

**24<sup>th</sup>**  
**Annual Report**  
**2015 - 2016**

**SSK LIFESTYLES LIMITED**

*(Formerly 'Fine Plast Polymers Limited')*

CIN: L52100TG1992PLC014932



**24<sup>th</sup> Annual General Meeting**

30<sup>th</sup> September 2016

at 10:00 A.M.

at 105, Vasavi's Central Court, Adjacent to HDFC Bank,  
Czech Colony, Sanathnagar, Hyderabad-500018, Telangana

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## SSK LIFESTYLES LIMITED

### **Board of Directors:**

Mr. K RATNAKARARAO	:	Whole Time Director
Mr. P MASTAN RAO	:	Non-Executive Promoter Director
Mrs. J VAGHIRAKUMARI	:	Independent Director
Mr. M V SRIDHAR KUMAR	:	Independent Director
Mr. V Y KRISHNARAO	:	Independent Director
Mr. CH D V V PRASAD RAO	:	Chief Financial Officer
Mr. R V RADHAKRISHNA	:	Company Secretary

### **Audit Committee:**

Mr. M V SRIDHAR KUMAR	:	Chairman
Mr. V Y KRISHNARAO	:	Member
Mrs. J VAGHIRAKUMARI	:	Member

### **Nomination and Remuneration Committee:**

Mr. M V SRIDHAR KUMAR	:	Chairman
Mrs. J VAGHIRAKUMARI	:	Member
Mr. V Y KRISHNARAO	:	Member

### **Stakeholders Relationship Committee:**

Mrs. J VAGHIRAKUMARI	:	Chairman
Mr. V Y KRISHNARAO	:	Member
Mr. M V SRIDHAR KUMAR	:	Member

**Registered Office** : Flat No. 203, Reliance Manor, P No. 7,  
Road No. 12, Banjara Hills,  
Hyderabad-500034, Telangana

**Corporate Identity Number** : L52100TG1992PLC014932

**Auditors** : M/s. Ramasamy Koteswara Rao & Co.,  
Chartered Accountants  
Road No. 12, MLA's Colony, Banjara Hills  
Hyderabad-500034, Telangana

**Bankers** : The Karur Vysya Bank Ltd

**Listed at** : BSE Limited

**Registrars and Share Transfer Agents** : Venture Capital and Corporate Investments Pvt. Ltd  
12-10-167, Bharat Nagar, Hyderabad-500018



## SSK LIFESTYLES LIMITED

### **NOTICE**

Notice is hereby given that the **24<sup>th</sup> Annual General Meeting of the Members of 'SSK Lifestyles Limited' (Formerly 'Fine Plast Polymers Limited')** will be held on **Friday, the 30<sup>th</sup> day of September 2016** at 10.00 a.m. at 105, Vasavi's Central Court, Adjacent to HDFC Bank, Czech Colony, Sanathnagar, Hyderabad-500018, Telangana to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and pass the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year 2015-16 together with the Directors Report and the Auditors' Report thereon be and are hereby considered and adopted."

2. To consider and pass the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT Mr. K Ratnakara Rao (DIN: 06376269), who retires by rotation, be and is hereby appointed as a Director of the Company."

3. To consider and pass the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to Section 139 and Section 141 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the consent of the members of the Company be and are hereby accorded to ratify the appointment of M/s. Ramasamy Koteswara Rao & Co., (FRN: 010396S), Chartered Accountants, Hyderabad, from whom a written consent and a certificate satisfying the criteria provided in Section 141 has been received, who have been appointed as Statutory Auditors of the Company to hold office from the 23<sup>rd</sup> Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting of the Company to be held in the year 2020, subject to ratification by the members at every Annual General Meeting, and the Board of Directors be and are hereby authorized to fix their remuneration in consultation with the statutory auditors."

**By Order of the Board**

Hyderabad, 12<sup>th</sup> August 2016

**SD/-**  
**K Ratnakara Rao**  
Whole Time Director  
DIN: 06376269

### **Notes:**

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMEBR OF THE COMPANY. A person can act as 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. However, a member holding more than ten percent of the total share capital of the Company voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument appointing the proxy in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before commencement of the AGM. A proxy form is being sent herewith. Only registered members of the Company or any proxy appointed by such registered members may attend the AGM as provided under the provisions of the Companies Act, 2013.
- 2 During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company (10.00 a.m. to 1.00 p.m.), provided not less than 3 days' written notice is given to the Company.

## SSK LIFESTYLES LIMITED

- 3 Corporate Members are requested to send a duly certified copy of the Board resolution / Power of Attorney authorizing their representative to attend and vote at the Meeting.
- 4 The Register of Members and the Share Transfer Books of the Company will remain closed **from Saturday, the 24<sup>th</sup> September 2016 to Friday, the 30<sup>th</sup> September 2016** (both days inclusive).
- 5 Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
- 6 Electronic copy of the Notice for the 24<sup>th</sup> Annual General Meeting and the Annual Report 2015-16 are being sent by electronic mode to all the members whose email ids are registered with the Company / depository participant(s) and for members who have not registered their email addresses, physical copy of the Notice together with the Annual Report are being sent in permitted mode to all those members whose names appear in the Company's register of members/register of beneficial owners on 2<sup>nd</sup> September 2016. Upon request, printed copy of the Notice together with the Annual Report will be supplied to the shareholders. The Notice together with the Annual Report is also available on the Company's Website - [www.ssklifestyles.com](http://www.ssklifestyles.com) for their download.
- 7 Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not got their email ids registered, are requested to register their email address and changes therein with the Company in respect of physical shares and with Depository Participants in respect of dematerialized shares. Members are also requested to provide their Unique Identification Number and PAN (CIN in the case of Corporate Members) to the Company / Depository Participants.
- 8 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit 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 / STA.
- 9 Mr. A N Sarma, Company Secretary in Practice, (CP No. 7812, M No. 4557) of M/s. A N Sarma & Co., Company Secretaries has been appointed as the Scrutinizer for conducting the voting by ballot or polling at the meeting in a fair and transparent manner.
- 10 The Company has fixed Friday, 23<sup>rd</sup> September 2016 as cut-off date for identifying the Shareholders for determining the eligibility to vote by electronic means or in meeting by the ballot or polling. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off/entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.
- 11 The voting rights will be reckoned on the paid-up value of the shares registered in the name of the shareholders on Friday, 23<sup>rd</sup> September 2016, the cut-off date for identifying the Shareholders for determining the eligibility to vote by electronic means or in meeting by the ballot or polling.
- 12 Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during business hours (10.00 a.m. to 1.00 p.m.) up to the date of the meeting.
- 13 Members may address their queries / communications at [info@ssklifestyles.com](mailto:info@ssklifestyles.com).
- 14 (i) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing members a facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through such voting, through e-Voting services provided by Central Depository Services (India) Limited (CDSL).  
  
(ii) The facility for voting through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-Voting shall be able to exercise their right at the meeting.  
  
(iii) The members who have cast their vote by remote e-Voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

## SSK LIFESTYLES LIMITED

### Voting through electronic means:

The facility for remote e-Voting shall remain open from 9.00 a.m. on Tuesday, the 27<sup>th</sup> September 2016 to 5.00 p.m. on Thursday, the 29<sup>th</sup> September 2016. During this period, the members of the Company, holding shares either in Physical form or in Dematerialized form, as on the cut-off-date, viz., Friday, the 23<sup>rd</sup> September 2016, may opt for remote e-Voting. The e-voting module shall be disabled by CDSL for voting thereafter.

The instructions for e-Voting are as under:

- i) To log on to the e-Voting website **www.evotingindia.com**.
- ii) To Click on Shareholders tab.
- iii) Now Select the "SSK LIFESTYLES LIMITED" from the drop down menu and click on "SUBMIT".
- iv) Now enter your User ID as given below:
  - For CDSL: 16 Digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Captcha Code as displayed and Click on Login.
- vi) PASSWORD
  - 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.
  - If you are first time user follow the steps given below:
    - a) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).

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.

\* Sequence number is available in the address label pasted in the cover and / or in the e-mail sent to Members. 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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
    - b) Please enter any one of the following details in order to login:

Date of Birth: Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details: Please enter Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

If both of the above details are not recorded with the depository or Company, please enter the member ID/Folio Number in the Dividend Bank details field.
- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Set Password' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also 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.

## SSK LIFESTYLES LIMITED

- ix) For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- x) Click on the relevant EVSN for 'SSK LIFESTYLES LIMITED' on which you choose to vote.
- xi) 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.
- xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolutions.
- xiii) 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.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you clicking on "Click here to Print" option on the Voting page. It need not be sent to the Company.
- xvi) If demat account holder has forgotten the changed password, then Enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.
- xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
  - A. 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).
  - B. Smt. N. Vanitha, Company Secretary in Practice, (CP No. 10573, M No. 26859) of M/s. P.S. Rao & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
  - C. Copy of the Notice together with Annual Report 2015-16 are being sent by to those Members whose names appear in the Register of Members / statements of beneficial ownership maintained by the Depositories as on the close of business hours on Friday, 2<sup>nd</sup> September 2016. Any person who becomes a member of the Company after the said date and holding shares as on the cut-off date i.e. Friday, the 23<sup>rd</sup> September 2016 may obtain user ID and Password by sending an email request to [info@vccilindia.com](mailto:info@vccilindia.com). Members may also send a request to the Company Secretary by writing to him at the registered office of the Company.
  - D. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer, by use of ballot or polling paper or by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
  - E. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith. The Results so declared, along with the Scrutinizer's Report, shall be placed on the Company's website viz. [www.ssklifestyles.com](http://www.ssklifestyles.com). The results shall also be forwarded to stock exchange.

## SSK LIFESTYLES LIMITED

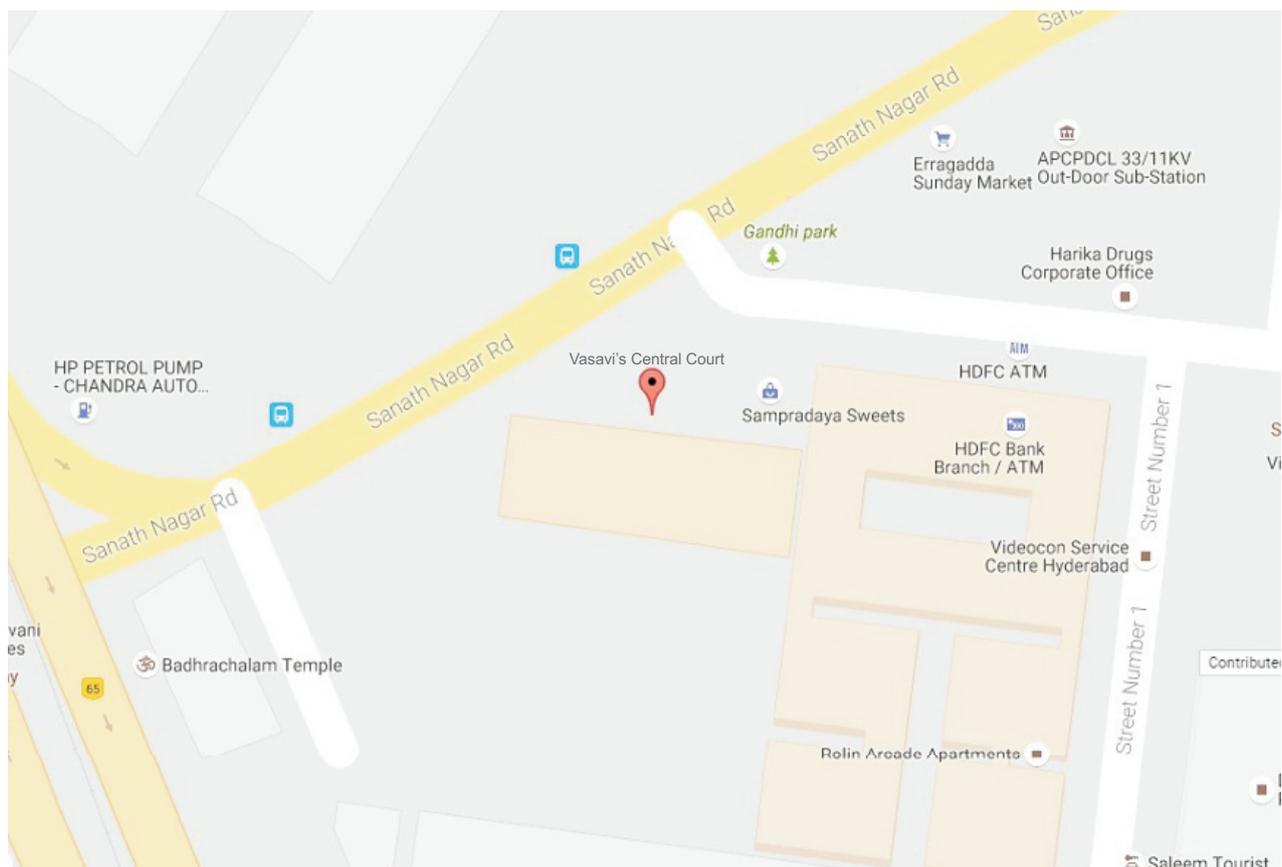
### Annexure to the Notice

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

Particulars	K Ratnakara Rao
Date of Birth	13-06-1970
Date of Appointment	14-08-2015
Expertise in specific functional areas	Accounts, Finance and Management
Relationship between Directors inter-se	No Relationship with other Directors
Directorships held in other companies (excluding private limited and foreign Companies)	NIL
Membership of committees in other Companies	NA
No. of Shares held as on March 31, 2016	NIL

### **Venue of the 24th Annual General Meeting**

105, Vasavi's Central Court, Adjacent to HDFC Bank, Czech Colony,  
Sanathnagar, Hyderabad-500018, Telangana



## SSK LIFESTYLES LIMITED

### DIRECTORS' REPORT

Your Directors have the pleasure of presenting this 24<sup>th</sup> Annual Report along with the Audited Financial Statements and the Auditor's Report thereon for the Financial Year ended 31<sup>st</sup> March 2016.

#### **FINANCIAL PERFORMANCE:**

(Rs. in '000)

Particulars	2015-16	2014-15
Gross Total Income	0	7773
Other Income	0	337
Profit before financial expenses, depreciation and taxation	3465	(-) 5262
Financial Expenses	0	0
Depreciation	0	2007
Profit Before Exceptional Items and Taxation	3465	(-) 3255
Exceptional Items	0	1193
Profit Before Taxation	3465	(-) 4448
Provision of Taxes	0	0
Profit After Taxation	3465	(-) 4448

#### **DIVIDEND:**

Your Directors do not recommend any dividend for the financial year.

#### **CHANGE IN THE PAID UP SHARE CAPITAL OF THE COMPANY:**

During the year under review, the paid-up capital of your Company was increased from Rs.7.119 Crores to Rs.9.739 Crores on account of issue and allotment of 26,19,500 equity shares to non-promoter category on preferential basis. The paid-up capital further increased to Rs. 10 crores as a result of re-issue and allotment of 2,60,800 forfeited equity shares in May 2016.

#### **FIXED DEPOSITS:**

The Company has neither accepted nor renewed any deposits falling within the provisions of Sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from the its member and public during the Financial Year.

#### **DIRECTORS:**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. K Ratnakara Rao, Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

#### **BOARD MEETINGS:**

The Board of Directors met 9 times during the year on 30-05-2015, 14-08-2015, 31-08-2015, 20-10-2015, 20-11-2015, 19-12-2015, 24-12-2015, 03-02-2016 and 24-03-2016. The maximum gap between any two meetings was less than 120 days as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Independent Directors met on 03-02-2016 without the presence of Non-Independent Directors and the members of the Management.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

## SSK LIFESTYLES LIMITED

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed and there are no material departures;
- ii. accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the loss of the Company for the year ended on that date;
- iii. proper and sufficient care have been taken for the maintenance of accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing & detecting fraud and/or other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. internal financial controls have been laid down by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

### **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the other Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

### **STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Ramasamy Koteswara Rao & Co., (FRN: 010396S), Chartered Accountants, Hyderabad, the Statutory Auditors of the Company, hold office up to the conclusion of the 28<sup>th</sup> Annual General Meeting. However, their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of Annual General Meeting for seeking approval of members.

### **SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. P.S.Rao & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as '**Annexure I**' and forms an integral part of the Board's Report.

There were no secretarial audit qualifications for the year under review.

### **INTERNAL AUDITORS:**

The Company has appointed M/s. S V P & Co., (FRN: 014048S), Chartered Accountants, Hyderabad as Internal Auditors of the Company to fill the vacancy caused by resignation of M/s. Nekkanti Srinivasu & Co.

## **SSK LIFESTYLES LIMITED**

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

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company

### **RISK MANAGEMENT FRAMEWORK:**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. The Internal Audit Reports were reviewed periodically by Audit Committee as well as by the Board. Further, the Board annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) is adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143 (3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

### **RELATED PARTY TRANSACTIONS:**

There were no materially significant related party transactions which could have had a potential conflict with the interests of the Company. Transactions entered with related parties are in the ordinary course of business on arm's length and are periodically placed before the Audit Committee and Board for its approvals and the particulars of contracts / Arrangements entered during the year in Form AOC-2 is enclosed as '**Annexure II**'.

The Company has developed a Policy on Related Party Transactions in accordance with provisions of all applicable laws for the purpose of identification and monitoring of such transactions. The Policy on dealing with related party transactions is available on the website of the Company [www.ssklifestyles.com](http://www.ssklifestyles.com)

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

The Company has not given any loans or given guarantees or made investments in any other company.

### **PARTICULARS OF EMPLOYEES:**

There are no employees drawing remuneration exceeding the limits as specified under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration are provided in '**Annexure III**'.

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

Aspects of Management Discussion and Analysis are enclosed as '**Annexure IV**' to this report

### **CORPORATE GOVERNANCE REPORT:**

The paid-up equity share capital and net worth of the Company is not exceeding Rs. 10 Crores and 25 Crores. Hence, the provisions of Para C, D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

## SSK LIFESTYLES LIMITED

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

#### A. Conservation of Energy:

Being a wholesale and retail trading company and not involved in any industrial or manufacturing activities, the Company's activities involve very low energy consumption and has no particulars to report regarding conservation of energy. However, efforts are made to further reduce energy consumption.

B. Technology Absorption : NIL

C. Foreign Exchange Earnings & Outgo :

	(In Rs. Lakhs)	
	<u>2015-16</u>	<u>2014-15</u>
Foreign Exchange earnings	Nil	Nil
Foreign Exchange outgo	Nil	Nil

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

The present financial position of your Company does not mandate the implementation of corporate social responsibility activities pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013. The Company will constitute CSR Committee, develop CSR policy and implement the CSR initiatives whenever it is applicable to the Company.

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

The details forming part of the extract of the Annual Return in form MGT 9 as required under Section 92 of the Companies Act, 2013, is annexed herewith as '**Annexure V**' to this report.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

None of the orders passed by the Any Regulator / Courts which would impact the future operations / going concern status of the Company.

### **ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to record their appreciation for the continuous support and co-operation extended by the customers and bankers. The Directors also acknowledge the confidence reposed by the investors and shareholders in the Company.

Hyderabad, 12<sup>th</sup> August 2016

**By Order of the Board**  
**SD/-**  
**K Ratnakara Rao**  
**Chairman of the Meeting**

**Form MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For The Financial Year Ended 31<sup>st</sup> March 2016**  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the  
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
**SSK LIFESTYLES LIMITED**  
CIN: L52100TG1992PLC014932

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SSK Lifestyles Limited (hereinafter called 'the company') having its registered office at Flat No. 203, Reliance Manor, P No.7, Road No.12, Banjara Hills, Hyderabad-500034, Telangana. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We 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, 2016 according to the provisions of:
  - i. The Companies Act, 2013 ('the Act') and the rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India (SEBI) Act, 1992:-
    - 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;
  - vi. Listing Agreements entered into by the Company with BSE Limited;
  - vii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - viii. Secretarial Standards issued by the Institute of Company Secretaries of India;
  - ix. There are no other laws specifically applicable to the Company;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

## SSK LIFESTYLES LIMITED

2. We informed that, during the year the Company was not required to maintain any books, papers, minute books or other records or to file any forms / returns according to the provisions of:

- a. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

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

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

We further report that during the audit period, the Company has passed the Special Resolution for issue and allotment of 26,19,500 equity shares on preferential basis to the persons under Non-Promoter Category.

Place: Hyderabad  
Date: 12<sup>th</sup> August, 2016

**P. S. Rao & Associates**  
Company Secretaries

**SD/-**  
**N. Vanitha**  
M. No.26859  
C.P.No.10573

**DETAILS OF RELATED PARTY TRANSACTIONS  
FORM NO. AOC - 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered into any contracts or arrangements or transactions with its Related parties which were not at arm's length basis during the financial year 2015-16.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

<b>S. No</b>	<b>Name of the related party and nature of relationship</b>	<b>Nature of contracts/ arrangements / transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Date of approval by the Board, if any</b>	<b>Amount paid as advances, if any</b>
1	K Ratnakara Rao Whole-Time Director	Loan Received	Rs. 3,04,352/-	-----	-----

**Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

I. The ratio of the remuneration of each director to the median remuneration of the employees of the company:

No Remuneration paid to the Directors and employees of the Company. Hence, Not applicable

II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary or manager, if any, in the Financial Year 2015-16:

The Company has not paid any Remuneration to the Directors, Chief Financial Officer, Chief Executive officer and Company Secretary. Hence, Not applicable.

III. The percentage increase in the median remuneration of the employees in the financial year:

During the year the Company has not paid any remuneration to the employees. Hence, Not Applicable.

IV. There were 6 Permanent employees on the rolls of the Company, as on 31<sup>st</sup> March 2016.

V. (a) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year:

The Company had not paid salaries to Managerial Personnel and employees. Hence, Not Applicable.

(b) Its comparison with the percentile increase in the managerial remuneration:

The Company had not paid Managerial remuneration. Hence, Not applicable.

(c) Justification thereof and point out if there is any Managerial Remuneration increased by exceptional circumstances for increase in the managerial remuneration:

The Company had not paid Managerial remuneration. Hence, Not applicable.

VI. It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

**MANAGEMENT DISCUSSION AND ANALYSIS****Economic Overview with specific reference to Retail Industry:**

The Indian textiles business is the one of the largest and oldest sector in the country and most important in the economy in terms of output, investment and employment. This sector employs nearly 35 million people and after agriculture is the second highest employer in the country. Its importance is underlined by the fact that it accounts for around 4% of Gross Domestic Product, 14% of industrial production, 9% of excise collections, 18% of employment in the industrial sector, and 16% of the country's total exports earnings. With direct linkages to the rural economy and the agriculture sector, it has been estimated that one of every six households in the country depends on this sector, either directly or indirectly, for its livelihood.

**Overview of the Sector & Business:**

Many leading retail houses in the country admit to 15-20% increase in saree sales over the last year. Even expensive designer sarees are now being bought by a whole lot. A visible indication of saree sales being untouched by slowdown blues. Industry estimates the saree market at a massive \$12 billion in India. Experts says that the demand is steady despite the economic slump. Sarees like the Patola command a niche market with primarily the NRIs and affluent lot buying them from us. Various other states of India, too, can be credited for making the saree an iconic sensation. Each saree mirrors an effortless story woven around the country's royal tradition and heritage. With their unique charm and appeal, it is little wonder that sales have still been soaring at a time when spending on other categories have seen a sharp drop.

**Strengths:**

- We continue to invest in our retail front end as well as back end processes with IT enablement. The Company believes that continuous investment in people, process and technology will drive sustainable and profitable growth for the Company.
- Our core business is selling sarees; we are selling all types of sarees which is affordable to all class of people.
- The company offers variety of sarees for various occasions that helps in increasing the number of customers;
- Experienced management team which we believe provides us with the requisite skills and execution capabilities to achieve the Company's growth aspirations.
- Improved efficiency of working capital management.
- Strong retailers and customer connectivity

**Opportunities:**

Inspite of global slowdown, the Indian retail sector is expanding at a rapid rate. The various opportunities in the organized retail sector in India are mainly there for the Indian consumers behavior pattern has changed. Now the Indian consumer gets more hefty pay- packages, is younger, a large number of women are working, western influences, and more disposable income have opened a lot of opportunities in Indian organized retail sector.

Indian wear is still the most preferred choice for any traditional occasion like marriage and family functions. In spite of the big influence of Western wear, a majority of women still have a large representation of ethnic wear in their wardrobe for various occasions. In fact, the willingness to spend has increased all the more with different traditional and contemporary designs being offered;

**Threats:**

The overall negative impact of the global economies / slowdown in economic growth in India at anytime may hamper the plans and performance of the company;

A significant change in Government of India's economic liberalization and de-regulation policies or key industries regulations, could disrupt the business of the company;

The world is changing and India is also keeping pace with it. The Lifestyle of the Consumer is changing due to advent of new technology, increase in mobility, increase in disposal income and media exposure. Today's consumer is more knowledgeable and more demanding and one such industry which has made an phenomenal impact on our daily lives is retail.

## SSK LIFESTYLES LIMITED

### **Outlook:**

The outlook for the Company appears bright on long term basis. The company is hopeful that its performance in the years to come would be encouraging as the Company is launching new models. Your Company will endeavor to maintain and enhance its position in the lifestyle market

### **Internal Control Systems and their Adequacy:**

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

### **Discussion on Financial Performance:**

During the fiscal year 2015-16 your Company recorded total income of Rs.42.09 Lakhs and net profit of Rs. 34.65 Lakhs as compared to the total income of Rs. 81.09 Lakhs and a net loss of Rs. 44.47 Lakhs for the previous financial year.

### **Human Resources/Industrial Relations:**

In a competitive economy, the proper utilization of human resources plays a crucial role. It begins with best practices in recruiting people and moves through learning and development, engagement, employee feedback and rewards and recognition. Towards this, your Company took various initiatives and has maintained healthy and harmonious industrial relations at all locations. The dedication and hard work of productive and dynamic goal oriented team is the key factor to the success of your Company. We believe that hiring the right personnel and proper retaining is key to this success. To keep the Company and its human resource competitive, we organized various training programs and experts were engaged to train the employees at various levels. This active process of learning has allowed employees enhance competence and motivation.

### **Cautionary Statement:**

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic development within/outside country etc.

**By Order of the Board**

Hyderabad, 12<sup>th</sup> August 2016

**Sd/-  
K Ratnakara Rao  
Chairman of the meeting**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
For the financial year ended 31<sup>st</sup> March 2016**  
[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	L52100TG1992PLC014932
ii.	Registration Date	23 <sup>rd</sup> October, 1992
iii.	Name of the Company	SSK Lifestyles Limited
iv.	Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	Flat No. 203, Reliance Manor, P No. 7, Road No. 12, Banjara Hills, Hyderabad-500034, Telangana. Tel/Fax:040-64640208 E-mail: info@ssklifestyles.com Website: www.ssklifestyles.com
vi.	Whether listed Company	Yes
vii.	Name, Address & Contact details of Registrar & Transfer Agent, if any	Venture Capital and Corporate Investments Pvt Ltd D No. 12-10-167, Bharat Nagar, Hyderabad 500018, Telangana Tel: 040 - 23818475, Fax: 040 - 23868024 E-mail: info@vccilindia.com Website: www.vccilindia.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:-

S. No.	Name and Description of main products / service	NIC Code of the Product/ service	% to total turnover of the Company
1	Retail trade not in stores, stalls or markets	47990	100 %

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

-NIL-

## SSK LIFESTYLES LIMITED

### 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	1473000	0	1473000	20.69	1473000	0	1473000	15.12	-5.57
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other...	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>1473000</b>	<b>0</b>	<b>1473000</b>	<b>20.69</b>	<b>1473000</b>	<b>0</b>	<b>1473000</b>	<b>15.12</b>	<b>-5.57</b>
<b>(2) Foreign</b>									
g) NRIs - Individuals	0	0	0	0	0	0	0	0	0
h) Other – Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1473000</b>	<b>0</b>	<b>1473000</b>	<b>20.69</b>	<b>1473000</b>	<b>0</b>	<b>1473000</b>	<b>15.12</b>	<b>-5.57</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds									
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	330	92400	92730	1.30	2019500	92400	2111900	21.68	20.38
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	25609	428400	454009	6.38	27039	411700	438739	4.50	-1.88
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5084461	10700	5095161	71.56	5710561	0	5710561	58.63	-12.93
c) Others (specify)	0	0	0	0	0	0	0	0	0
i) NRI's	0	4800	4800	0.07	0	4800	4800	0.05	-0.02
ii) Clearing Members	0	0	0	0	200	0	200	0.02	-0.02
<b>Sub-total (B)(2):-</b>	<b>5110400</b>	<b>536300</b>	<b>5646700</b>	<b>79.31</b>	<b>7757300</b>	<b>508900</b>	<b>8266200</b>	<b>84.88</b>	<b>5.57</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>5110400</b>	<b>536300</b>	<b>5646700</b>	<b>79.31</b>	<b>7757300</b>	<b>508900</b>	<b>8266200</b>	<b>84.88</b>	<b>5.57</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>6583400</b>	<b>536300</b>	<b>7119700</b>	<b>100</b>	<b>9230300</b>	<b>508900</b>	<b>9739200</b>	<b>100</b>	

**Note:** During the year, the Company had issued and allotted 26,19,500 equity shares to non-promoter category on preferential basis. Hence, the paid-up Capital of the Company was increased from Rs. 71,197,000/- to Rs. 97,392,000/-

## SSK LIFESTYLES LIMITED

### (ii) Shareholding of Promoters:

S. No.	Shareholder Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	P Arun Kumar	583100	8.19	Nil	583100	5.99	Nil	- 2.20
2	P Srikanth	508900	7.15	Nil	508900	5.22	Nil	- 1.93
3	P Mastan Rao	205700	2.89	Nil	205700	2.11	Nil	- 0.78
4	P V Subbamma	175300	2.46	Nil	175300	1.80	Nil	- 0.66
	<b>Total</b>	<b>1473000</b>	<b>20.69</b>		<b>1473000</b>	<b>15.12</b>		<b>- 5.57</b>

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

S. No.		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.	At the beginning of the year	No changes during the year			
2.	Date wise Increase / Decrease in Promoters Share Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No changes during the year			
3.	At the end of the year	No changes during the year			

**Note:** During the year the Company has allotted 26,19,500 equity shares on preferential basis to non-promoter category. Hence, the Percentage of Shareholding of the Promoters has been diluted from 20.69% to 15.12%.

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

S. No.	For Each of the Top 10 Shareholders	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.	At the beginning of the year	As per 'Appendix A' enclosed			
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
3.	At the end of the year ( or on the date of separation, if separated during the year)				

## SSK LIFESTYLES LIMITED

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

S. No.	Name	Shareholding					Cumulative Shareholding during the year	
		No. of Share at the Beginning (01.04.2015) / end of the year (31.03.2016)	% of total Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	No. of shares	% of Total Shares of the Company
1	P Mastan Rao	205700	2.89	01-04-2015	-	NA	205700	2.11
		205700	2.11	31-03-2016				
2	Ch D V V Prasad	0	0	01-04-2015	12500	Purchase	12500	0.13
		12500	0.13	31-03-2016				

No other directors and key managerial persons hold Shares in the Company.

### V. Indebtedness:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	17,13,656	0	17,13,656
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	3,04,352	0	3,04,352
* Reduction	0	0	0	0
<b>Net Change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	20,18,008		20,18,008

### VI. Remuneration of Directors And Key Managerial Personnel:

#### (i) Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company has not paid remuneration to the Whole-Time Director

#### (ii) Remuneration to other directors:

The Company has not paid remuneration to the Directors

#### (iii) Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

The Company has not paid remuneration to the Key Managerial Personnel other than MD/ Manager/ WTD

### VII. Penalties / Punishment/ Compounding Of Offences:

There were no penalties / punishment / compounding of offences for the year ending March 31, 2016.

## SSK LIFESTYLES LIMITED

### Appendix A: Details of Shareholding Pattern of top 10 Shareholders

S. No	Name	Shareholding					Cumulative shareholding during the year (1-4-15 to 31-3-16)	
		No. of Share at the Beginning(01.04.2015) / end of the year (31.03.2016)	% of total Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	No. of shares	% of Total Shares of the Company
1	Dcrypt Technologies Pvt Ltd *	-	-	01-04-2015	-	-	-	-
		2019500	20.68	24-12-2015	2019500	Preferential Issue	2019500	20.68
		2019500	20.68	31-03-2016	-	-	2019500	20.68
2	P N V T Sravani	1400000	19.66	01-04-2015	-	-	1400000	14.37
		1400000	14.37	31-03-2016				
3	V Sreevani	1400000	19.66	01-04-2015	-	-	1400000	14.37
		1400000	14.37	31-03-2016				
4	Ch N K D Prasad	1300000	18.26	01-04-2015	-	-	1300000	13.34
		1300000	13.34	31-03-2016				
5	Sivaji Movva *	-	-	01-04-2015	-	-	-	-
		600000	6.16	24-12-2015	600000	Preferential Issue	600000	6.16
		600000	6.16	31-03-2016	-	-	600000	6.16
6	Satyanarayana N	302300	4.25	01-04-2015	-	-	302300	3.1
		302300	3.1	31-03-2016				
7	Chowdary Raparla	250000	3.51	01-04-2015	-	-	250000	2.57
		250000	2.57	31-03-2016				
8	Mohan Krishna P	156461	2.20	01-04-2015	-	-	156461	1.61
		156461	1.61	31-03-2016				
9	T V Appa Rao	147700	2.07	01-04-2015	-	-	147700	1.51
		147700	1.51	31-03-2016				
10	A Kalyan Srinivas	128000	1.80	01-04-2015	-	-	128000	1.31
		128000	1.31	31-03-2016				
11	Allen Co-operative Bank Limited #	70000	0.98	01-04-2015	-	-	70000	0.72
		70000	0.72	31-03-2016				
12	T Bhagya Lakshmi #	15600	0.22	01-04-2015	-	-	15600	0.22
		-	-	31-05-2015	(10700)	Sale of Shares	4900	0.07
		4900	0.05	31-03-2016	-	-	4900	0.05

\* Not in the list of Top 10 shareholders as on April 1, 2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2016.

# Ceased to be in the list of Top 10 shareholders as on March 31, 2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2015.

## INDEPENDENT AUDITOR'S REPORT

**To the Members of  
M/s. SSK LIFESTYLES LIMITED**

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

We have audited the accompanying financial statements of **M/s.SSK LIFESTYLES LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and summary of 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 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence

We have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 March 31, 2016, and its Profit and its Cash Flow for the year ended on that date.

## SSK LIFESTYLES LIMITED

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid 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 written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 does not have any pending litigations which would impact its financial position.
    - 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.

**For Ramasamy Koteswara Rao & Co**  
Chartered Accountants  
FRN. 010396S

Hyderabad, 30<sup>th</sup> May 2016

**SD/-**  
**C V Koteswara Rao**  
Partner  
M.No:028353

## SSK LIFESTYLES LIMITED

### “Annexure A” to the Auditors' Report (referred to in paragraph 1 of our Report of even date to the Members of “M/s. SSK LIFESTYLES LIMITED” for the year ended March 31, 2016)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that;

- 1) The Company doesn't have Fixed Assets; hence the Disclosure Requirements under this Clause are not applicable.
- 2) The Company doesn't have Inventory; hence the Disclosure Requirements under this Clause are not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 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 Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies(Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.  
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- 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) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the company doesn't pay managerial Remuneration; hence the Disclosure Requirements under this Clause are not applicable.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement of equity shares during the year and the requirement of section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Ramasamy Koteswara Rao & Co**  
Chartered Accountants  
FRN. 010396S

Hyderabad, 30<sup>th</sup> May 2016

**SD/-**  
**C V Koteswara Rao**  
Partner  
M.No:028353

## SSK LIFESTYLES LIMITED

### **“Annexure B” to the Independent Auditor's Report of even date on the Financial Statements of “M/s. SSK LIFESTYLES 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 **M/s. SSK LIFESTYLES LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

## SSK LIFESTYLES LIMITED

### **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 March 31, 2016, 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 Ramasamy Koteswara Rao & Co**  
Chartered Accountants  
FRN. 010396S

Hyderabad, 30<sup>th</sup> May 2016

**SD/-**  
**C V Koteswara Rao**  
Partner  
M.No:028353

## SSK LIFESTYLES LIMITED

### BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2016

Particulars	Notes	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
		Amount in Rs.	Amount in Rs.
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	97,392,000	71,197,000
(b) Reserves & Surplus	3	(33,507,810)	(36,973,296)
(c) Money Received Against Share Warrants		-	-
<b>2. Non-Current Liabilities</b>			
(a) Long-term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long-term Liabilities		-	-
(d) Long Term Provisions		-	-
<b>3. Current Liabilities</b>			
(a) Short-term Borrowings	4	2,018,008	1,713,656
(b) Trade Payables	5	4,700,000	4,700,000
(c) Other Current Liabilities	6	383,641	531,482
(d) Short-term Provisions	7	-	4,032,280
<b>Total</b>		<b>70,985,839</b>	<b>45,201,122</b>
<b><u>ASSETS:</u></b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets		-	-
(i) Tangible Assets		-	-
(b) Non-Current Investments		-	-
(c) Long-term Loans and Advances		-	-
(d) Deferred tax Asset		-	-
(e) Other Non-Current Assets	8	-	96,601
<b>2. Current Assets</b>			
(a) Inventories		-	-
(b) Trade Receivables	9	4,900,000	4,900,000
(c) Cash and Cash Equivalents	10	8,822	204,521
(d) Short-term Loans and Advances	11	66,074,000	40,000,000
(e) Other Current Assets	12	3,017	-
<b>Total</b>		<b>70,985,839</b>	<b>45,201,122</b>

As per Report of even date

**For Ramasamy Koteswara Rao & Co**  
Chartered Accountants  
FRN: 010396S

**SD/-**  
**C V Koteswara Rao**  
Partner  
M. No. 028353

Place: Hyderabad  
Date: 30<sup>th</sup> May 2016

**For and On Behalf of Board of Directors**

**SD/-**  
**K Ratnakara Rao**  
Whole Time Director  
DIN: 06376269

**SD/-**  
**Ch D V V Prasad Rao**  
Chief Financial Officer

**SD/-**  
**P Mastan Rao**  
Director  
DIN: 02941852

**SD/-**  
**R V Radhakrishna**  
Company Secretary

## SSK LIFESTYLES LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2016

Particulars	Notes	Year Ending 31 <sup>st</sup> March 2016	Year Ending 31 <sup>st</sup> March 2015
		Amount in Rs.	Amount in Rs.
<b>Income</b>			
I. Revenue From Operations	13	-	7,773,412
II. Other Income	14	4,209,147	336,527
<b>III. Total Revenue</b>		<b>4,209,147</b>	<b>8,109,939</b>
<b>IV. Expenses</b>			
Cost of Materials & Components Consumed		-	1,769,025
Purchase of traded goods		-	4,700,000
(Increase)/decrease in inventories of finished goods and work in progress		-	889,501
Employee Benefit Expenses	15	-	487,500
Duties and Taxes		-	-
Finance Costs		-	-
Depreciation and Amortization Expenses		-	2,091,151
Other Expenses	16	743,661	1,427,800
<b>Total Expenses</b>		<b>743,661</b>	<b>11,364,977</b>
<b>V. Profit Before Exceptional Items and tax</b>	<b>(III-IV)</b>	<b>3,465,486</b>	<b>(3,255,038)</b>
VI. Exceptional Items		-	-
<b>VII. Profit before Extraordinary Expense and tax</b>	<b>(V-VI)</b>	<b>3,465,486</b>	<b>(3,255,038)</b>
VIII. Extraordinary Items		-	1,192,953
<b>IX. Profit before tax</b>		<b>3,465,486</b>	<b>(4,447,991)</b>
X. Tax Expense:			
1. Current Tax		-	-
2. Deferred Tax		-	-
<b>XI. Profit/(Loss) from continuing operations</b>	<b>(IX-X)</b>	<b>3,465,486</b>	<b>(4,447,991)</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax Expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations(After Tax)	(XII-XIII)	-	-
<b>XV. Profit/(Loss) for the period</b>	<b>(IX-X)</b>	<b>3,465,486</b>	<b>(4,447,991)</b>
<b>xvi. Earnings per equity share</b>			
Basic		0.44	0.62
Diluted		0.44	0.62

As per Report of even date

**For Ramasamy Koteswara Rao & Co**  
Chartered Accountants  
FRN: 010396S

**For and On Behalf of Board of Directors**

**SD/-**  
**C V Koteswara Rao**  
Partner  
M. No. 028353

**SD/-**  
**K Ratnakara Rao**  
Whole Time Director  
DIN: 06376269

**SD/-**  
**P Mastan Rao**  
Director  
DIN: 02941852

Place: Hyderabad  
Date: 30<sup>th</sup> May 2016

**SD/-**  
**Ch D V V Prasad Rao**  
Chief Financial Officer

**SD/-**  
**R V Radhakrishna**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2016**

Particulars	Year Ended 31 <sup>st</sup> March 2016	Year Ended 31 <sup>st</sup> March 2015
	Amount in Rs.	Amount in Rs.
<b>A Cash Flow from Operating Activities:</b>		
Net Profit Before Tax & Extra-ordinary Items	3,465,486	(4,447,991)
<b>Adjustments for:</b>		
Depreciation	-	2,091,151
Finance Cost	-	-
Profit / Loss on Disposal of Assets	-	1,193,239
Operating Profit Before Working Capital Changes	3,465,486	(1,163,601)
<b>Movement in Working Capital:</b>		
(Increase)/Decrease in Trade & Other Receivables	-	(4,605,219)
(Increase)/Decrease in Other Current Assets	93,584	7,197
(Increase)/Decrease in Inventories	-	1,015,677
(Increase)/Decrease in Loans and Advances	(26,074,000)	(39,683,000)
Increase/(Decrease) in Current Liabilities	(3,875,769)	(4,196,869)
<b>Cash generated in Operating Activities</b>	<b>(26,390,699)</b>	<b>(48,625,815)</b>
Direct Tax Paid	-	-
<b>Net Cash from Operating Activities</b>	<b>(26,390,699)</b>	<b>(48,625,815)</b>
<b>B Cash Flow from Investing Activities:</b>		
Sale Proceeds of Fixed Assets	-	7,733,999
<b>Net Cash Used in Investing Activities</b>	<b>-</b>	<b>7,733,999</b>
<b>C Cash Flow from Financing Activities:</b>		
Proceeds from share Capital	26,195,000	41,000,000
Borrowings	-	-
<b>Net Cash Used in Financing Activities</b>	<b>26,195,000</b>	<b>41,000,000</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(195,699)</b>	<b>108,184</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>204,521</b>	<b>96,336</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>8,822</b>	<b>204,520</b>

As per Report of even date

**For Ramasamy Koteswara Rao & Co**  
Chartered Accountants  
FRN: 010396S

**SD/-**  
**C V Koteswara Rao**  
Partner  
M. No. 028353

Place: Hyderabad  
Date: 30<sup>th</sup> May 2016

**For and On Behalf of Board of Directors**

**SD/-**  
**K Ratnakara Rao**  
Whole Time Director  
DIN: 06376269

**SD/-**  
**Ch D V V Prasad Rao**  
Chief Financial Officer

**SD/-**  
**P Mastan Rao**  
Director  
DIN: 02941852

**SD/-**  
**R V Radhakrishna**  
Company Secretary

## SSK LIFESTYLES LIMITED

### STATEMENT OF CHANGES IN EQUITY DURING THE FY ENDED 31<sup>st</sup> MARCH 2016

Particulars	Equity Shares of Rs. 10/- each	Amount in Rs.
Equity Shares as on 01/04/2015	7,119,700	71,197,000
Preferential Allotment as on 24/12/2015	2,619,500	26,195,000
<b>Total as on 31/03/2016</b>	<b>9,739,200</b>	<b>97,392,000</b>

As per Report of even date

**For Ramasamy Koteswara Rao & Co**  
Chartered Accountants  
FRN: 010396S

**For and On Behalf of Board of Directors**

**SD/-**  
**C V Koteswara Rao**  
Partner  
M. No. 028353

**SD/-**  
**K Ratnakara Rao**  
Whole Time Director  
DIN: 06376269

**SD/-**  
**P Mastan Rao**  
Director  
DIN: 02941852

Place: Hyderabad  
Date: 30<sup>th</sup> May 2016

**SD/-**  
**Ch D V V Prasad Rao**  
Chief Financial Officer

**SD/-**  
**R V Radhakrishna**  
Company Secretary

### MEASUREMENT AND DISCLOSURES AS PER ACCOUNTING STANDARDS

#### A. Significant Accounting Policies-(AS-1):

##### 1) Basis of Preparation of Financial Statements:

- a. The Financial statements have been prepared under the historical cost convention on accrual basis. The mandatory applicable accounting standards in India and the provisions of the companies Act, 2013 have been followed in preparation of these financial statements.
- b. All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Revised Schedule III to the Companies Act, 2013.

##### 2) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

##### 3) Revenue Recognition:

- a. Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from domestic sales of products is recognized on dispatch of products. Revenue from export sales is recognized on shipment of products. Revenue from products is stated inclusive of duties, taxes but exclusive of returns, and applicable trade discounts and allowances.
- b. Interest income is recognized on time accrual basis, determined by the amount outstanding and the rate applicable

##### 4) Fixed Assets:

The Company does not have any fixed Assets as at 31<sup>st</sup> March 2016.

##### 5) Valuation of Inventories:

The Company does not hold any inventory as at 31<sup>st</sup> March 2016.

##### 6) Tax Expense:

Provision is made for tax on Income and as per the applicable provisions of Income Tax Act, 1961.

##### 7) Foreign Exchange Transactions:

There are no foreign currency transactions during the period.

## SSK LIFESTYLES LIMITED

### B. Other Notes to Accounts and Disclosures:-

#### 1) Related party disclosures (AS-18):

##### a) Related Parties and their relationship :

##### i) Key Management Personnel (Directors)

- P Mastan Rao, Non-Executive Promoter Director
- K Ratnakara Rao, Whole time Director.

##### b) Particulars of Transactions with Related Parties:

Amount in Rs.

SI NO.	Name of the Company/Party	Nature of Transaction	Amount Outstanding as on 31 <sup>st</sup> March, 2016	Amount Outstanding as on 31 <sup>st</sup> March, 2015
1	K Ratnakara Rao	Loan Received	10,18,008	7,13,656

#### 2) Earnings per Share

Amount in Rs.

Particulars	2015-16	2014-15
Profit After Tax	34,65,486	(44,47,991)
Less: Preference Dividend Including Tax Thereon	0	0
Profit attributable to equity shareholders	34,65,486	(44,47,991)
Weighted average number of equity shares	78,28,253	71,19,700
Basic Earnings per Share	0.44	(0.62)
Diluted Earnings per Share	0.44	(0.62)

#### 3) Contingent Liabilities and commitments – (AS-29):

##### a. Contingent Liabilities:

- I. Guarantees and letters of credit: Nil

#### For Ramasamy Koteswara Rao & Co

Chartered Accountants  
FRN: 010396S

SD/-

**C V Koteswara Rao**  
Partner  
M. No. 028353

Place: Hyderabad  
Date: 30<sup>th</sup> May 2016

#### For and On Behalf of Board of Directors

SD/-

**K Ratnakara Rao**  
Whole Time Director  
DIN: 06376269

SD/-

**Ch D V V Prasad Rao**  
Chief Financial Officer

SD/-

**P Mastan Rao**  
Director  
DIN: 02941852

SD/-

**R V Radhakrishna**  
Company Secretary

## SSK LIFESTYLES LIMITED

### 2.0 NOTES TO BALANCE SHEET:

#### 2.1 Share Capital:

##### a) Ordinary Share capital:

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Authorised:</b>				
Equity shares of Rs.10/- each	10,000,000	100,000,000	10,000,000	100,000,000
<b>Issued:</b>				
Equity shares of Rs.10/- each	10,000,000	100,000,000	7,380,500	73,805,000
<b>Subscribed &amp; Fully Paid up:</b>				
Equity shares of Rs. 10/- each Fully paid up	9,739,200	97,392,000	7,119,700	71,197,000
<b>Total</b>	<b>9,739,200</b>	<b>97,392,000</b>	<b>7,119,700</b>	<b>71,197,000</b>

\* During the Year, the Company has issued and allotted 2,619,500 equity shares of Rs.10/- each on preferential basis to the persons under Non-Promoter category. As a result of which the paid-up capital of the Company was increased from Rs. 71,197,000/- to 97,392,000/-.

##### b) Reconciliation of shares outstanding at the beginning and at the end of the Financial Year 2015-16:

Particulars	Equity Shares			
	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Shares outstanding at the beginning of the year	7,119,700	71,197,000	3,019,700	30,197,000
<b>Add:</b>				
Shares Issued during the year	2,619,500	26,195,000	4,100,000	41,000,000
Shares outstanding at the end of the year	9,739,200	97,392,000	7,119,700	71,197,000
<b>Total</b>	<b>9,739,200</b>	<b>97,392,000</b>	<b>7,119,700</b>	<b>71,197,000</b>

\* During the Year, the Company has issued and allotted 2,619,500 equity shares of Rs.10/- each on preferential basis to the persons under Non-Promoter category. As a result of which the paid-up capital of the Company was increased from Rs. 71,197,000/- to 97,392,000/-.

##### c) Number of shares held by each shareholder holding more than 5% shares in the Company are as follows:

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	% of holding	No. of Shares	% of holding
<b>Equity Shares</b>				
P.N.V.T Sravani	1,400,000	14.37	1,400,000	19.70
V. Sreevani	1,400,000	14.37	1,400,000	19.70
Ch. N. K. D Prasad	1,300,000	13.35	1,300,000	18.30
P. Arun Kumar	583,100	5.99	583,100	8.19
P. Srikanth	508,900	5.23	508,900	7.15
Dcrypt Technologies Private Limited	2,019,500	20.74	-	-
M. Sivaji	600,000	6.16	-	-
<b>Total</b>	<b>7,811,500</b>	<b>80.21</b>	<b>5,192,000</b>	<b>73.04</b>

## SSK LIFESTYLES LIMITED

### d) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Voting right is upon show of hands, every member is entitled to one vote only irrespective of number of shares such member is holding and upon a poll, each holder of equity shares is entitled to one vote per share. In event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

### 3. Reserves and Surplus:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Capital Reserves	34100000	34100000
b) Reserve for Forfeited Shares	1304000	1304000
c) Other Reserves	2985951	2985951
d) Accumulated Loss Brought Forward	(75363247)	(70915256)
e) Surplus	3465486	(4447991)
<b>Total</b>	<b>(33507810)</b>	<b>(36973296)</b>

### 4. Short-Term borrowings (Unsecured):

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Loans repayable on demand		
i) From banks	0	0
ii) From other parties	0	0
b) Loans and advances from related parties	2018008	1713656
c) Deposits	0	0
d) Other loans and advances	0	0
<b>Total</b>	<b>2018008</b>	<b>1713656</b>

### 5. Trade Payables:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Trade Payables	4700000	4700000
<b>Total</b>	<b>4700000</b>	<b>4700000</b>

### 6. Other Current Liabilities:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
CST Payable	144620	154620
VAT Payable	16933	36933
Sales Tax Due	193463	339929
Audit Fee Payable	28625	0
<b>Total</b>	<b>383641</b>	<b>531482</b>

## SSK LIFESTYLES LIMITED

### 7. Short term Provisions:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Provision for employee benefits	0	0
b) Others	0	4032280
<b>Total</b>	<b>0</b>	<b>4032280</b>

### 8. Other Non-Current Assets:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Others	0	96601
<b>Total</b>	<b>0</b>	<b>96601</b>

### 9. Trade Receivables:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Secured, considered good	0	0
b) Unsecured considered good( less than 6 months)	4900000	4900000
c) Doubtful	0	0
<b>Total</b>	<b>4900000</b>	<b>4900000</b>

### 10. Cash and cash equivalents:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Balances with banks	6422	7102
b) Cheques, drafts on hand	0	0
c) Cash on hand	2400	197419
d) Others	0	0
<b>Total</b>	<b>8822</b>	<b>204521</b>

### 11. Short-term loans and advances:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Loans and advances to related parties		
i) Secured, considered good by directors	0	0
ii) Secured, considered good	0	0
iii) Unsecured, considered good	0	0
iv) Doubtful	0	0
b) Others		
i) Secured, considered good	0	0
ii) Unsecured, considered good	66074000	40000000
iii) Doubtful	0	0
<b>Total</b>	<b>66074000</b>	<b>40000000</b>

### 12. Other current assets:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
TDS Receivables	3017	0
<b>Total</b>	<b>3017</b>	<b>0</b>

## SSK LIFESTYLES LIMITED

### 13. Revenue from Operations:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Sale of products	0	7773412
b) Sale of services	0	0
c) Other operating revenues	0	0
Less:		
d) Excised duty	0	0
<b>Total</b>	<b>0</b>	<b>7773412</b>

### 14. Other Income:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
a) Interest Income	30145	0
b) Provision Written back	4178746	0
c) Net gain/loss on sale of investments	0	0
d) Other non-operating income	256	336527
<b>Total</b>	<b>4209147</b>	<b>336527</b>

### 15. Employees Benefit Expenses:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
i) Salaries and Wages	0	487500
<b>Total</b>	<b>0</b>	<b>487500</b>

### 16. Other Expenses:

Particulars	As at 31st March 2016	As at 31st March 2015
	Rs.	Rs.
Electricity charges	14400	402476
Freight inward	0	3784
Office Rent	30000	6600
Bank charges	332	3940
Car maintenance	0	26400
Consultancy charges	0	8800
Directors sitting fee	0	17600
Discount	0	1936
Factory expenses	0	133804
Freight outward	0	80959
Printing & Stationary	32550	134629
TA & DA Expenses	0	4400
Coolie charges	0	330
CST	0	3331
Licenses and fees	408391	540000
Miscellaneous expenses	29450	6791
Publication expenses	22728	0
Administrative expenses	177185	27020
Audit fee	28625	25000
<b>Total</b>	<b>743661</b>	<b>1427800</b>

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# SSK LIFESTYLES LIMITED

(Formerly 'Fine Plast Polymers Limited')

CIN: L52100TG1992PLC014932

Regd. Office: Flat No. 203, Reliance Manor, P No. 7, Road No. 12, Banjara Hills, Hyderabad-500034, Telangana  
Telephone No: 040-64640208, Email: info@ssklifestyles.com

## ATTENDANCE SLIP (To be presented at the entrance)

Name and Address of the Shareholder (s)	
Registered Folio/ DP ID, Client ID	
No. of Shares	

I / We hereby record my / our presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company to be held at 105, Vasavi's Central Court, Adjacent to HDFC Bank, Czech Colony, Sanathnagar, Hyderabad-500018, Telangana, on Friday, the 30<sup>th</sup> September 2016 at 10.00 a.m.

Member's Folio/  
DP ID-Client ID No.

Member's/ Proxy's name  
in Block Letters

Member's/Proxy's  
Signature

### NOTES:

- 1) Please complete the DP ID- Client ID No. and name of the Member/Proxy, sign this attendance slip and hand it over, duly signed, at the entrance of the meeting hall.
- 2) Shareholder/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

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# SSK LIFESTYLES LIMITED

(Formerly 'Fine Plast Polymers Limited')

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Telephone No: 040-64640208, Email: info@ssklifestyles.com

## Form No. MGT-11 PROXY FORM

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

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No./DP ID - Client ID :

I/ We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

1) Name \_\_\_\_\_ Address: \_\_\_\_\_

Email ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;

2) Name \_\_\_\_\_ Address: \_\_\_\_\_

Email ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him;

3) Name \_\_\_\_\_ Address \_\_\_\_\_

Email ID \_\_\_\_\_ Signature \_\_\_\_\_

as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Twenty Fourth Annual General Meeting of the Company, to be held on Friday, the 30<sup>th</sup> September 2016 at 10.00 a.m. at **105, Vasavi's Central Court, Adjacent to HDFC Bank, Czech Colony, Sanathnagar, Hyderabad-500018, Telangana** and at any adjournment thereof in respect of the following resolutions:

Resolution No	Resolutions
	<b>Ordinary Business:</b>
1	Adoption of Audited Financial Statements for the year ended 31st March, 2016
2	Re-appointment of Mr. K Ratnakara Rao who retires by rotation
3	Appointment of Auditors and fix their Remuneration

Signed this \_\_\_\_\_ day of September 2016

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder: \_\_\_\_\_

Affix  
Revenue  
Stamp

- 1) This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office not less than FORTY-EIGHT (48) HOURS before the commencement of the Meeting.
- 2) For Resolutions, Explanatory Statement and Notes, please refer to the Notice of 24<sup>th</sup> Annual General Meeting.

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If undelivered, deliver to:

**SSK LIFESTYLES LIMITED**

Flat No. 203, Reliance Manor, P No. 7,  
Road No. 12, Banjara Hills,  
Hyderabad-500034, Telangana