designation	No. of Meetings Attended
1.	*Mr. Subhash Samala Babu	Chairman, Independent Director	4

2.	Mrs. Tiparnapally Nikitha	Member, Independent Director	4
3.	Mr. Surya Narayan Tripathy	Member, Independent Director	4

\* Resigned from Directorship of the Company w.e.f. June 30, 2017.

The terms of reference were enlarged by the Board to be in line with Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews Shareholder's / Investor's complaints like non-receipt of Annual Report, physical transfer/ transmission/transposition, split/ consolidation of share certificates, issue of duplicate share certificates etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

The total numbers of complaints received during the year was Nil and there was no pending complaint as on March 31, 2017.

#### **PARTICULARS OF EMPLOYEE**

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company, is enclosed as *Annexure I* and forms part of this Report.

Further, no employee of the Company is earning more than the limits as prescribed pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company.

Further, the names of top ten employees in terms of remuneration drawn are disclosed in *Annexure II* and forms part of this Report.

#### **INTER SE RELATIONSHIP BETWEEN DIRECTORS**

Except Mr. Joseph Sudheer Reddy Thumma and Mr. Jagan Mohan Reddy Thumma, Director who are related to each other, none of the other Directors is related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act 2013 read the Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **EXTRACT OF ANNUAL RETURN:**

The Extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as *Annexure III* and forms part of this Report.

#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Statement AOC-1 pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 regarding Subsidiary Company is enclosed as *Annexure V* to this Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report, which gives a detailed state of affairs of the Company's operations forms a part of this Annual Report as *Annexure VI*.

#### **STATUTORY AUDITORS' AND AUDITORS' REPORT**

At the 35<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016, M/s J. M. Pabari & Associates, Chartered Accountant (Firm Registration No. 117752W) were appointed as Statutory Auditors of the Company to

hold office till the conclusion of the Annual General Meeting to be held in Calendar year 2021 and however, they have tendered their resignation from the position of Statutory Auditors.

Further, subject to approval of members in ensuing Annual general Meeting, the Board of Directors of the Company at their meeting held on September 01, 2017, have appointed M/s. D. Kothary & Co., Chartered Accountants, (Firm Regd. No. 105335W), as a Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. J. M. Pabari & Associates, Chartered Accountants and said new Auditors retire at the ensuing 36<sup>th</sup> Annual General Meeting and have confirmed their eligibility and willingness to accept office of the statutory auditors, if re-appointed.

Hence, the Board of Directors of the Company recommend to appoint M/s. D. Kothary & Co., Chartered Accountants, having Firm Regd. No. 105335W, as a Statutory Auditors of the company to hold office till the conclusion of the Annual General Meeting of the Company to be held for the financial year March, 2022.

Further, in the terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting.

Auditors Report as issued by M/s. J. M. Pabari & Associates, Chartered Accountant, Auditors of the Company is self explanatory and need not call for any explanation by your Board.

### **SECRETARIAL AUDIT**

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, Ms. M/s. Reena S. Modi & Associates, Practicing Company Secretary, Practicing Company Secretary, have been appointed Secretarial Auditors of the Company. The Secretarial Audit Report is enclosed as *Annexure VII* to this report.

### **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls system. The Audit Committee of the Board periodically reviews the internal control systems with the management and Statutory Auditors. Significant findings are discussed and follow-ups are taken thereon.

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

### **EXPLANATION(S)/ COMMENT(S) PURSUANT TO SECTION 134(3)(f)(i)& (ii), IF ANY, OF THE COMPANIES ACT, 2013:**

**Explanation pursuant to Section 134(3)(f)(i):**

There are no adverse remarks/Qualifications made in Statutory Report issued by Statutory Auditor of the Company.

**Explanation pursuant to Section 134(3)(f)(ii):**

1. Certain relevant e-forms were pending for filing on MCA portal as on audit period which includes filing of Annual Return, appointment of Managing Directors, Return of allotment, etc;

**Reply:**

The compiling of financial data took time due to shortage of personnel and hence the said delay in filing of balance sheet and annual return.

2. Non-Compliance for appointment of Company Secretary and Internal Auditor for the aforesaid Audit period.

**Reply:**

The Management is looking out for suitable candidate to be appointed as an Internal Auditor and Company Secretary of the Company.

3. The Board of Directors of the Company has appointed Managing Director in the month of October, 2016 in light of Section 196, 197 and 203 of the Companies Act, 2013 and Rules made thereunder;

**Reply:**

The appointment of Managing Director was delayed due to certain technical and legal difficulties.

4. Unable to comments on newspaper advertisement (Notice) w.r.t. Book Closure / e-Voting related matters / Results, etc;

**Reply:**

The Company will take abundant precaution in future for complying with the provisions of book closure/results, etc.

5. Details of Calcutta Stock exchange compliances were not available for my comments.

**Reply:**

The information on compliance of Calcutta Stock Exchange was misplaced due to certain mishap at the registered office of the Company.

6. The website of the company was un-functional

**Reply:**

The website of the Company is under maintenance and will be active in due course of time.

7. Non-payment of listing fees within prescribed limits.

**Reply:**

The payment of listing fees was made beyond prescribed time due to shortage of sufficient funds required for such payment.

8. Non-submission of outcome of Board Meeting dated 01/10/2016 for Managing Director appointment within 30 Minutes from conclusion of the Board Meeting;

**Reply:**

The said delay occurred due to breakdown of power supply for short duration of time.

9. Non-submission of disclosure under Regulation 30(1) and 30(2) of SEBI Takeover Regulations 2011 & in Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Reply:

The Company will take abundant precaution in future for complying with applicable regulations of SEBI Takeover Regulations 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

10. Notice of AGM, Board's Report is signed on 08<sup>th</sup> September, 2016.

Reply:

The Company will be more cautious in future regarding complying with the applicable provisions of the Companies Act, 2013.

11. Signing of Notice/ Boards Report under Section 134 is not in accordance with the Act.

Reply:

The Company will be more cautious in future regarding complying with the provisions of Section 134 of the Companies Act, 2013.

### **EMPLOYEES' STOCK OPTION PLAN**

The Company has not provided stock options to any employee.

### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM SYSTEM**

The Company as per the section 177 of the Companies Act, 2013 and applicable clause of the Listing Agreement formulated the Vigil (Whistle Blower) Mechanism which aims to provide a channel to the Directors and employees to report to the management instances of unethical behavior, actual or unsuspected fraud or violation of the Company's code of conduct. The policy provides adequate safeguard against victimization of employees and Directors who avail of Whistle Blower/Vigil Mechanism and also provide for direct access to the Chairman of the Audit Committee etc.

### **RISK MANAGEMENT POLICY**

The Company has laid down the procedure to inform the Board about the risk assessment and minimization procedures. These procedures are reviewed by the Board periodically to ensure that there is timely identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

The Company does not fall under the ambit of top 100 listed entities, determined on the basis of market capitalisation as at the end of the immediately preceding financial year. Hence, compliance under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

### **DEPOSITS**

The Company has neither accepted nor renewed any fixed deposits during the year under review. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2016.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of loans granted and investments made by the Company under the provisions of Section 186 of the Companies Act, 2013, are provided in standalone financial statement under Note 13 & 10 respectively under Notes forming part of financial statement.

## **INSURANCE**

The properties/assets of the Company are adequately insured.

## **RELATED PARTY TRANSACTIONS**

As no related party transaction was entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons pursuant the provisions of Section 188(1) of the Companies Act, 2013 during the financial year 2016-17 the particulars as required in form AOC-2 have not been furnished.

## **PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON- EXECUTIVE DIRECTORS**

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Since your Company does not fall under the threshold laid down in section 135 of the Companies Act, 2013, the provision of section 134(3)(o) of the Companies Act, 2013 is not applicable and no disclosure is required by the Board.

## **CORPORATE GOVERNANCE**

Good corporate practices ensure that a Company meets its obligations to optimize shareholders' value and fulfills its responsibilities to the community, customers, employees, Government and other segments of the Society. It will, therefore, be its constant endeavour to achieve long term corporate goals. Even though the Company is not presently covered by the Regulation governing Corporate Governance compliance, the Company has taken various steps to initiate good Corporate Governance practices.

## **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### **(a) Conservation of Energy -**

We continue to strengthen our energy conservation efforts. We are always in lookout for energy efficient measures for operation, and value conservation of energy through usage of latest technologies for quality of services. Although the equipments used by the Company are not energy sensitive by their very nature, still the Company is making best possible efforts for conservation of energy, which assures that the computers and all other equipments to be purchased by the Company strictly adhere to environmental standards, and they make optimum utilization of energy.

(b) Absorption of Technology -

In this era of competition, in order to maintain and increase the clients and customers, we need to provide best quality services to our clients and customers at minimum cost, which is not possible without innovation, and adapting to the latest technology available in the market for providing the services.

(c) Research and Development (R&D) -

The Company believes that in order to improve the quality and standards of services, the Company has progressive Research and Development Process, which should keep on increasing along with the scale of operations of the Company.

(d) Foreign Exchange Earnings and Outgo -

During the financial year under review, there were no foreign earnings and outgo.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

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

In order to prevent sexual harassment of women at work place a new act 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' has been notified on December 09, 2013. Under the said Act every entity(ies) is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report except for the below-mentioned information therein:

## PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, Officers and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors, Officers and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

## LISTING WITH STOCK EXCHANGE

The Company received the listing approval from the BSE Limited vide their Notice No. 20150119-19 dated 19th January, 2015 for the enlistment of entire equity and paid-up share capital of 50,33,388 equity shares of the face value of Rs. 10/- each of the Company on the BSE Limited. Thus, the equity shares of the Company are presently listed on both The Calcutta Stock Exchange Ltd. ["CSE"] and BSE Limited ["BSE"] and the listing fees for the Financial Year 2017-18 have already been paid to the CSE and for the BSE it is yet to be paid.

## HUMAN RESOURCES

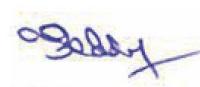
Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

## ACKNOWLEDGEMENT

The Directors would like to thank all shareholders, customers, bankers, suppliers and everybody else with whose help, cooperation and hard work the Company is able to achieve the results. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For and on behalf of the Board of Directors



Jagan Mohan Reddy Thumma  
Managing Director  
[DIN: 06554945]

Joseph Sudheer Reddy Thumma  
Director  
[DIN: 07033919]

Date: 01/09/2017

Place: Kolkata

### Registered Office:

5 & 6, Fancy Lane, Kolkata - 700001,  
West Bengal, India.

## Annexure I

### *Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016*

- i. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and
- ii. The percentage increase in remuneration of each Director, Managing Director & Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company in the financial year 2016-17-

Name & Designation	Remuneration of each Director & KMP for Financial Year 2016-17 (Rs.)	% increase/ decrease in remuneration in the Financial Year 2016-17	Ratio of remuneration of each Directors to median remuneration of employees
<b>A. Directors</b>			
Mr. Jagan Mohan Reddy Thumma	4,38,784.00	NIL	5.13 : 1
Mr. Joseph Sudheer Reddy Thumma	NIL	NIL	NIL
*Mr. Sanjay Mohta	NIL	NIL	NIL
Mr. Subhash Samala Babu	NIL	NIL	NIL
Mrs. Tiparnapally Nikitha	NIL	NIL	NIL
Mr. Surya Narayan Tripathy	NIL	NIL	NIL
<b>B. Key Managerial Personnel</b>	NIL	NIL	NIL
Mr. Sanjay MahendraChauhan	16,80,000.00	NIL	19.65 : 1

MD & CEO - Managing Director & Chief Executive Officer; VC - Vice Chairman, NI-NED - Non Independent, Non-Executive Director; I-NED - Independent, Non-Executive Director, CFO - Chief Financial Officer; SVP - Senior Vice President; CS - Company Secretary.

Notes:

\* Mr. Sanjay Mohta resigned from Directorship of the Company w.e.f. August 13, 2016 and accordingly, the remuneration shown above is for part of the financial year 2015-16

3. Median remuneration of all the employees of the Company for the financial year 2016-17 is Rs.85484/-.

iii. The percentage increase in the median remuneration of employees in the financial year 2016-17

	Financial Year 2016 - 17 (Rs.)	Financial Year 2015 - 16 (Rs.)	Increase / Decrease (%)
Median remuneration of all employees	85484	300000	-28.50%

Note: The calculation of % increase in the median remuneration has been done based on comparable employees.

iv. The number of permanent employees on the rolls of Company.

There were 138 permanent employees on the rolls of Company as on March 31, 2017.

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

There were no increase in the salaries of employees in line with the market projection, the performance of the Company in the financial year 2016-17, the individual performance of the employees, the criticality of the roles they play and skills set they possess. There is no increase in the salary of the Managing Director during the year under review.

vi. Affirmation that the remuneration is as per the Remuneration Policy of the Company

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

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



**Jagan Mohan Reddy Thumma**  
Managing Director  
[DIN: 06554945]

**Joseph Sudheer Reddy Thumma**  
Director  
[DIN: 07033919]

Date: 01/09/2017

Place: Kolkata

Annexure II

*Information required under Section 197 of the Companies Act, 2013 read with Rule 5(2)(a) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016*

Sr. No.	Names of employees	Designation/ Nature of Duties	Remuneration p.a. [Rs.]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held	% of shareholding
1	Syed Ameerudin	G.M.	33,00,000.00	MBA	9 Years	28 Years & 10 Months	1-May-2016	JNIT Technologies PVT LTD	—
2	Ajay Reddy Udumala	Senior Process Manager	27,00,000.00	MBA	10 Years	35 Years & 8 Months	1-May-2016	JNIT Technologies PVT LTD	—
3	Sanjay Mahendra Chauhan	C.F.O.	16,80,000.00	CA Intermediate	13 Years	36 Years & 1 Months	1-May-2016	JNIT Technologies PVT LTD	—
4	Krishna Prasad Vyakaranam	Technical Architect	13,64,000.00	B-Tech	10 Years	35 Years & 1 Months	1-May-2016	JNIT Technologies PVT LTD	—
5	Mohammed Aziz Pasha	Lead Business Development Manager	12,52,720.84	B-Tech	5 Years	27 Years & 3 Months	1-May-2016	JNIT Technologies PVT LTD	—
6	Kiran Dadireddy	Technical Architect	10,62,621.67	MCA	9.3 Years	36 Years & 3 Months	1-May-2016	JNIT Technologies PVT LTD	—
7	Nagesh Kumar Banala	Lead Business Development Manager	9,71,946.03	B-Tech	3.6 Years	26 Years & 9 Months	1-May-2016	JNIT Technologies PVT LTD	—
8	S.Sharath Babu	Manager	5,32,800.00	B. Com.	16 Years	37 Years & 4 Months	19-Sep-16	Rapido Technologies	—
9	T. Jagan Mohan Reddy	Director	4,38,784.00	MBA	18 Years	39 Years & 10 Months	1-May-2016	JNIT Technologies PVT LTD	9.33%
10	Mohammed Zuber Ahmed	Business Development Executive	4,21,476.61	B.Tech.	2.3 Years	27 Years & 7 Months	1-May-2016	JNIT Technologies PVT LTD	—

Note :

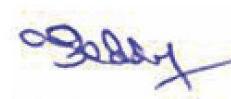
a) Remuneration includes salary, bonus, various allowances, contribution to Provident Fund, Superannuation Fund and taxable value of perquisites.

b) None of the employees mentioned above is related to any director of the Company.

c) During the financial year 2016-17, no employee was in receipt of remuneration in excess of the Managing Director of the Company and held himself or along with his spouse and dependent children two percent or more of the equity shares of the company.

d) The appointment of Managing Director is contractual in nature.

For and on behalf of the Board of Directors



T.Jagan Mohan Reddy  
Director  
[DIN: 06554945]



T.Suddher Reddy  
Director  
[DIN: 07033919]

Date: 01/09/2017  
Place: Kolkata

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31st March, 2017**  
**SOUTH INDIA PROJECTS LTD**

*[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L72100WB1981PLC034342
ii.	Registration Date	04/12/1981
iii.	Name of the Company	SOUTH INDIA PROJECTS LTD
iv.	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non Government Company
v.	Address of the Registered office and contact details	5 & 6, Fancy Lane, 8th Floor, Kolkata- 700 001, West Bengal, India. Tel. No. : 033- 4006-9762 Fax. No. : 033- 4006-9762 Email : southindiaprojectslimited@gmail.com Website : www.southindiaprojectslimited.in
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies Private Limited, D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata - 700 001, West Bengal, India. Tel No.: (033) 2235 7271/7270, Fax No.: (033) 2215 6823, E-mail-Id: Email : nichetechpl@nichetechpl.com Website : www.nichetechpl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Securities Trading and Investment	64	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	NAME AND ADDRESS OF THE COMPANY	FEIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	JNIT Technologies Inc., 1900 Enchanted Way Suite 200 Grapevine, TX 76051, USA	27-3331256	Subsidiary	100	2(87)

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

*i) Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year	
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share		
<b>A. Promoters</b>										
<b>(1) Indian</b>										
a) Individual/HUF	150000	0	150000	4.94	150000	320000	470000	9.34	4.39	
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00	
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00	
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00	
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00	
f) Any	0	0	0	0.00	0	0	0	0.00	0.00	
Other....	0	0	0	0.00	0	0	0	0.00	0.00	
Sub-total (A) (1):-	150000	0	150000	4.94	150000	320000	470000	9.34	4.39	

<b>(2) Foreign</b>								
a) NRIs - Individuals	1079346	0	1079346	35.58	1079346	1040000	2119346	42.11
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00
<b>Sub-total (A) (2):-</b>	<b>1079346</b>	<b>0</b>	<b>1079346</b>	<b>35.58</b>	<b>1079346</b>	<b>1040000</b>	<b>2119346</b>	<b>42.11</b>
<b>Total shareholding of Promoter (A) =</b>	<b>1229346</b>	<b>0</b>	<b>1229346</b>	<b>40.53</b>	<b>1229346</b>	<b>1360000</b>	<b>2589346</b>	<b>51.44</b>
<b>B. Public Shareholding</b>								
<b>1. Institutions</b>								
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>2. Non-Institutions</b>								
a) Bodies Corp.								
i) Indian	111166	228	111394	3.67	93306	228	93534	1.86
ii) Overseas	0	0	0	0.00	0	0	0	0.00
b) Individuals								
i) Individual shareholders holding nominal share capital	277049	8403	285452	9.41	257828	8403	266231	5.29
ii) Individual shareholders holding nominal share capital	1330153	0	1330153	43.85	1345039	640000	1985039	39.44
c) Others								
Non Resident Indians	917	0	917	0.03	0	0	0	0.00
Overseas Corporate	0	0	0	0.00	0	0	0	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00
Clearing Members	76126	0	76126	2.51	99238	0	99238	1.97
Trusts	0	0	0	0.00	0	0	0	0.00
Foreign Bodiedies - D R	0	0	0	0.00	0	0	0	0.00
<b>Sub-total (B)(2):-</b>	<b>1795411</b>	<b>8631</b>	<b>1804042</b>	<b>59.47</b>	<b>1795411</b>	<b>648631</b>	<b>2444042</b>	<b>48.56</b>
<b>Total Public Shareholding</b>	<b>1795411</b>	<b>8631</b>	<b>1804042</b>	<b>59.47</b>	<b>1795411</b>	<b>648631</b>	<b>2444042</b>	<b>48.56</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00
<b>Grand Total (A+B+C)</b>	<b>3024757</b>	<b>8631</b>	<b>3033388</b>	<b>100.00</b>	<b>3024757</b>	<b>2008631</b>	<b>5033388</b>	<b>100.00</b>

## ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No.of Share	% of Total Shares of the Company	%of Shares Pledged/ encumbered to total shares	No.of Share	% of Total Shares of the Company	%of Shares Pledged/ encumbered to total shares	
3	Jagan Mohan Reddy Thumma	150000	4.94%	-	470000	9.34%	-	4.39%
5	Joseph Sudheer Reddy Thumma	1079346	35.58%	-	2119346	42.11%	-	6.52%

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

Sl. No .	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1 Jagan Mohan Reddy Thumma</b>					
At the beginning of		150000	4.94%		
Changes during					
06/02/2017		320000	6.36%	470000	9.34%
At the End of the				470000	9.34%
<b>2 Joseph Sudheer Reddy Thumma</b>					
At the beginning of		1079346	35.58%		
Changes during					
31/12/2015		1040000	20.66%	2119346	42.11%
At the End of the				2119346	42.11%

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

Sl. No .	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1 Amita Hirabhai Parmar</b>					
At the beginning of		49,750	1.64%		
Changes during the year					
Transfer		(1,000)	0.03%	48,750	0.97%
Transfer		(3,500)	0.12%	45,250	0.90%
At the End of the				45,250	0.90%
<b>2 Balance Equity Broking (India)</b>					
At the beginning of		44,600.00	1.47%		
Changes during					
Transfer		27400	0.90%	72000	1.43%
Transfer		23000	0.76%	95000	1.89%
Transfer		5000	0.16%	100000	1.99%
Transfer		8000	0.26%	108000	2.15%
Transfer		(28500)	-0.94%	79500	1.58%
Transfer		(79500)	-2.62%	0	0.00%
Transfer		14500	0.48%	14500	0.29%
Transfer		10000	0.33%	24500	0.49%
Transfer		20000	0.66%	44500	0.88%
Transfer		5000	0.16%	49500	0.98%
Transfer		(24000)	-0.79%	25500	0.51%
Transfer		5000	0.16%	30500	0.61%
Transfer		17800	0.59%	48300	0.96%
Transfer		6700	0.22%	55000	1.09%
Transfer		4000	0.13%	59000	1.17%
Transfer		(1500)	-0.05%	57500	1.14%
Transfer		33500	1.10%	91000	1.81%
At the End of the year				91000	3.00%
<b>3 BMA Wealth Creators Ltd.</b>					
At the beginning of the year		63500	2.09%		
Changes during the year					
Transfer		42500	1.40%	106000	2.11%
Transfer		21000	0.69%	127000	2.52%
Transfer		-10000	-0.33%	117000	2.32%
Transfer		-5000	-0.16%	112000	2.23%
Transfer		-17800	-0.59%	94200	1.87%
Transfer		-6700	-0.22%	87500	1.74%
Transfer		-483	-0.02%	87017	1.73%
At the End of the				87017	1.73%

4	<b>BMA Wealth Creators Ltd.</b>				
	At the beginning of the year	63500	2.09%		
	Changes during the year				
	Transfer	63500	2.09%	127000	2.52%
	Transfer	-10000	-0.33%	117000	2.32%
	Transfer	100	0.00%	117100	2.33%
	Transfer	-117100	-3.86%	0	0.00%
	Transfer	117300	3.87%	117300	2.33%
	Transfer	-100	0.00%	117200	2.33%
	Transfer	-200	-0.01%	117000	2.32%
	Transfer	-5000	-0.16%	112000	2.23%
	Transfer	-17800	-0.59%	94200	1.87%
	Transfer	-6700	-0.22%	87500	1.74%
	Transfer	-483	-0.02%	87017	1.73%
	At the End of the year			87017	1.73%
5	<b>Deepa Dixit Patel</b>				
	At the beginning of the year	53015	1.75%	-	-
	Changes during the year				
	-	-	-	-	-
	At the End of the year			53015	1.05%
6	<b>Dennis Reddy Thuma</b>				
	At the beginning of the year	0	0.00%		
	Changes during the year				
	06/02/2017 Allotment (Pref.)	320000	6.36%	320000	6.36%
	At the End of the year			320000	6.36%
7	<b>Dikshit Patel</b>				
	At the beginning of the year	55271	1.82%		
	Changes during the year				
	Transfer	(2500)	-0.08%	52771	1.05%
	Transfer	(2500)	-0.08%	50271	1.00%
	At the End of the			50271	1.00%
8	<b>Innamma Thumma</b>				
	At the beginning of	0	0.00%		
	Changes during the year				
	Allotment (Pref.)	320000	6.36%	320000	6.36%
	At the End of the			320000	6.36%
9	<b>Nivedan Bharadwaj</b>				
	At the beginning of	0	0.00%		
	Changes during the year				
	Transfer	51500	1.70%	51500	1.02%
	At the End of the			51500	1.02%
10	<b>Pramod Hirabhai Parmar</b>				
	At the beginning of	64125	2.11%		
	Changes during the year				
	-	-	-	-	-
	At the End of the			64125	1.27%

v. Shareholding of Directors and Key Managerial Personnel: -

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Jagan Mohan Reddy Thumma</b>				
	At the beginning of	150000	4.94%		
	ges Increase /				
	06/02/2017	320000	6.36%	470000	9.34%
	At the End of the			470000	9.34%
2	<b>Joseph Sudheer Reddy Thumma</b>				
	At the beginning of	1079346	35.58%		
	Changes during				
	31/12/2015	1040000	20.66%	2119346	42.11%
	At the End of the			2119346	42.11%

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	500000		500000
ii) Interest due but not paid	0			0
iii) Interest accrued but not due	0			0
<b>Total (i+ii+iii)</b>	0	500000	0	500000
Change in Indebtedness during the financial year				
□ Addition	842759			842759
□ Reduction	13479	500000		513479
Net Change	829280	-500000	0	329280
Indebtedness at the end of the financial year				
i) Principal Amount	829280	0		829280
ii) Interest due but not paid				0
iii) Interest accrued but not due				0
<b>Total (i+ii+iii)</b>	829280	0	0	829280

**XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Jagan Mohan Reddy		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	438328		438328
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0		0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0		0
2	Stock Option	0		0
3	Sweat Equity	0		0
4	Commission	0		0
5	Others, please specify	0		0
	<b>Total (A)</b>	438328		
	Ceiling as per the Act			

**B. Remuneration to other directors:**

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
1	<b>Independent Directors</b>				-
	- Fee for attending board /committee meetings				-
	- Commission				-
	- Others, please specify				-
	Total (1)				-
2	<b>Other Non-Executive Directors</b>				-
	- Fee for attending board /committee meetings				-
	- Commission				-
	- Others, please specify				-
	Total (2)				-
	Total (B)=(1+2)				-
	<b>Total Managerial Remuneration</b>				-
	<b>Overall Ceiling as per the Act</b>				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		50,806	1,650,000	1,700,806
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
5	Others, please specify		-	-	0
	Total		50,806	1,650,000	1700806

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Jagan Mohan Reddy Thumma  
Managing Director  
[DIN: 06554945]

Joseph Sudheer Reddy Thumma  
Director  
[DIN: 07033919]

Date: 01/09/2017  
Place: Kolkata

**Annexure -IV**

**NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**Definitions:**

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Wholetime Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and iv. such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

**Objective:**

The objective of the policy is to ensure that

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

### Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

### APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

## **TERM / TENURE**

### **a) Managing Director/Whole Time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### **b) Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an

Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management

Personnel yearly or at such intervals as may be considered necessary.

## REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## RETIREMENT:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

### 1. Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Wholetime Directors.

### 2. Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The Services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### 3. Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine

the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

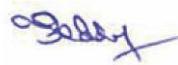
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may Delegate any of its powers to one or more of its members.

For and on behalf of the Board of Directors



**Jagan Mohan Reddy Thumma**  
Director  
[DIN: 06554945]

**Joseph Suddher Reddy Thumma**  
Director  
[DIN: 07033919]

Date: 01/09/2017

Place: Kolkata

Annexure V  
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

**Part A Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1	Sl. No.	1
2	Name of the subsidiary	JNIT Technologies, INC.
3	The date since when subsidiary was acquired	06-02-2017
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31-03-2017
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Reporting Currency: \$ U.S. Dollar Exchange Rate as on 3103-2017: Rs:64.8386
6	Share capital	Rs.74,564
7	Reserves and surplus	Rs.92,213,353
8	Total assets	Rs.33,46,07,661
9	Total Liabilities	Rs.24,23,19,743
10	Investments	-
11	Turnover	Rs.16,32,16,246
12	Profit before taxation	Rs.73,47,988
13	Provision for taxation	Rs.31,47,307
14	Profit after taxation	Rs.42,00,681
15	Extent of shareholding (in percentage)	100%

For J. M. Pabari & Associates  
Chartered Accountants

For South India Projects Limited,

Firm Regn No. 117752W

(Paresh J. Davda)  
(Partner)



Managing Director,  
Jagan Mohan Reddy Thumma  
DIN: 06554945

Membership No. 133308

Place: Mumbai  
Date : 30<sup>th</sup> May 2017

Independent Director  
Nikitha Tiparnapally  
DIN: 07399613  
Place: Hyderabad  
Date: 30<sup>th</sup> May, 2017

Chief Financial Officer  
Sanjay Chauhan  
PAN No. AFLPC7749G

*Sanjay Chauhan*

## ANNEXURE VI

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

India's financial services sector consists of the capital market, insurance sector, Banking Sector, Co-operative Banks and Non-Banking Financial Companies (NBFCs). Further, the RBI has given license to various companies to set-up of payments bank that is expected to revolutionise the financial sector in India as it focuses to conduct banking activities primarily through mobile phones. The aim behind these is to provide financial inclusion to sections of the economy not being served by other banks, such as small business units, small and marginal farmers, micro and small industries and unorganised sector entities.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance, with a combined push by both Government and Corporate Sector India is undoubtedly one of the world's most vibrant capital markets.

The economic fundamentals are showing healthy trends, which corroborates the expected growth in the economy. Inflation has been largely tamed. The investment cycle in India is showing positive growth and expenditure on consumption is increasing, although in a fluctuating trend. This growth is likely to be sustainable considering government's focus on industrial activities, infrastructure development and ease of doing business.

#### **NBFC SECTOR (NON-BANKING FINANCE COMPANY) INDUSTRY:**

Indian Financial sector is largely diversified and comprises of Commercial banks, Non-Banking Financial Companies, Cooperatives, Insurance Companies among others. During the year the Government took several measures to strengthen the financial service sector which includes the New Bankruptcy law, Jan Dhan campaign for financial inclusion, liberalization of Foreign Direct Investment, gold monetization scheme and much more.

There are 11,682 Non-Banking Financial Companies (NBFCs) registered with the Reserve Bank of India out of which a lion's share of 98% are non-deposit accepting with the balance 2% being deposit accepting NBFCs. Around 220 non-deposit accepting NBFCs have been classified as systemically important. NBFCs are present in the competing fields of vehicle financing, housing loans, hire purchase, lease and personal loans. NBFCs have emerged as key financial intermediaries particularly for small-scale and retail sectors. With easier sanction procedures, flexibility, low operating cost and focus on core business activity, NBFCs stand on a surer footing vis-a-vis banks.

Non-Banking Financial Companies (NBFC) in India made a humble beginning way back in the 1960's to serve the need of the investor whose financial requirements were not sufficiently covered by the existing banking system in India. The NBFCs began to invite fixed deposit from investor and work out leasing deal for big industrial firms. Initially, they operated on a limited scale and could not make a significant impact on the financial system. However, between 1980's and 1990's, NBFCs gained good ground and started to inveigle a huge number of investors owing to them customer friendly reputation.

India Ratings expects NBFCs to account for over 17% of the total credit in the country by FY 2019, compared to 13.1% at the end of the FY 2015 & 9.4% in the FY 2006. Until some years ago, NBFCs were a small part of the financial services business with a small resource base. Today, the equity of leading NBFCs is comparable with or larger than many mid-sized

banks. The combined market capitalisation of the top 10 NBFCs is now twice that of mid and small-sized public sector banks. NBFC credit portfolio in India is relatively under-penetrated at 13% of GDP compared to 25% in Malaysia and Thailand and 33% in China. Thus, the sector has immense scope for rapid growth over the next 5-10 years.

According to India Brand Equity Foundation, gross national savings in India are expected to reach \$ 1,272 billion by the end of 2019. This in turn will trigger further savings and investments in Indian households, leading to their greater engagement. Technology in financial services industry is getting dramatically transformed with several drivers responsible for the change. The willingness of consumers to use the technology for availing financial services is also a major facilitator of technological change. RBI is always working to boost financial inclusion and up the ante of mobile revolution in the industry. The payment banking model will transform the way conventional banks approach customers.

#### **EXPECTED CREDIT GROWTH IN THE NBFC SECTOR:**

Considering the strong rising trend in credit growth from the NBFCs, its share as a percentage of GDP is expected to grow strongly in the medium term scenario. In case 1, if the share of NBFC credit grows from the current 13% to 33% by 2020 then the compounded growth in the credit during 2016-20 would be 27%. While in case 2, if the share of NBFC credit grows from the current 13% to 25% by 2020 then the compounded growth in the credit during 2016-20 would be 20%.

#### **COMPANY OVERVIEW:**

At South India Projects Limited („SIPL“ or „the Company“), we strongly believe in building a strong financial community. Our ethos and promise of true financial inclusion in the country makes us one of India’s prime NBFCs. We not only provide “credit to people but also confidence” who do not have access to organized financial services. We believe in providing loans not for consumption, but primarily for income generation. The economic slowdown had a significant bearing on the functioning and profitability of NBFCs in the medium term. But it has been estimated that in the long run there are vast opportunities for NBFCs. Hence, the Company is expecting to improve its performance and profitability in years to come.

#### **BUSINESS OUTLOOK:**

The Non-Banking Financial companies (NBFCs) sector forms an integral part of the Indian financial system. The sector plays a vital role in India’s economic growth and development. It aids in boosting ‘Financial Inclusion’ initiative by lending services to the unbanked population in rural/ semi-rural or few urban areas, also provide services to the Micro, Small and Medium Enterprises (MSMEs) segment. They provide product and services such as personal loans, housing loan, gold loan, insurance and loan for purchasing commercial vehicles, machinery, and farm equipment amongst others. NBFCs ability to understand their customer profile, their credit portfolio and deliver on customised products and services makes them as one of the fastest growing sectors providing innovation in financial products. NBFCs are rapidly gaining importance as financial intermediary in the retail finance. Their contribution to the economy has significantly improved standing at 15% as on FY17. The growth is driven not only by the traditional NBFC products like commercial vehicle financing but also in the areas of loans financing like I.T. etc. The success of the sector is attributed to the cost efficiency, bad debt control, customised products and better customer services. Along with on-going stress in the public sector banks due to mounting debts, the lending potential of the banks are going to deteriorate further, thereby providing opportunity for NBFCs to increase their reach.

Your Company intends to grow its loan book, income and profits through the following initiatives:

1. Deepening reach in existing regions;
2. Continuing its key focus on under-penetrated markets and segments Strong asset growth supported by sound risk management framework;
3. Accessing low cost and diversified fund sources;
4. Optimizing operating costs and efficiency through process changes;
5. Mobilizing debt at attractive rates;
6. Transmitting cost efficiency and remaining competitive in pricing of products Improving recovery ratio and containing NPAs;
7. Leveraging technology to positively impact the working and customer experience.

#### **STRENGTHS:**

At SIPL we provide financial services through simple processes and simple procedures in sanction and disbursement of credit as well as timely, friendly and flexible terms of repayment aligned to the unique features of its clientele. Easy and fast appraisal and disbursements make the Company the preferred choice for many of its customers Customer Insight.

#### **CHALLENGES:**

Newer regulatory updates pose a constant challenge for smooth operations of the Company. With constant updates governing the functional aspects of financial institutions, there lie unseen challenges in the coming years. Focus on a particular market segment might affect the Company's portfolio & sustainability.

#### **OPPORTUNITIES:**

Business opportunities for finance companies are enormous as the new areas and segments are being explored. A larger segment of customers remain un-served by Banks and large sized Finance Companies.

Your Company on its part is also well poised to seize new opportunities as they come. A rural middle income boom has led to rise in rural incomes. This has been fuelled by increased support prices and welfare schemes initiated by the government. Per capita Gross Domestic Product has grown faster in India's rural areas than in its urban centres. New opportunities like home equity, personal finance, and a foray into factoring and bill payment for the rural hard-to-reach customer may take the Company to new scales of success.

The various opportunities available to the NBFCs include:

- While the Bank credit to SMEs is witnessing a decline, the NBFCs at the same time are ramping up efforts to reach out to the SMEs. NBFCs, typically, offer loans against property, consumer durable loans and business loans, among other products, to SME customers or self-employed professionals. With the appetite of banks to extend credit likely to remain weak in the future as well, this offers opportunities to NBFCs to address the gap.
- NBFCs play an important role in promoting inclusive growth in the country, by catering to the diverse financial needs of bank excluded customers. The coverage of unbanked (self-employed or small businesses) provides the due impetus to government schemes like Start-up India or Make in India. By ensuring finances to such segments with low or no income proofs, NBFCs have directly or indirectly helped the economic growth and self-sustainability of the country.
- Increasing Internet and mobile penetration, growing acceptability of online payments and favourable demographics are expected to lead the e-commerce sector in India to a record revenue of 120 billion USD by

2020. This explosion of e-commerce, Internet and social media usage in India has led to the emergence of a new breed of online lending platforms in India and abroad that leverage social media and Internet browsing data to assess the creditworthiness of customers.

- Massive expected investments of USD 600 bn over the next five years towards infrastructure development
- NBFCs have opportunity for emerging Fintech start-ups as they offer far more agility and flexibility when compared to many of their banking counterparts.
- Digital trend to provide disruptive opportunities for innovation and partnerships.
- Demand from geographic areas and customer segments that traditional banks do not cater to.

#### **DEMOGRAPHIC PATTERN AND RISING RURAL PROSPERITY:**

India has one of the youngest populations in the world, and this means that there will be a large number of people seeking employment and livelihood. The aspirations in rural India are rising, and opportunities for those wanting to be entrepreneurs are increasing. Rural prosperity is also on the rise, fuelled by increased support prices and welfare schemes initiated by the government. Per capita Gross Domestic Product has grown faster in India's rural areas than in its urban centre.

#### **MAKE IN INDIA INITIATIVE:**

The Government's "Make in India" initiative, which seeks to make India a manufacturing hub, will have a rub-off effect on the key sectors. It seeks to invite the world's top companies to explore investment possibilities in India. The central objective of the initiative is to take the economy to a sustainable high growth path and follow a new model of urbanization by the creation of various industrial corridors.

#### **RISING PER CAPITA INCOME:**

Increase in per capita income leads to creation of increasing wealth and positively impacts disposable incomes which results in a significant investment multiplier effect on the Indian economy, further leading to increasing consumerism and wealth creation and positively impacting savings. Rising per capita income and stability in economic growth have played a role in increasing the pace of urbanization in the country. One of the notable factors behind the growth in the housing industry has been easy availability of finance. Availability of low interest rate finance has increased disbursement of loans among several financial players.

#### **THREATS:**

The major threat being faced by finance companies are regulatory changes, interest rates hiked by RBI, high inflation etc. The Company is also facing stiff competition from banks / financial institutions due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. Higher cost of funds might lead to reduced bottom line for the Company. Also, a lesser interest spread, or higher cost of lending might lead to customers turning away to cheaper source of funds. Asset quality deterioration may not only wipe the profits out of the Company but eat into its net worth. The Company must ensure it maintains minimal delinquency levels.

#### **WEAKNESS:**

The Company does not have strong network & link at remote areas of villages. The Company has significant business presence in the state of West Bengal only. The Company does not have all India based network and establishments to reach out to large segment of people in the country in both semi-urban and rural areas whereas more than 90% of the

unorganized sector has no link with banks and 60% of the rural consumers do not have bank accounts.

#### **RISKS & CONCERNS:**

As a NBFC, your Company's growth and profitability are dependent on the functioning of Capital Markets. The Company is exposed to several market risks like credit risk, liquidity risk and interest rate risk. The volatility of the capital markets in which your Company operates is also a major cause of concern to the Company. Risk is managed by using a set of credit norms and policies, as approved by the Board. SIPL has a structured and standardized process including customer selection criteria, comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower.

#### **INTERNAL CONTROL SYSTEM AND ADEQUACY:**

Internal control systems and procedures in the Company are commensurate with the size and the nature of Company's business and are regularly reviewed and updated by incorporating changes in regulatory provisions in order to safeguard the assets and to ensure reliability of financial reporting.

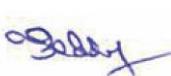
#### **HUMAN RESOURCES:**

The Company continues to give priority to its human assets. The Company provides a fair and equitable work environment to all its employees. The Company is continuously working to create and nurture an atmosphere which is highly motivated and result oriented.

#### **FINANCIAL PERFORMANCE:**

During the year under review, your Company achieved revenue from operations of Rs. 4,00,28,924 Lakhs as against Rs. 73,56,715 Lakhs in the Previous Year and a Consolidated revenue from operations of Rs. 19,66,83,855 as per Consolidated statements for the year under review.

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



<b>Jagan Mohan Reddy Thumma</b>	<b>Joseph Sudheer Reddy Thumma</b>
Director	Director
[DIN: 06554945]	[DIN: 07033919]

**Date: 01/09/2017**

**Place: Kolkata**



**REENA S MODI & ASSOCIATES  
COMPANY SECRETARIES**

**Ms. Reena S Modi**  
(Company Secretary, M.Com, LL.B)

**Address:** Flat no-44, 4<sup>th</sup> Floor, Giriraj, Above Rajawadi Post office, Mumbai-400077.  
**E-mail** [id-reena.modi88@gmail.com](mailto:id-reena.modi88@gmail.com)

**SECRETARIAL AUDIT REPORT  
For the financial year ended March 31, 2017**

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

To  
**The Members**  
**SOUTH INDIA PROJECTS LTD**  
Regd. Office: 5 & 6, Fancy Lane,  
Kolkata - 700001, West Bengal,  
India.

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;



- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *(to the extent as may be applicable to the Company)*;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 *(Not Applicable to the Company during the Audit Period)*;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not Applicable to the Company during the Audit Period)*; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not Applicable to the Company during the Audit Period)*;
  - (i) The Reserve Bank of India Act, 1934 and Guidelines, Directions and Instructions issued by Reserve Bank of India prescribed thereunder. The Company is registered as a Non-Banking Financial Company (Non-deposit accepting or holding) with Reserve Bank of India.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Listing Agreements entered into by the Company with the Stock Exchange *viz* Bombay Stock Exchange of India Ltd (BSE) and Calcutta Stock exchange.



During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to following observations/qualifications:

- Certain relevant e-forms were pending for filing on MCA portal as on audit period which includes filing of Annual Return, appointment of Managing Directors, Return of allotment, etc;
- Non-Compliance for appointment of Company Secretary and Internal Auditor for the aforesaid Audit period;
- The Board of Directors of the Company has appointed Managing Director in the month of October, 2016 in light of Section 196, 197 and 203 of the Companies Act, 2013 and Rules made thereunder;
- Unable to comments on newspaper advertisement (Notice) w.r.t. Book Closure / e-Voting related matters / Results, etc;
- Details of Calcutta Stock exchange compliances were not available for my comments.
- The website of the company was un-functional;
- Non-payment of listing fees within prescribed limits;
- Non-submission of outcome of Board Meeting dated 01/10/2016 for Managing Director appointment within 30 Minutes from conclusion of the Board Meeting;
- Non-submission of disclosure under Regulation 30(1) and 30(2) of SEBI Takeover Regulations 2011 & in Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Notice of AGM, Board's Report is signed on 08<sup>th</sup> September, 2016;
- Signing of Notice/ Boards Report under Section 134 is not in accordance with the Act.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, subject to observation as mentioned hereinabove. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the resolutions were passed with consent of majority Directors and minutes were prepared accordingly.

**I further report that:**



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

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

*Reena S. Modi*

Name of Company Secretary-Reena S Modi

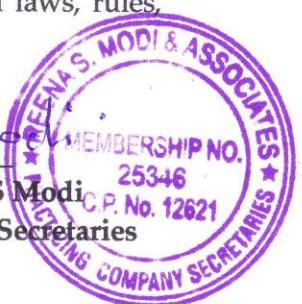
Reena S Modi Company Secretaries

ACS: 25346

CoP : 12621

Place: Mumbai

Date: 01.09.2017



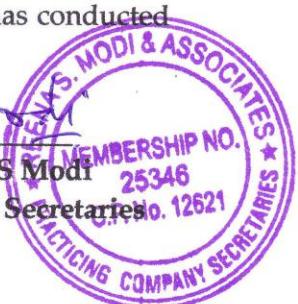
To  
**The Members**  
**SOUTH INDIA PROJECTS LTD**  
Regd. Office: 5 & 6, Fancy Lane,  
Kolkata - 700001, West Bengal,  
India.

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. Have examined to the extent documents available. My examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: 01.09.2017

*Reena S. Modi*  
Name of Company Secretary-Reena S Modi  
Reena S Modi Company Secretaries  
ACS: 25346  
CoP : 12621



# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

### **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
South India Projects Limited**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements **South India Projects Limited** ("the Company"), which comprise the Balance Sheet as at 31st March,2017, the Statement of Profit and Loss, the Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting



**J. M. PABARI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss Statement and the Cash flow statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.



# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

### **For J. M. Pabari & Associates**

Chartered Accountants  
Firm Regn No. 117752W

  
**(Paresh J. Davda)**  
(Partner)  
Membership No. 133308



Place: Mumbai  
Date : 30<sup>th</sup> May 2017

### **Annexure A to Independent Auditors' Report**

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

#### **1. In respect of its fixed assets:**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) According to the documents provided to us, we confirm that the title deeds of immovable properties are held in the name of the company.
- 2. The Company is engaged in software consultancy services and NBFC activites, hence this clause is not applicable.
- 3. The Company has not granted loan to body corporate, firm and parties covered in the register maintained under section 189 of the Companies Act.
- 4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- 5. The Company has not accepted any deposits from the public.
- 6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- 7. According to the information and explanations given to us in respect of statutory dues:
  - a) Undisputed statutory dues in respect of sales tax, service tax, withholding taxes, provident fund, and employees' state insurance, cess as applicable and any other statutory dues have been regularly deposited with the appropriate authorities. There were no undisputed amounts payable in respect of Income-tax, Custom Duty, Sales Tax, Excise Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March 2017, for a period of more than six months from the date they became payable.
  - b) There are no statutory dues pending to be deposited on account of disputes pending with various forums.
- 8. The Company has not defaulted in repayment of loans taken from financial institution.
- 9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- 10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11. The Company has paid/provided for managerial remuneration in the books of accounts in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.



# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has acquired shares of a Foreign Company and issued equity shares against acquisition, the requirement of section 42 of the Companies Act, 2013 have been complied with by the Company hence application of fund is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is already registered under section 45-IA of the Reserve Bank of India Act 1934.

**For J. M. Pabari & Associates**

Chartered Accountants  
Firm Regn No. 117752W

  
(Paresh J. Davda)  
(Partner)  
Membership No. 133308



Place: Mumbai  
Date: 30<sup>th</sup> May 2017

**J. M. PABARI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

**Annexure - B to The Independent Auditors' Report**

**To the Members of  
South India Projects Limited**

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

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

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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



# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

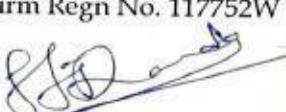
### **Opinion**

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

#### **For J. M. Pabari & Associates**

Chartered Accountants

Firm Regn No. 117752W



(Parekh J. Davda)

(Partner)

Membership No. 133308



Place: Mumbai

Date : 30<sup>th</sup> May 2017

**SOUTH INDIA PROJECTS LIMITED**  
 CIN: L72100WB1981PLC034342  
 BALANCE SHEET AS AT 31ST MARCH, 2017

Sr.No.	Particulars	Notes	March 31, 2017	March 31, 2016
			Rs.	Rs.
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	3	50,333,880	30,333,880
	(b) Reserves and surplus	4	298,506,161	54,001,451
			<b>348,840,041</b>	<b>84,335,331</b>
<b>2</b>	<b>Non current liabilities</b>			
	(a) Long term borrowings	5	829,280	500,000
	(b) Deferred Tax Liabilities	6	84,508	30,406
			<b>913,788</b>	<b>530,406</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Other current liabilities	7	3,130,442	368,199
	(b) Short term Provisions	8	667,252	149,082
			<b>3,797,694</b>	<b>517,281</b>
	<b>TOTAL</b>		<b>353,551,523</b>	<b>85,383,018</b>
<b>II.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non current assets</b>			
	(a) Fixed Assets	9	1,457,245	52,604
	(i) Tangible Assets	10	260,000,000	29,415
	(b) Non current Investment			
<b>2</b>	<b>Current assets</b>			
	(a) Trade Receivables	11	3,057,270	-
	(b) Cash and bank balances	12	383,740	2,073,064
	(c) Short term loans and advances	13	88,653,268	83,227,935
			<b>353,551,523</b>	<b>85,383,018</b>
	<b>TOTAL</b>		<b>353,551,523</b>	<b>85,383,018</b>
	Significant Accounting Policies and Notes	1-24		

**From true extract of Books of Accounts**

For J M Pabari & Associates

Chartered Accountants

Firm Registration No. 117752W



Paresh J. Davda

Partner

Membership No.: 133308

Place: Mumbai

Date: 30th May 2017



For and on behalf of Board of Directors



Managing Director

Jagan Mohan Reddy Thumma

Din No. 06554945

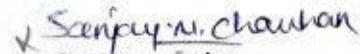
Independent Director

Nikitha Tiparnapally

Din No. 07399613

Place: Hyderabad

Date: 30th May 2017



Chief Financial Officer

Sanjay M. Chauhan

Pan No. AFLPC7749G

**SOUTH INDIA PROJECTS LIMITED**  
 CIN: L72100WB1981PLC034342  
 STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

Sr.No.	Particulars	Notes	2016 - 2017	2015 - 2016
			Rs.	Rs.
I.	Revenue from operations	14	40,028,924	7,356,715
II.	Other income		-	384,701
III.	<b>Total Revenue (A)</b>		<b>40,028,924</b>	<b>7,741,416</b>
IV.	Expenses:	16 9 17 18		
	Employee benefits expense		27,142,240	420,000
	Depreciation		112,967	-
	Finance Cost		9,390	3,000,209
	Administrative & Other Expenses		5,985,476	837,259
	<b>Total Expenses (B)</b>		<b>33,250,073</b>	<b>4,257,468</b>
V.	<b>Profit before tax (A-B)</b>		<b>6,778,851</b>	<b>3,483,948</b>
VI.	Tax expense:			
	Current tax		2,100,000	750,000
	Earlier year tax		120,039	-
	Deferred tax		54,102	-
VII.	<b>Profit for the year</b>		<b>4,504,710</b>	<b>2,733,948</b>
	Earning per share on Equity Shares of Rs. 10 each - Basic & Diluted		1.44	0.90
	Significant Accounting Policies and Notes	1-24		

From true extract of Books of Accounts

For J M Pabari & Associates  
 Chartered Accountants  
 Firm Registration No. 117752W

Paresh J. Davda  
 Partner  
 Membership No.: 133308

Place :  
 Date: 30th May 2017



For and on behalf of Board of Directors

  
 Managing Director  
 Jagan Mohan Reddy Thumma  
 DIN No. 06554945

  
 Independent Director  
 Nikitha Tiparnapally  
 DIN No. 07399613  
 Place : Hyderabad  
 Date: 30th May 2017

  
 Sanjay N. Chauhan  
 Chief Financial Officer  
 Sanjay Chauhan  
 PAN No. AFLPC7749C

**SOUTH INDIA PROJECTS LIMITED**  
 CIN: L72100WB1981PLC034342  
 CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017

	March 31, 2017 Rs.	March 31, 2016 Rs.
<b>A. Cash Flow From Operating Activities :</b>		
Net profit before tax as per statement of profit and loss	6,778,851	3,483,949
<u>Adjustments for :</u>		
(Profit)/Loss on sale of Investments	(3,339)	(2,283,621)
Depreciation	112,967	-
Dividend Income	-	(363,071)
Interest Income	(7,327,482)	(5,073,095)
<b>Operating Cash Flow Before Working Capital Changes</b>	<b>(439,003)</b>	<b>(4,235,838)</b>
<b>Changes in current assets and liabilities</b>		
(Increase)/ Decrease in trade receivables	(3,057,270)	-
(Increase)/ Decrease in long & short term loans and advances	1,902,149	(73,291,913)
Increase/ (Decrease) in other current Liabilities	2,762,243	520,898
Increase/ (Decrease) in short term provision	-	-
<b>Cash Generated From Operations</b>	<b>1,168,119</b>	<b>(77,006,853)</b>
Payment of Taxes (Net of Refunds)	(1,701,869)	(1,542,539)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>(533,750)</b>	<b>(78,549,392)</b>
<b>B. Cash Flow From Investing Activities :</b>		
Purchase of Fixed Assets	(1,517,608)	-
(Purchase)/ Sale of Investments (net)	32,754	79,481,936
Dividend Income	-	363,071
<b>Net Cash Flow From Investment Activities (B)</b>	<b>(1,484,854)</b>	<b>79,845,007</b>
<b>C. Cash Flow From Financing Activities :</b>		
(Repayment) / Borrowing from financial institutions/Others	329,280	-
<b>Net Cash From/ (Used In) Financing Activities (C)</b>	<b>329,280</b>	<b>-</b>
<b>Net Increase In Cash Or Cash Equivalents (A+B+C)</b>	<b>(1,689,324)</b>	<b>1,295,615</b>
<b>Cash And Cash Equivalents At The Beginning Of The Year</b>	<b>2,073,064</b>	<b>777,449</b>
<b>Cash And Cash Equivalents As At The End Of The Year</b>	<b>383,740</b>	<b>2,073,064</b>
<u>Component of cash and cash equivalents (Refer note 12)</u>		

As per our report of even date

For J M Pabari & Associates  
 Chartered Accountants

Firm Registration No. 117752W



Paresh J. Davda  
 Partner  
 Membership No.: 133308

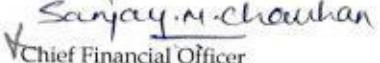
Place : Mumbai  
 Date: 30th May 2017



For and on behalf of the Board of Directors

  
 Managing Director  
 Jagan Mohan Reddy Thumma  
 Din No. 06554945

  
 Independent Director  
 Nikitha Tiparnapally  
 Din No. 07399613  
 Place : Hyderabad  
 Date: 30th May 2017

  
 Chief Financial Officer  
 Sanjay Chauhan  
 Pan No. AFLPC7749G

## SOUTH INDIA PROJECTS LIMITED

### Notes to the Financial Statements for the year ended 31st March, 2017

#### 1 Corporate information

**SOUTH INDIA PROJECTS LIMITED** ("the company") has its place of business is in Hyderabad and registered office is in Kolkatta.

#### 2 Significant accounting policies

##### a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and comply with the Accounting Standards as per Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 2013 to the extent applicable.

##### b) Use of estimates

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### c) Revenue recognition

- a) Sales are recorded net of trade discounts, sales tax/ value added tax, rebates and excise duty. Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.
- b) Incomes from services are recognised as they are rendered based on agreements/arrangements with the concerned parties.
- c) Interest income is recognised on time proportion basis. Dividend income on investment is considered when right to receive is established.

##### d) Investments

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower. In case of investments in mutual funds, the net asset value of units is considered as market/fair value.

##### e) Fixed assets and depreciation

- i. Tangible & Intangible: Fixed Assets are stated at cost, which comprises of purchase consideration and other directly attributable cost of bringing the assets to its working condition for the intended use.
- ii. Intangible assets are amortized over a period of Five years or as considered appropriate by the management. Depreciation on fixed assets is provided on SLM method at the rates and in the manner as prescribed in Schedule II to the Companies Act, 2013.



Sanjay. n. chauhan

+

W.L.B.

## SOUTH INDIA PROJECTS LIMITED

### Notes to the Financial Statements for the year ended 31st March, 2017

#### f) Provisions, Contingent Liabilities and Contingent Asset

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the assets and related income are recognized in the period in which the change occurs.

#### g) Taxation

##### a. Current Tax:

Provision for tax is based on the taxable profit for the accounting year after taking into consideration the relevant provisions of the Income Tax Act, 1961.

##### b. Deferred Tax:

Deferred tax resulting from timing difference between accounting and taxable income is accounted for using the tax rates and laws that are enacted or substantively enacted on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a virtual certainty that the asset will be realised in future.

#### h) Borrowing Cost:

Interest and other costs incurred in connection with the borrowing of the funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalized with the fixed assets.

#### i) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

#### j) Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

#### k) Preliminary Expenses:

Preliminary expenses are charged to Profit and Loss Account in the year in which it is incurred.



X *S. S. S. S.*

*W. K.*

*Sanjay. nichaudan*

X

**SOUTH INDIA PROJECTS LIMITED**

**Notes to the Financial Statements for the year ended 31st March, 2017**

Particulars	March 31, 2017	March 31, 2016
	Rs.	Rs.
<b>Note 3 : Share Capital</b>		
<b>Authorised Capital</b> 65,00,000 (Previous Year 40,00,000) Equity Shares of Rs.10 each fully paid up	65,00,000	40,00,000
<b>Total</b>	65,00,000	40,00,000
<b>Issued, Subscribed and Paid Up</b> 50,33,388 (Previous Year 30,33,388) Equity Shares of Rs.10 each fully paid up	50,333,880	30,333,880
<b>Total</b>	50,333,880	30,333,880

Note:

1. The company has only one class of equity with a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

2. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2017 and March 31, 2016 is set out below

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of shares held	Amount In Rs.	No. of shares held	Amount In Rs.
<b>Equity Shares</b>				
Number of Shares at the beginning	3,033,388	30,333,880	3,033,388	30,333,880
Add : Further Issue of Shares on acquisition of subsidiary	2,000,000	20,000,000	-	-
<b>Number of shares at the end</b>	<b>5,033,388</b>	<b>50,333,880</b>	<b>3,033,388</b>	<b>30,333,880</b>

3. Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2017		As at 31 March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Joseph Sudheer Reddy Thumma	2,119,346	42.11%	1,079,346	35.58%
Jagan Mohan Reddy Thumma	470,000	9.34%	150,000	4.94%
Dennis Reddy Thumma	320,000	6.36%	-	0.00%
Innammma Reddy Thumma	320,000	6.36%	-	0.00%



*Reddy*

*Reddy*

*Sanjay N. Chauhan*

*K*

**SOUTH INDIA PROJECTS LIMITED**

Notes to the Financial Statements for the year ended 31st March, 2017

Particulars	March 31, 2017	March 31, 2016
	Rs.	Rs.
<b><u>Note 4 : Reserves and Surplus</u></b>		
Securities Premium	240,000,000	-
General Reserve	31,522,620	31,522,620
Statutory Reserve u/s 45IC of RBI Act 1934	9,314,514	8,767,714
Add : Transfer from Profit & Loss Account	900,942	546,800
	10,215,456	9,314,514
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	13,164,317	10,977,168
Add: Profit/ (Loss) for the Year	4,504,710	2,733,948
Less: Transfer to Statutory Reserve	900,942	546,800
Closing balance	16,768,085	13,164,317
<b>Total</b>	<b>298,506,161</b>	<b>54,001,451</b>
<b><u>Note 5 : Long Term Borrowings</u></b>		
<u>Secured</u>		
Vehicle Loan	829,280	-
<u>Unsecured</u>		
From Others	-	500,000
<b>Total</b>	<b>829,280</b>	<b>500,000</b>
<b><u>Note 6 : Deferred Tax Liabilities</u></b>		
On account of Fixed assets	84,508	30,406
<b>Total</b>	<b>84,508</b>	<b>30,406</b>
<b><u>Note 7 : Other Current Liabilities</u></b>		
Creditors for expenses	2,669,386	349,961
Statutory liabilities payable	461,056	18,238
<b>Total</b>	<b>3,130,442</b>	<b>368,199</b>
<b><u>Note 8 : Short Term Provisions</u></b>		
Income tax Provision (net of taxes paid)	667,252	149,082
<b>Total</b>	<b>667,252</b>	<b>149,082</b>



*S. B.*

*N. B.*

*Sanjay M. Chauhan*

*X*

SOUTH INDIA PROJECTS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2017

Note 9 : Fixed Assets

Particulars	Gross block			Accumulated depreciation			Net block			
	Balance as at 1 April, 2016	Additions	Disposals	Balance as at 31 Mar, 2017	1 April, 2016	Depreciation / amortisation expense for the year		Eliminated on disposal of assets	Balance as at 31 Mar, 2017	Balance as at 31 March, 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets</b>										
Land	52,604	-	-	52,604	-	-	-	-	-	52,604
Computer & Printer	-	653,866	-	653,866	-	-	104,699	-	104,699	549,167
Office equipment	-	46,582	-	46,582	-	-	3,480	-	3,480	43,102
Vehicle	-	817,160	-	817,160	-	-	4,787	-	4,787	812,373
<b>Total</b>	<b>52,604</b>	<b>1,517,608</b>	<b>-</b>	<b>1,570,212</b>	<b>-</b>	<b>-</b>	<b>112,967</b>	<b>-</b>	<b>112,967</b>	<b>1,457,245</b>
Previous year	52,604	-	-	52,604	-	-	-	-	-	52,604



Sanjay M. Chauhan

N. K.

✓

N. K.

**SOUTH INDIA PROJECTS LIMITED**

Notes to the Financial Statements for the year ended 31st March, 2017

Particulars	March 31, 2017	March 31, 2016
	Rs.	Rs.
<b>Note 10 : Long term Investments</b>		
Investment in Wholly owned Subsidiary		
JNLT INC	260,000,000	-
<b>In Equity Instruments</b>		
Quoted Investment	-	29,415
<b>Total</b>	<b>260,000,000</b>	<b>29,415</b>
<b>Note 11 : Trade Receivables</b>		
More than six months	-	-
Others	3,057,270	-
<b>Total</b>	<b>3,057,270</b>	<b>-</b>
<b>Note 12 : Cash and Cash Equivalents</b>		
(a) Cash on hand	10,140	26,396
(b) Balances with banks		
(i) In current accounts	373,600	2,046,668
<b>Total</b>	<b>383,740</b>	<b>2,073,064</b>
<b>Note 13 : Short Term Loans and Advances</b>		
Advance to staff & Deposit	6,000	18,956
Inter Corporate Deposits	88,094,734	83,208,979
Prepaid Expenses	148,448	-
Balance with Government authorities	404,086	-
<b>Total</b>	<b>88,653,268</b>	<b>83,227,935</b>



*Deepti*

*N. Khan*

*Sanjay N. Khan*

**SOUTH INDIA PROJECTS LIMITED**

Notes to the Financial Statements for the year ended 31st March, 2017

Particulars	2016-2017 Rs.	2015-2016 Rs.
<b><u>Note 14 : Revenue From operation</u></b>		
Service Income	32,698,103	-
Interest Income	7,327,482	5,073,095
Gain on sale of Investments	3,339	2,283,620
<b>Total</b>	<b>40,028,924</b>	<b>7,356,715</b>
<b><u>Note 15 : Other Income</u></b>		
Dividend	-	363,071
Interest in IT Refund	-	21,630
<b>Total</b>	<b>-</b>	<b>384,701</b>
<b><u>Note 16 : Employee Benefit Expenses</u></b>		
Salary, bonus and allowances	25,212,977	420,000
Contribution to Pf & ESIC	1,015,182	-
Staff Welfare	914,081	-
<b>Total</b>	<b>27,142,240</b>	<b>420,000</b>
<b><u>Note 17 : Finance Cost</u></b>		
Interest Expense	9,390	3,000,209
<b>Total</b>	<b>9,390</b>	<b>3,000,209</b>
<b><u>Note 18 : Administrative and Other Expenses</u></b>		
Audit Fees	125,000	13,500
Bank charges	34,603	344
Sundry Expenses	162,547	142,490
Advertisement & Business Promotion	170,330	95,714
Professional Fees	549,630	306,406
Rent, Rates & Taxes	3,203,432	34,640
Telephone & Internet Charges	329,626	23,218
Shares Related Expenses	-	165,662
Insurance Vehicle	3,678	-
Electricity Expenses	757,338	-
Printing Expenses	59,786	33,307
Repairs & Maintenance	215,005	-
Conveyance & Travelling	374,501	21,978
<b>Total</b>	<b>5,985,476</b>	<b>837,259</b>



*S. D. D.*

*W. H.*

*Sanjay N. Chauhan*

**SOUTH INDIA PROJECTS LIMITED**  
 CIN: L72100WB1981PLC034342  
 Notes to the Financial Statements for the year ended 31st March, 2017

**19 Related party transactions**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

**19.1 Relationships during the year**

**(A) Key Managerial Personnel**

Jagan Mohan Reddy Thumma  
 Joseph Sudheer Reddy Thumma  
 Sanjay Mahendra Chauhan (CFO)

**(B) Wholly owned subsidiary**

JNLT INC (with effect from 16th March 2017)

**19.2 Related party transactions**

**(A) Transactions with related parties during the year :**

Particulars	March 31, 2017	March 31, 2016
<b>Receivables</b>		
JNLT Inc	3,057,270	-
<b>Service Income</b>		
JNLT Inc	32,696,103	-
<b>Director Remuneration</b>		
Jagan Mohan Reddy Thumma	438,328	420,000
Sanjay Mahendra Chauhan	1,650,000	-

**20 Earnings per share**

Particulars	March 31, 2017	March 31, 2016
Net profit after tax as per statement of profit and loss	4,504,710	2,733,948
Weighted average number of equity shares outstanding during the year	3,121,059	3,033,388
Nominal value per equity share	10	10
<b>Basic &amp; Diluted Earnings per share</b>	<b>1.44</b>	<b>0.90</b>

**21** In the opinion of the Board, the value of realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet.

**22** On the basis of the information available with the company, there are no micro and small scale business enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2017.



*Sanjay M. Chauhan*  
*AK*

*AK*

**SOUTH INDIA PROJECTS LIMITED**  
CIN: L72100WB1981PLC034342  
Notes to the Financial Statements for the year ended 31st March, 2017

23 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:

Particulars	SBNs	Other denomination	Total
Closing Cash on hand as on 8.11.2016	-	19,583	19,583
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	19,583	19,583

24 Previous Year figures

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year.

From true extract of Books of Accounts

For J M Pabari & Associates  
Chartered Accountants  
Firm Registration No. 117752

Paresh J. Davda  
Partner  
Membership No.: 133308

Place:  
Date: 30th May 2017



For and on behalf of Board of Directors

Managing Director  
Jagan Mohan Reddy Thumma  
Din No. 06554945

Independent Director  
Nikitha Tiparnapally  
Din No. 07399613  
Place:  
Date: 30th May 2017

Sanjay M. Chauhan  
Chief Financial Officer  
Pan No. AFLPC7749G

Sanjay M. Chauhan

# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of  
South India Projects Limited**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **South India Projects Limited** ("the Holding Company") and its subsidiaries ("the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

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

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk

# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

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

### **Other Matters**

We did not audit the financial information of subsidiary included in the consolidated financial results whose financial information reflect total assets of Rs. 33,46,07,661/- as at March 31, 2017, total revenues of Rs. 16,33,06,079/-, total net profit after tax of Rs. 42,00,681/- for the period ended on that date, as considered in the consolidated financial results. This financial information has been audited by other auditors whose report has been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of other auditor.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss Statement and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

# **J. M. PABARI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

301, Pancham Icon, Besides D-Mart, Vasna road, Vadodara - 390007

- (e) On the basis of the written representations received from the directors of the Group as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
  - iv. The Group has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Group.

**For J. M. Pabari & Associates**

Chartered Accountants

Firm Regn No. 117752W

**(Paresh J. Davda)**

(Partner)

Membership No. 133308

Place: Mumbai

Date : 30<sup>th</sup> May 2017

# SOUTH INDIA PROJECTS LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note	March 31, 2017 Amount In Rs	March 31, 2016 Amount In Rs
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
Share capital	3	50,333,880	-
Reserves and surplus	4	302,731,199	-
		353,065,079	-
<b>2 Non current liabilities</b>			
Long term borrowings	5	3,383,856	-
Deferred tax liabilities (net)	6	84,508	-
		3,468,364	-
<b>3 Current liabilities</b>			
Short term Borrowings	7	61,627,857	
Trade payables		24,766,335	
Other current liabilities	8	109,015,312	-
Short term provisions	9	45,096,087	-
		240,505,592	-
<b>TOTAL</b>		<b>597,039,035</b>	-
<b>II. ASSETS</b>			
<b>1 Non current assets</b>			
Fixed assets	10	9,393,483	-
i) Tangible assets		171,937,121	-
ii) Goodwill on consolidation		1,784,423	-
Long term loans & advances	11		
		183,115,027	-
<b>2 Current assets</b>			
Trade receivables	12	278,412,928	-
Cash and cash equivalents	13	619,915	-
Short term loans and advances	14	134,891,165	-
		413,924,008	-
<b>TOTAL</b>		<b>597,039,035</b>	-
Significant accounting policies & Note on financial statements	1 to 23		

As per our report of even date

**For J M Pabari & Associates**  
Chartered Accountants  
Firm Registration No. 117752W

**For and on behalf of Board of Directors**

Managing Director  
**Jagan Mohan Reddy Thumma**  
Din No. 06554945

**Paresh J. Davda**  
Partner  
Membership No.: 133308  
Place : Mumbai  
Date : 30th May 2017

Independent Director  
**Nikitha Tiparnapally**  
Din No. 07399613

Chief Financial Officer  
**Sanjay M. Chauhan**  
Pan No. AFLPC7749G

Place: Hyderabad  
Date: 30th May 2017

**SOUTH INDIA PROJECTS LIMITED**

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

Particulars	Note	2016-17 Amount In Rs	2015 - 16 Amount In Rs
Revenue from operations	15	196,683,855	-
Other income		-	-
<b>Total Revenue</b>		<b>196,683,855</b>	<b>-</b>
<b>Expenses:</b>			
Employee benefit expenses	16	162,576,884	-
Financial expenses	17	395,289	-
Depreciation	10	349,592	-
Other expenses	18	19,235,250	-
<b>Total Expenses</b>		<b>182,557,015</b>	<b>-</b>
<b>Profit before tax</b>		<b>14,126,840</b>	<b>-</b>
<b>Tax Expense:</b>			
Current tax		5,247,307	-
Short/(Excess) tax provision for earlier years		120,039	-
Deferred tax		54,102	-
<b>Profit after tax</b>		<b>8,705,391</b>	<b>-</b>
<b>Earning per share on Equity Shares of Rs. 10 each (Refer note 20)</b>			
- Basic		2.69	-
- Diluted		2.69	-
Significant accounting policies & Notes to financial statements	1 to 23		

**As per our report of even date**

**For J M Pabari & Associates**

Chartered Accountants

Firm Registration No. 117752W

**Pares J. Davda**

Partner

Membership No.: 133308

Place : Mumbai

Date : 30th May 2017

**For and on behalf of Board of Directors**

Managing Director

**Jagan Mohan Reddy Thumma**

Din No. 06554945

Independent Director

**Nikitha Tiparnapally**

Din No. 07399613

Place : Hyderabad

Date : 30th May 2017

Chief Financial Officer

**Sanjay Chauhan**

Pan No. AFLPC7749G

# SOUTH INDIA PROJECTS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

Particulars	March 31, 2017 Amount In Rs	March 31, 2016 Amount In Rs
<b>A. Cash Flow From Operating Activities :</b>		
Net profit before tax as per statement of profit and loss	14,126,840	-
<u>Adjustments for :</u>		
Depreciation	349,592	-
Interest Income	(7,417,315)	-
Interest expenses	395,289	-
<b>Operating Cash Flow Before Changes in Working Capital</b>	<b>7,454,406</b>	-
<b>Changes in current assets and liabilities</b>		
(Increase)/ Decrease in trade receivables	(19,196,181)	-
(Increase)/ Decrease in loans and advances & Current & Non Current assets	2,418,913	-
Increase/ (Decrease) in other current liabilities & provisions	(7,204,597)	-
<b>Cash Generated From Operations</b>	<b>(16,527,459)</b>	-
Payment of taxes (net of refunds)	(4,849,176)	-
<b>Net Cash Flow From Operating Activities (A)</b>	<b>(21,376,635)</b>	-
<b>B. Cash Flow From Investing Activities :</b>		
Purchase of fixed assets	(1,517,608)	-
(Purchase)/ Sale of Investments (net)	32,754	-
<b>Net Cash Flow From Investment Activities (B)</b>	<b>(1,484,854)</b>	-
<b>C. Cash Flow From Financing Activities :</b>		
(Repayment)/ Borrowing of loans	(8,446,754)	-
Interest paid on borrowing	(395,289)	-
<b>Net Cash From / (Used In) Financing Activities (C)</b>	<b>(8,842,044)</b>	-
<b>Net Increase In Cash Or Cash Equivalents (A+B+C)</b>	<b>(31,703,533)</b>	-
<b>Cash And Cash Equivalents At The Beginning Of The Year</b>	<b>2,073,064</b>	-
<b>Cash And Cash Equivalents of Subsidiary at the beginning</b>	<b>30,250,384</b>	-
<b>Cash And Cash Equivalents As At The End Of The Year</b>	<b>619,915</b>	-
<b>Component of Cash and Cash equivalents (Refer note 13)</b>		

As per our report of even date

**For J M Pabari & Associates**

Chartered Accountants

Firm Registration No. 117752W

**Pares J. Davda**

Partner

Membership No.: 133308

Place : Mumbai

Date : 30th May 2017

**For and on behalf of Board of Directors**

Managing Director

**Jagan Mohan Reddy Thumma**

Din No. 06554945

Independent Director

**Nikitha Tiparnapally**

Din No. 07399613

Place : Hyderabad

Date : 30th May 2017

Chief Financial Officer

**Sanjay M. Chauhan**

Pan No. AFLPC7749G

**SOUTH INDIA PROJECTS LIMITED**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

**Note 1: Corporate information**

SOUTH INDIA PROJECTS LIMITED ("the company") has its place of business in Hyderabad and registered office is in Kolkatta.

The subsidiary company, controlled directly or indirectly by the Company with percentage holding is as below:

i) JNIT Technologies INC. (100%) from 22nd February 2017.

**Note 2: Significant accounting policies**

**a) Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and comply with the Accounting Standards as per Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 2013 to the extent applicable.

**b) Principles of consolidation**

- i) The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21-'Consolidated Financial Statements'.
- ii) The financial statements of the Company and its subsidiaries have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. The results of subsidiaries acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. All significant intra group balances and transactions have been eliminated on consolidation. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the Company and its share in the post - acquisition increase in the relevant reserves of the subsidiaries/ joint ventures.
- iii) The excess of cost to the Company of its investments in subsidiaries over its share of the equity of the subsidiaries at the date on which the investment in the subsidiaries are made, is recognized as "Goodwill on Consolidation" being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of the investment is in excess of cost of investment of the Company, it is recognized as "Capital reserve" and shown under the head "Reserves and surplus", in the consolidated financial statements. Impact of currency translation on such "Goodwill" and "Capital reserve" is adjusted in the respective carrying amounts. The unamortized carrying value of goodwill is tested for impairment as at each Balance Sheet date. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the business combination. Cashgenerating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised in goodwill is not reversed in a subsequent period.
- iv) Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately. Losses applicable to minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the group.
- v) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's financial statements.

**c) Use of estimates**

The preparation of consolidated financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**d) Revenue recognition**

- a) Sales are recorded net of trade discounts, sales tax/ value added tax, rebates and excise duty. Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.
- b) Incomes from services are recognised as they are rendered based on agreements/arrangements with the concerned parties.
- c) Interest income is recognised on time proportion basis. Dividend income on investment is considered when right to receive is established.

**f) Investments**

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower. In case of investments in mutual funds, the net asset value of units is considered as market/fair value.

**g) Provisions, Contingent Liabilities and Contingent Asset**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

**SOUTH INDIA PROJECTS LIMITED**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2017

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the assets and related income are recognized in the period in which the change occurs.

**h) Fixed assets and depreciation**

i. Fixed assets are stated at cost of acquisition and installation less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

ii. Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule III to the Companies Act, 2013.

iii. Expenses incurred on Project and other charges during construction period are included under pre-operative expenditure (grouped under Capital Work in Progress) and are allocated to the cost of Fixed Assets on the commencement of commercial operations.

**i) Retirement benefits**

Long-Term Employee Benefits:

Defined Benefit Plan:

The company is accounting for Gratuity & Leave Encashment on payment basis.

**j) Taxation**

a. Current Tax:

Provision for tax is based on the taxable profit for the accounting year after taking into consideration the relevant provisions of the Income Tax Act, 1961.

b. Deferred Tax:

Deferred tax resulting from timing difference between accounting and taxable income is accounted for using the tax rates and laws that are enacted or substantively enacted on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a virtual certainty that the asset will be realised in future.

**k) Borrowing cost:**

Interest and Finance charges incurred in connection with borrowing of funds, which are incurred for development of long term project are transferred to construction work in progress as a part of cost of Project. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**l) Earnings per share**

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

**m) Cash and cash equivalent**

Cash and cash equivalent for the purpose of cash flow statement comprised cash at bank and cash in hand and other short term investment with maturity of three months or less.

**SOUTH INDIA PROJECTS LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	March 31, 2017 Amount In Rs	March 31, 2016 Amount In Rs
<b>Note 3:</b> <b>Share Capital</b>		
<b>Authorised</b> 65,00,000 (Previous Year 65,00,000) Equity Shares of Rs.10 each	65,000,000	65,000,000
	65,000,000	65,000,000
<b>Issued, Subscribed and Paidup</b> 50,33,388 (Previous Year 30,33,388) Equity Shares of Rs.10 each fully paid up	50,333,880	-
	50,333,880	-

**Note**

1. The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

2. Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	March 31, 2017		March 31, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>				
Joseph Sudheer Reddy Thumma	2,119,346	42.11%	1,079,346	35.58%
Jagan Mohan Reddy Thumma	470,000	9.34%	150,000	4.94%
Dennis Reddy Thumma	320,000	6.36%	-	0.00%
Innamma Reddy Thumma	320,000	6.36%	-	0.00%

**SOUTH INDIA PROJECTS LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2017

Particulars	March 31, 2017 Amount In Rs	March 31, 2016 Amount In Rs
<b>Note 4:</b> <b>Reserves and surplus</b>		
Securities Premium	240,000,000	-
General Reserve	31,522,620	-
Statutory Reserve u/s 45IC of RBI Act 1934	9,314,514	-
Add : Transfer from Profit & Loss Account	900,942	-
	10,215,456	
Foreign Currency Translation Reserve	24,357	-
<b>Opening Profit &amp; Loss balance</b>	13,164,317	-
Profit / (Loss) for the year	8,705,391	-
Less: Transfer to Statutory Reserve	900,942	-
	20,968,766	-
	302,731,199	-
<b>Note 5:</b> <b>Long term borrowings</b>		
Secured		
Vehicle Loan (Secured against vehicle)	3,383,856	-
	3,383,856	-
<b>Note 6:</b> <b>Deferred tax liabilities (net)</b>		
On account of fixed assets	84,508	-
	84,508	-

**SOUTH INDIA PROJECTS LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2017

Particulars	March 31, 2017 Amount In Rs	March 31, 2016 Amount In Rs
<b>Note 7:</b> <b>Short Term Borrowings</b> <b>Secured Loan</b> Line of Credit - Santendar Bank ( All the assets of the company are pledged as collateral towards the line of credit including unlimited gaurantee of the shareholders)	<b>61,627,857</b>	-
	<b>61,627,857</b>	-
<b>Note 8:</b> <b>Other current liabilities</b>		
Current maturities of long term borrowings	636,391	-
Statutory liabilities	461,056	-
Creditors for expenses	104,385,458	-
Advances from customers	3,532,407	-
	<b>109,015,312</b>	-
<b>Note 9:</b> <b>Short term provisions</b>		
Provision For income tax	45,096,087	-
	<b>45,096,087</b>	-

SOUTH INDIA PROJECTS LIMITED  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## Note 10 : Fixed assets

# SOUTH INDIA PROJECTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	March 31, 2017 Amount In Rs	March 31, 2016 Amount In Rs
<b>Note 11:</b> <b>Long term loans and advances</b>		
Deposits	1,784,423	-
	<b>1,784,423</b>	<b>-</b>
<b>Note 12:</b> <b>Trade receivables</b>		
More than six months	-	-
Others	278,412,928	-
	<b>278,412,928</b>	<b>-</b>
<b>Note 13:</b> <b>Cash and cash equivalents</b>		
Cash on hand	10,140	-
<u>Balances with banks</u>		
In current accounts	609,775	-
	<b>619,915</b>	<b>-</b>
<b>Note 14:</b> <b>Short term loans and advances</b>		
Advance to staff	2,079,149	-
Inter Corporate Deposits	110,530,770	-
Prepaid Expenses	1,708,659	-
Balance with Government authorities	404,086	-
Loans and advances to others	20,168,500	-
	<b>134,891,165</b>	<b>-</b>

**SOUTH INDIA PROJECTS LIMITED**  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	March 31, 2017 Amount In Rs	March 31, 2016 Amount In Rs
<b>Note 15:</b> <b>Revenue from operations</b>		
Service Income	189,263,201	-
Interest Income	7,417,315	-
Gain on Sale of Investment	3,339	
	<b>196,683,855</b>	-
<b>Note 16:</b> <b>Employee benefit expenses</b>		
Salary, bonus and allowances	148,242,419	-
Contribution to Pf & ESIC	1,015,182	-
Staff Welfare	13,319,283	-
	<b>162,576,884</b>	-
<b>Note 17:</b> <b>Financial expenses</b>		
Interest on secured loan	395,289	-
	<b>395,289</b>	-
<b>Note 18:</b> <b>Other expenses</b>		
Insurance	23,134	-
Telephone & Internet Exp	770,874	-
Bank Charges	156,036	-
Electricity charges	757,338	-
Software Consultancy & Development Charges	4,796,954	-
Rent, Rates & Taxes	5,761,022	-
Professional fees	549,630	-
Advertisement expense & Business Promotion	170,330	-
Auditors Remuneration	125,000	-
Printing & Stationary Expenses	59,786	-
Conveyance & Travelling expenses	2,363,305	-
Other miscellaneous expenses	3,486,837	-
Repairs & maintenance	215,005	-
	<b>19,235,250</b>	-

**SOUTH INDIA PROJECTS LIMITED**  
 CIN: L72100WB1981PLC034342  
 Notes to the Financial Statements for the year ended 31st March, 2017

**19 Related party transactions**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

**19.1 Relationships during the year**

**(A) Key Managerial Personnel**

Jagan Mohan Reddy Thumma  
 Joseph Sudheer Reddy Thumma  
 Sanjay Mahendra Chauhan (CFO)

**19.2 Related party transactions**

**(A) Transactions with related parties during the year :**

Particulars	March 31, 2017	March 31, 2016
<b>Director Remuneration</b>		
Jagan Mohan Reddy Thumma	438,328	420,000
Sanjay Mahendra Chauhan	1,650,000	-

**20 Earnings per share**

Particulars	March 31, 2017	March 31, 2016
<b>Net profit after tax as per statement of profit and loss</b>	8,705,391	-
Weighted average number of equity shares outstanding during the year	3,236,128	-
Nominal value per equity share	10	-
<b>Basic &amp; Diluted Earnings per share</b>	2.69	-

**21** In the opinion of the Board, the value of realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet.

**22** On the basis of the information available with the company, there are no micro and small scale business enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2017.

**23 Previous Year figures**

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year.

**From true extract of Books of Accounts**

**For J M Pabari & Associates**

Chartered Accountants

Firm Registration No. 117752W

**For and on behalf of Board of Directors**

Managing Director

**Jagan Mohan Reddy Thumma**

Din No. 06554945

**Pares J. Davda**

Partner

Membership No.: 133308

Independent Director

**Nikitha Tiparnapally**

Din No. 07399613

Chief Financial Officer

**Sanjay Chauhan**

Pan No. AFLPC7749G

Place:

Date: 30th May 2017

Place :

Date: 30th May 2017