

**S.S. ORGANICS LIMITED****BOARD OF DIRECTORS**

1.	Sri. V. N. Sunanda Reddy	Managing Director.
2.	Dr. Sai Sudhakar Vankineni	Executive Director.
3.	Dr. D. Sadasiva Reddy	Director.
4.	Sri. P. Ramachandra Gupta	Director.
5.	Sri. N. Gangi Reddy	Director.
6.	Sri. Appasani Ravi Kumar	Director.
7.	Sri. Vidya Sagar Devabhaktuni	Director.
8.	Dr. Sumanth Simha Vankineni	Director.
9.	Sri. Vongumalli Gowtham Reddy	Director.
10.	Sri. P. Santosh Kumar	Additional Director.
11.	Smt. Sudi Vijaya Lakshmi	Additional Director.

**STATUTORY AUDITORS**

VDNR & ASSOCIATES, Chartered Accountants. 201, Dwaraka Avenue, Dwarakapuri Colony, Panjagutta, Hyderabad – 34, Telangana.

**INTERNAL AUDITORS**

AMARNADHA REDDY & CO, 6-1-229/40, Old CIB Quarters, Khairtabad, Hyderabad- 500 004, Telangana.

**REGD. OFFICE & FACTORY**

Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak Dist. Telangana State.

**CORPORATE OFFICE**

H. No. 8-2-120/77/5, Road No.2, Ground Floor, Opp. KBR Park, Banjara Hills, Hyderabad-500 034  
e-mail: [cs@ssorganics.co.in](mailto:cs@ssorganics.co.in) [md@ssorganics.co.in](mailto:md@ssorganics.co.in) Website: [www.ssorganics.co.in](http://www.ssorganics.co.in). Ph.No. 040-23559938.

**REGISTRAR AND SHARE TRANSFER AGENT**

(Physical and Demat)

M/s. Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad 500 018.  
Phone No. 040-23818475/476, Fax No: 040-23868024, e mail: [info@vccilindia.com](mailto:info@vccilindia.com)

CIN: L24110TG1990PLC012038

**NOTICE**

Notice is hereby given that the 22nd Annual General Meeting of the Members of **S.S.ORGANICS LIMITED** will be held on Thursday the 24th day of December, 2015, at 4.00 P.M. at Registered Office Situated at Survey no. 252/1, Aroor Village, Sadasivapet Mandal, Medak District, Telangana State-502291, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a director in place of Sri Sumanth Simha Vankineni (DIN: 06625716), who retires by rotation and being eligible, seek re-appointment.
3. To appoint Auditor and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, as may be applicable, **M/S. VDNR & ASSOCIATES., CHARTERED ACCOUNTANTS (Firm Registration No. 011251S)** retiring Auditors of the Company, be and are hereby appointed as Auditors of the Company for a period of Two (2) years, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 24th Annual General Meeting of the Company and, on such remuneration as may be decided by the Board of Directors or any Committee thereof."

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

To Appoint P. Santosh Kumar ( DIN 00143703) as Independent Director of the Company:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, P. Santosh Kumar, who was appointed as an Additional Director of the Company by the Board of Directors as per Section 161(1) of the Companies Act, 2013 and who holds office only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing that his term as an Independent Director be for a period of **five years**, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting."

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

To Appoint Smt Sudi Vijaya Lakshmi (DIN 07312976) as Independent Director of the Company:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sudi Vijaya Lakshmi who was appointed as an Additional Director of the Company by the Board of Directors as per Section 161(1) of the Companies Act, 2013 and who holds office only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing that her term as an Independent Director be for a period of **five years**, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting."

6. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013



“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 readwith Companies ( Incorporation ) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

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

**For and on behalf of the board**

Sd/-  
**V.N. Sunanda Reddy**  
**Chairman and Managing Director**

**Place: Hyderabad**

**Date: 14.11.2015**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Corporate Office of the Company not less than Forty-eight hours before the meeting.
2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of special business items is annexed hereto.
3. The register of members and Share Transfer Books of the Company will remain closed during the period from **17-12-2015 to 24-12-2015 (both days inclusive)**.
4. Members are requested to send all communications relating to shares and any change in address to the Registrar and Share Transfer Agent, M/s.Venture Capital And Corporate Investments Private Limited. Members holding shares in identical order of names in more than one folio are requested to write to the Company enclosing the share certificates to enable the Company to consolidate their holding into one folio.

5. Members/ Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting. Additional copy of Annual Report and duplicate attendance slip will not be issued at the place of the meeting.
6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least seven days before the date of the meeting, so that the information required by them may be made available at the meeting.
7. Pursuant to the requirements on the Corporate Governance under the Listing Agreement entered into with the Stock Exchanges, the information about the directors proposed to be re-appointed/ appointed is given in the **Annexure-A** to the notice.
8. Trading in the Equity shares of the Company is compulsorily in dematerialized form for all investors. The ISIN (International Securities Identification Number) allotted to the Company's equity shares is INE102E01018.
9. The members who hold shares in dematerialized form are requested to bring their Client ID and DPID numbers for easy identification of attendance at the meeting.
10. **Instructions about Voting:**  
  
The Members are requested to opt for one mode of voting, i.e. either through e-voting or physical ballot. If a Member casts votes by both modes, then voting done through a valid e-Voting shall prevail and voting done through physical ballot shall be treated as invalid. Please refer the following detailed instructions for both modes voting.  
  
**A) Voting through electronic means:**  
  
1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote by electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):



**The instructions for e-voting are as under:**

- I. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- II. Click on “**Shareholders**” tab.
- III. Select the “S.S. Organics Limited” from the drop down menu and click on “**SUBMIT**”
- IV. Enter your User ID - 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 and then enter the Captcha Code as displayed and Click on Login.
- V. 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 a first time user follow the steps given below.**

- VI. **Fill up the following details in the appropriate boxes:**

<b>PAN*</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
<b>DOB#</b>	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.
<b>DIVIDEND BANK DETAILS</b>	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramanathan with sequence number 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the 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 reach directly 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.
- IX. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- X. Click on the relevant EVSN for S.S. Organics Limited.
- 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 “**Resolutions 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 by clicking on “**Click here to print**” option on the Voting page.
- XVI. If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- XVII. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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.

- i. The voting period begins on 21-12-2015 (9.00 AM) and ends on 23-12-2015 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 16-12-2015 (i.e., the cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. 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.co.in](http://www.evotingindia.co.in) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- iii. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 16-12-2015.
- iv. Mrs. N. Vanitha has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

**B) Other Instructions:**

- I. The Scrutinizer will collate the votes downloaded from the e-voting system to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- II. The results of the voting shall be declared on or after the Annual General Meeting of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website <http://www.ssorganics.co.in/com> and be communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd.
- III. Members may address any query to J. Vijay Kumar, Compliance Officer, at the Corporate Office of the Company, Tel.No.040-23559938,e-mail address: [cs@ssorganics.co.in](mailto:cs@ssorganics.co.in) Website: [www.ssorganics.co.in](http://www.ssorganics.co.in)

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

**Item No. 4:**

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that **P. Santosh Kumar** be appointed as an Independent Director of the Company

The appointment of **P. Santosh Kumar** shall be effective upon approval by the members in the Meeting

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of **P. Santosh Kumar** for the office of Director of the Company. **P Santosh Kumar** is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from **P Santosh Kumar** that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, **P Santosh Kumar** fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. **P Santosh Kumar** is independent of the management and possesses appropriate skills, experience and knowledge.

**Brief Resume: P Santosh Kumar**

**P Santosh Kumar** has done Graduation. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that **P Santosh Kumar** is appointed as an Independent Director of the Company.

The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **P Santosh Kumar** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **P Santosh Kumar** as an Independent Director, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of **P Santosh Kumar** as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Except **P Santosh Kumar** and **P. Rama Chandra Gupta**, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

**Item No. 5:**

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Sudi Vijaya Lakshmi be appointed as an Independent Director of the Company

The appointment of Sudi Vijaya Lakshmi shall be effective upon approval by the members in the Meeting

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of **Sudi Vijaya Lakshmi** for the office of Director of the Company. **Sudi Vijaya Lakshmi** is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from **Sudi Vijaya Lakshmi** that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, **Sudi Vijaya Lakshmi** fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. **Sudi Vijaya Lakshmi** is independent of the management and possesses appropriate skills, experience and knowledge.

**Brief Resume: Sudi Vijaya Lakshmi**

Sudi Vijaya Lakshmi has done her Graduation. Keeping in view her expertise and knowledge, it will be in the interest of the Company that **Sudi Vijaya Lakshmi** is appointed as an Independent Director of the Company.

**Sudi Vijaya Lakshmi** does not hold by herself or for any other person on a beneficial basis, any shares in the Company. The Board consider that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Sudi Vijaya Lakshmi** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Sudi Vijaya Lakshmi** as an Independent



Director, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Sudi Vijaya Lakshmi as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Except **Sudi Vijaya Lakshmi** being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **Item No. 5**. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

**Item No. 6:**

The Articles of Association (“AoA”) of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the present Companies Act, 2013.

With the coming into force of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table ‘F’ of the Companies Act, 2013 which sets out the model articles of association for a company limited by shares. The proposed new draft AoA is being uploaded on the Company’s website for perusal by the shareholders.

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

**For and on behalf of the board**

**Sd/-  
V.N. Sunanda Reddy  
Chairman and Managing Director**

**Place: Hyderabad  
Date: 14.11.2015**



## Annexure A

**Details of Directors as on October 30, 2015 seeking appointment/ re-appointment at the Annual General Meeting scheduled to be held on 24.12.2015 (Pursuant to Clause 49(IV)(E) and 49(IV)(G) (i) of the Listing Agreement)**

A	Name	Dr. Sumanth Simha Vankineni	Sri. P. Sanotsh Kumar	Smt. Sudi Vijaya Lakshmi
B	Brief Resume i) Age ii) Qualification	38 Years MBBS,MD (General Medicine)	40 Years Graduation	31 Years Graduation
i)	Experience in specific functional area	Eight Years experience in the field of Medicine and also exposure to the pharmaceuticals.	Nearly having 15 Years of Experience in the field of Distilleries And Breweries	Having a experience in the field of Accounts.
i)	Date of appointment on the Board of the Company (S S Organics Limited)	29.07.2013	13.08.2015	12.10.2015
C	Names of other companies in which directorship held (as per Section 165 of the Companies Act, 2013):	NIL	1. Sri Indra Power Energies Limited 2. Karol Distilleries And Breweries Pvt Ltd	NIL
D	Name(s) of the companies in which committee Membership(s) held	NIL	NIL	NIL
E	No. of Shares of Rs.10/- each held by the Director	68700 Equity shares	0	0
F	Relationship between Directors inter se [as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014]	He is son of Dr. Sai Sudhakar Vankineni Executive Director	He is son of P. Rama Chandra Gupta.	She is not related to any other director.



### Directors' Report

To the members,

The directors submit annual report of S.S. Organics Limited along with the audited financial statement for the year ended March 31, 2015.

#### 1. Financial Results:

Particulars	Stand alone	
	As at 2014-15	As at 2013-14
Gross Income	6,25,44,382	2,70,37,120
Gross Income (Net of Excise Duty)	6,25,44,382	2,70,37,120
Less: Expenditure	10,36,74,173	5,93,30,758
Gross Profit/Loss	(4,11,29,791)	(3,22,93,638)
Less: Interest & Finance Charges	20,66,333	1,06,171
Less: Depreciation	2,53,45,211	86,00,631
Profit before tax	(6,85,41,335)	(4,10,00,440)
Less: Current Tax	-	-
Less: Deferred Tax	(73,91,533)	(18,82,815)
Profit available for appropriations	(6,11,49,802)	(4,28,83,255)
Profit brought forward	(19,47,93,438)	(15,19,10,183)
Balance carried forward	(25,59,43,241)	(19,47,93,438)

#### 2. Review of Operations:

It was already brought to your notice that, the present management of the Company has infused Rs. 600 lacs during 2013 to 2014 as per the Rehabilitation Scheme of Hon'ble Board for Industrial and Financial Reconstruction (BIFR) for revival of the Company.

During the year 2014-15 the present management has infused more than Rs. 347 lacs for operational activities of the Company. The aggregate amount of Rs. 947 lacs spent towards Revival of the Company.

It already brought to the notice of the shareholders in the last Annual General Meeting that the Company has entered into contract manufacturing work with M/s. Aurobindo Pharma Limited for manufacturing of ciprofloxacin and started its production in 'A' Block in the month of August 2013 and started its own production of Gabapentine in the month of August, 2014.

#### 3. Fire Accident at Block A :

There was a fire accident on January 7th, 2015 at 11.40 A.M at "A" Block. There was no human loss or injuries but

there is a huge property loss to the Company." The value of property loss is about 10 cores (excluding Working Capital Stock). The Insurance Surveyor has conducted the survey and the fire insurance claim is under process.

Due to fire accident the entire production activity came to stand still and the present management with determination revived its production process in the month of July, 2015.

#### 4. Status with BIFR:

The Hon'ble BIFR has circulated the MDRS on 27.01.2014 and the scheme envisages infusion of fresh funds, reduction of Paid-up Share Capital and Issue of Fresh Capital etc. The Proceedings are pending with BIFR.

#### 5. Dividend:

Your Directors did not recommend any dividend for the year 2014-15.

#### 6. Transfer To Reserves:

Your Company has not transferred any amount to the general reserve.

#### 7. Directors:

Dr. Sumanth Simha Vankineni, Director retire by rotation at the ensuing 22nd Annual General Meeting and being eligible, offer himself for reappointment.

The Board of Directors appointed P. Santosh Kumar and Sudi Vijaya Lakshmi as an Additional Director of the Company who holds office till the ensuing Annual General Meeting. The Board, based on the recommendation of Nomination and Remuneration Committee considered the appointment of P. Santosh Kumar and Sudi Vijaya Lakshmi as an Independent Director subject to approval of shareholders. Accordingly a resolution seeking approval of shareholders for their appointment as an Independent Director for a period of five years which is included at Item No.4 and 5 of the Notice convening the 22nd Annual General Meeting.

The Companies Act, 2013, provides for the appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that independent directors shall hold office a term of up to five consecutive years on the board of a company; and shall be eligible for on passing a special resolution by the shareholders of the Company. as per section 149(11), no independent director shall be eligible for appointment for more than two consecutive terms of five years. Sub section 13 states

the provisions of retirement by rotation as defined in Sub Section (6) and (7) of Section 152 of the Act shall not apply to such independent directors.

None of the independent directors will retire at the ensuing Annual General Meeting of the Company.

#### **8. Directors Responses on the Qualifications made by the Statutory Auditors in the Auditors Report and by the Company Secretary in Practice in Secretarial Audit Report:**

##### **1. Statutory Auditors:**

**“Qualification with reference to Debtor’s Balances amounting to Rs. 14,69,117/-”.**

##### **Explanation:**

*“The Company is pursuing the debtors for the amount specified by the auditors and is confident to recover the same from them.”*

##### **2. Secretarial Auditors:**

**“The Company has not appointed a Woman Director as per the provisions of Section 149 of Companies Act, 2013 for the F.Y. 2014-15”.**

##### **Explanation:**

*“As the company is BIFR Company and due to Sickness of the Company no woman has come forward to act as Woman Director. And we had also wrote a several letters to SEBI, BSE and MCA for suggesting any lady for acting as Woman Director but there is no suggestions from aforesaid departments. After a lot of struggles company had appointed Smt. Sudi Vijaya Lakshmi as Woman Director to the Board. Therefore there is a delay in the appointment and to comply the provisions of section 149 of the Companies Act, 2013.”*

#### **9. Deposits from the Public:**

The Company has not accepted any deposits which cover under the Section 73 of the Companies Act, 2013.

#### **10. Particulars of Loans, Guarantees or investments:**

Loans, guarantees and investments covered under section 186 of the Companies Act, 2013 from part of the notes to the financial statements provided in this Annual Report.

#### **11. Particulars of Contracts or arrangement made with related parties:**

No contracts or arrangement made with related parties during the year as per the Section 188(1) of the Companies Act, 2013.

#### **12. Material changes and commitment affecting financial position between the end of the financial year and date of report:**

There is no material changes and commitment affecting financial position between the end of the financial year 2014-15.

#### **13. Directors Responsibility Statement:**

Pursuant to Section 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 accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. They have taken prepared the annual accounts on a going concern;
- v. They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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 external consultants 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 2014-15.

**14. Number of meetings of the Board:**

Six(6) meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

**15. Declaration by independent directors:**

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013. That he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**16. Board Evaluation:**

As required under the provisions of Schedule IV of the Companies Act, 2013 the performance evaluation of independent directors has been done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee.

None of the independent directors are due for re-appointment

**17. Policy on director's appointment and remuneration and other details.**

The Company's policy on director's appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the director's report.

**18. Internal financial control systems and their adequacy.**

The Internal Financial Control systems is explained in Management Discussion Analysis

**19. Audit Committee:**

Your company has constituted the Audit Committee within the provisions laid down in Section 177(2) of Companies Act, 2013 and read with the provisions of clause 49 of listing agreement.

**20. Disclosure As Per Sexual Harrassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

**21. Corporate Social Responsibility (CSR):**

During the financial year 2014-15, the Corporate Social Responsibility not applicable to Company.

**22. Vigil Mechanism / Whistle Blower Policy:**

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The details of the Policy are posted on the website of the Company i.e <http://www.ssorganics.co.in/>

**23. Nomination And Remueneration Policy**

A committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of section 178, Schedule IV of the Companies Act and Clause 49 of the Listing Agreement and to recommend a policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and Evaluation of their performance and to recommend the same to the Board from time to time. Nomination and Remuneration Policy of the Company is posted on the website of the Company i.e <http://www.ssorganics.co.in/>

**24. Particulars Of Employees:**

pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2015

There are no employee in the Company who is drawing the remuneration worth Rs. 5 lacs per month or Rs. 60 lacs per annum during the financial year.

**25. Auditors:**

- i. The Statutory Auditors of the Company, M/s. VDNR & Associates, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Audit Committee and the Board recommended the re-appointment of M/s VDNR & Associates, Chartered Accountants, as Statutory Auditors of the Company for a period of two years.
- ii. N. Vanitha of M/s. P.S. Rao & Associates, Practicing Company Secretaries was appointed to conduct the secretarial audit of the Company for the Financial Year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for FY 2014-15 forms part of the Annual Report as **Annexure II** to the Board's Report.

The Board has appointed N. Vanitha, P.S. Rao & Associates, Practicing Company Secretaries, as secretarial auditors of the Company for the financial year 2015-16.

**iii. Extract of Annual Return:**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as **Annexure I**.

**26. Particulars of Employees:**

The information required under section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

**a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:**

<b>Executive Directors</b>	<b>Ration to median remuneration</b>
V.N. Sunanda Reddy	13.25 Times
Sai Sudhakar Vankineni	11.92 Times

"The Company has not paid any remuneration to the non-executive directors of the Company for the Financial Year 2014-15."

**b. The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year:**

<b>Directors, CEO, CFO and Company Secretary</b>	<b>% increase in remuneration in the Financial Year</b>
V.N. Sunanda Reddy	-
Sai Sudhakar Vankineni	-
Lokesh Agarwal	-

"During the Financial Year 2014-15, there is no increase in the remuneration of each director, chief executive officer, chief financial officer, company secretary of the Company."

c. The Percentage increase in the median remuneration of employees in the Financial Year: 15%

d. The number of permanent employees on the rolls of Company: 59

e. The explanation on the relationship between average increase in remuneration and Company Performance:

On an average, employees at factory received an annual increase of 15% in India. The individual increments varied from 14% to 16%, based on individual performance.

f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of Key managerial personnel (KMP) in FY 2015	48,65,806
Total Revenue	6,25,44,382
Remuneration of KMP's ( as % of Revenue)	7.78
Profit Before Tax ( PBT)	(6,85,41,335)
Remuneration of KMP ( as % of PBT)	(7.09)

g. Price Earnings Ratio as at the closing date of current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Price Earnings Ratio	(1.42)	-	(1.42)

h. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

Particulars	Mr. V.N. Sunanda Reddy, Managing Director	Dr. Sai Sudhakar Vankineni, Executive Director	Lokesh Agarwal, Company Secretary
Remuneration in FY 2015	24,00,000	21,60,000	3,05,806
Revenue (Rs.)	6,25,44,382		
Remuneration as % of revenue	3.837	3.45	0.49
Profit Before Tax (PBT)	(6,85,41,335)		
Remuneration ( as % of PBT)	(3.50)	(3.15)	(0.45)

i. The Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.

j. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

**27. Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo.**

The particulars as prescribed under Sub-Section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as **Annexure III** to the Board's Report.

**28. Acknowledgement:**

Your Directors wish to express their gratitude to the central and state government, investors, analysts, financial institutions, banks, business associates and customers, the medical profession, distributors and suppliers for their whole-hearted support. Your directors commend all the employees of your company for their continued dedication, significant contributions, hard work and commitment.

**For S.S. Organics Limited**

**Sd/-  
V.N. Sunanda Reddy  
Chairman and Managing Director**

**Place: Hyderabad.**

**Date: 14.11.2015**



## FORM NO. MGT-9

**EXTRACT OF ANNUAL RETURN**  
As on financial year ended on 31.03.2015

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

**I. REGISTRATION & OTHER DETAILS:**

1.	<b>CIN</b>	L24110TG1990PLC012038
2.	<b>Registration Date</b>	27/11/1990
3.	<b>Name of the Company</b>	S.S. ORGANICS LTD.
4.	<b>Category/Sub-category of the Company</b>	Company Limited by Shares/ Indian Non-Government Company.
5.	<b>Address of the Registered office &amp; contact details</b>	Survey No.252/1, Aroor Village, Sadasivapet Mandal, Medak District, Medak, Telangana State. PIN-502291
6.	<b>Whether listed company</b>	Yes. Listed in Bombay Stock Exchange (BSE).
7.	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	M/s. Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad 500 018. Phone No. 040-23818475/476, Fax No: 040-23868024, e mail: info@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 / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Bulk Drugs	2100	100%

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

Company is not having any Holding, Subsidiary and Associate Companies.

**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 year [As on 31-March-2014]				No. of Shares held at the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat Shares	Physical	Total	% of Total Shares	
A. Promoter's									
<b>(1) Indian</b>									
a) Individual/ HUF	929600	2822100	3751700	36.78	3429600	322100	3751700	36.78	0
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>929600</b>	<b>2822100</b>	<b>3751700</b>	<b>36.78</b>	<b>3429600</b>	<b>322100</b>	<b>3751700</b>	<b>36.78</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
(a)Bodies Corporate	0	0	0	0	0	0	0	0	0
(b)Institutions	0	0	0	0	0	0	0	0	0
(c)Qualified Foreign Investors	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>
Total shareholding of Promoter and Promoter									
<b>Group (A) = (A)(1)+(A)(2).</b>	<b>929600</b>	<b>2822100</b>	<b>3751700</b>	<b>36.78</b>	<b>3429600</b>	<b>322100</b>	<b>3751700</b>	<b>36.78</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	9700	9700	0.10	0	9700	9700	0.10	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	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>9700</b>	<b>9700</b>	<b>0.10</b>	<b>0</b>	<b>9700</b>	<b>9700</b>	<b>0.10</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	355401	219400	574801	5.63	342985	219400	562385	5.51	(0.14)
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	425369	1386220	1811589	17.76	519815	1359120	1878935	18.42	0.66
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2760000	211810	2971810	29.13	2748570	198810	2947380	28.99	(0.14)





c) Others (specify)									
<b>i. B. Subba Reddy*</b>	700000	0	700000	6.86	700000	0	700000	6.86	0
ii. Non Resident Indians	55100	0	55100	0.54	55100	0	55100	0.54	0
i.Directors	168000	82300	250300	2.45	168000	82300	250300	2.45	0
ii.Clearing Members	76300	0	76300	0.75	45800	0	45800	0.45	(0.30)
<b>Sub-total (B)(2):-</b>	<b>4540170</b>	<b>1899730</b>	<b>6439900</b>	<b>63.13</b>	<b>4580270</b>	<b>1859630</b>	<b>6439900</b>	<b>63.13</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	4540170	1899730	6449600	63.22	4580270	1869330	6449600	63.22	0
<b>C. Shares held by</b>									
<b>Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	5469770	4731530	10201300	100.00	8009870	2191430	10201300	100.00	0

\* Mr. B. Subba Reddy has acquired 700000 shares contrary to the order of Company Law Board, Chennai in C.P. No. 22 of 05 dated 19/04/2005. Mr. B. Subba Reddy himself is the petitioner in the said C.P. and also without making requisite disclosures as required and applicable under the Regulation of SEBI.

#### B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year 31.03.2014			Shareholding at the end of the year 31.03.2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Pledged/ encumbered to total shares	
1	V.N. Sunanda Reddy	2652600	26.00	0	2652600	26.00	0	0
2	Sumanth Simha Vankineni	68700	0.67	0	68700	0.67	0	0
3	Jhansi Rani Vankineni	26000	0.25	0	26000	0.25	0	0
4	Snigdha Vankineni	368000	2.25	0	368000	2.25	0	0
5	Sai Sudhakar Vankineni	230000	3.61	0	230000	3.61	0	0
6	V Gowtham	150000	1.47	0	150000	1.47	0	0
7	V Sinduri	150000	1.47	0	150000	1.47	0	0
8	V Santha	22000	0.22	0	22000	0.22	0	0
9	D. Sadasiva Reddy	84400	0.83	0	84400	0.83	0	0
	<b>Total</b>	<b>3751700</b>	<b>36.78</b>	<b>0</b>	<b>3751700</b>	<b>36.78</b>	<b>0</b>	<b>0</b>

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

SN	Particulars	Shareholding at the beginning of the year 31.03.2014		Cumulative Shareholding during the year 31.03.2015	
		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 in Promoter's Shareholding.			
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
3	At the end of the year				



**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Particulars	Shareholding at the beginning of the year 31.03.2014		Shareholding End of the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	B. Subba Reddy	1302200	12.76	1302200	12.76
2	M/s Coral Drugs	200000	1.96	200000	1.96
3	Uppalapati Durga Mahidhar	150400	1.47	150400	1.47
4	Ch Avinash Reddy	125000	1.23	125000	1.23
5	Arvind Bhupatrai Sheth	92900	0.91	92900	0.91
6	Lakshmi Kanaka Durga M	67800	0.66	47700	0.47
7	Jawahar K Reddy	55000	0.53	55000	0.53
8	Mackertich Consultancy Services Private Limited	52900	0.51	52900	0.51
9	Samrajya Lakshmi Kandyala	45500	0.45	45500	0.45
10	Hemant Kumar Gupta	44900	0.44	44900	0.44

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Name of the Shareholder	Date	Reason	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	Sumanth Simha Vankineni	01.04.2014	At the beginning of the year	68700	0.67	68700	0.67
		31.03.2015	At the end of the year			68700	0.67
2	V Gowtham	01.04.2014	At the beginning of the year	150000	1.47	150000	1.47
		31.03.2015	At the end of the year			150000	1.47
3	D. Sadasiva Reddy	01.04.2014	At the beginning of the year	84400	0.83	84400	0.83
		31.03.2015	At the end of the year			84400	0.83
4	D. Vidya Sagar	01.04.2014	At the beginning of the year	168000	1.65	168000	1.65
		31.03.2015	At the end of the year			168000	1.65
5	P. Rama Chandra Gupta	01.04.2014	At the beginning of the year	82300	0.81	82300	0.81
		31.03.2015	At the end of the year			82300	0.81
<b>Key Managerial Persons( KMP)</b>							
6	V.N. Sunanda Reddy	01.04.2014	At the beginning of the year	2652600	26.00	2652600	26.00
		31.03.2015	At the end of the year			2652600	26.00
7	Vankineni Sai Sudhakar	01.04.2014	At the end of the year	230000	2.25	230000	2.25
		31.03.2015	At the end of the year			230000	2.25

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	<b>0</b>	<b>81232684</b>	<b>0</b>	<b>81232684</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>	<b>0</b>	<b>81232684</b>	<b>0</b>	<b>81232684</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	960000	47139632	0	48099632
* Reduction	29134	2410214	0	2439348
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	930866	125962102	0	126892968
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	20577	0	0	20577
<b>Total (i+ii+iii)</b>	<b>951443</b>	<b>125962102</b>	<b>0</b>	<b>126913545</b>

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. No.	Particulars of Remuneration	Managing Director	Executive Director	Total Amount
		V.N. Sunanda Reddy	Vankineni Sai Sudhakar	
1	Gross salary	2400000	2160000	4560000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify			
	<b>Total (A)</b>	<b>2400000</b>	<b>2160000</b>	<b>4560000</b>



**B. Remuneration to other directors:** During the F.Y. 2014-15 the Company has not paid any remuneration to other directors other than Managing Director i.e. V.N. Sunanda Reddy and Executive Director i.e. Dr. Sai Sudhakar Vankineni

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

S. No	Particulars of Remuneration	Key Managerial Personnel Lokesh Agarwal Whole time Company Secretary	Total
1	Gross salary	305806	305806
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit others, specify...	0 0 0	0 0 0
5	Others, please specify	0	0
	<b>Total</b>	<b>305806</b>	<b>305806</b>

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

**SECRETARIAL AUDIT REPORT****For the Financial year ended 31st March, 2015****(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel)**

To,  
The Members,  
S.S. Organics Limited  
Sy. 252/1, Aroor Village,  
Sadasivapet Mandal,  
Medak Dist, T.S.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by S.S. Organics Limited (herein after called the company). 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 S.S. Organics Limited 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 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and return field and other records maintained by S.S. Organics Limited for the Financial Year ended on 31st March, 2015 according to the provisions of:

- i. The Companies Act, 2013 ( the Act) and the rules made thereunder;
- ii. The Securities Contract ( Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and Regulations and Bye Laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial ( Company has not raised External Commercial Borrowings)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ( SEBI Act)
  - a. The Securities and Exchange Board of India ( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India ( Prohibition of Insider Trading) Regulations, 1992.
  - c. The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009 ( Not applicable to the Company during the audit period)
  - d. The Securities and Exchange Board of India ( Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ( Not Applicable to the Company during the audit period)
  - e. The Securities and Exchange Board of India ( issue and Listing of Debt Securities) Regulations, 2008; ( Not Applicable to the Company during the audit period)
  - f. The Securities and Exchange Board of India ( Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009 ( Not Applicable to the Company during the audit period); and
  - h. The Securities and Exchange Board of India ( Buyback of Securities) Regulations, 1998 ( Not applicable to the Company during the audit period);

- vi. Other specifically applicable laws to the Company:
- Factories Act 1947.
  - Electricity Act, 2003.
  - Indian Boilers Act, 1923.
  - Contract Labour Regulation And Abolition Act 1970.

*Following qualifications are found during the audit for the Financial Year 2014-15.*

- a. The Company has not appointed a Woman Director in the Board as per the provision of Section 149 of the Companies Act, 2013.**

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

- Listing Agreements entered into by the Company with Stock Exchanges(s) and
- Secretarial Standards issued by the Institute of Company Secretaries of India ( not notified during the audit period and hence not applicable)

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

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.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations etc. having a major bearing on the Company's affairs.

**Place: Hyderabad**

**Date: 14/11/2015.**

**For P.S. Rao & Associates**

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

**Conservation of energy, research and development, technology absorption,  
foreign exchange earnings and outgo**  
(Particulars pursuant to the Companies (Accounts) Rules, 2014)

**A. Conservation of Energy:**

The Company has already implemented energy conservation measures to conserve and optimize the use of energy through operation methods and other means will continue. The following pictures show the conversation of energy during the financial year 2014-15.

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
<b>POWER AND FUEL</b>		
Number of Units Consumed ( No.s in Lakhs)	12.28	8.90
Unit Rate	7.608	7.64
Total Amount (Rs. In Lakhs)	93.43	68.04
<b>OWN GENERATION (D.G. Set)</b>		
Number of Units Consumed ( Nos. In Lakhs)	0.63	0.58
Unit Rate (Rs.)	54.39	12.25
Total Amount (Rs. In Lakhs)	34.26	7.12
<b>COAL</b>		
Quantity (MT)	1833	646.43
Total Cost( Rs. In Lakhs)	122.21	39.59
Average Rate( M.T. in Rs.)	6667.21	6124

**B. Technology Absorption:**

The Company has not acquired any specific technology for its operations. The process technologies are acquired indigenously. Due to fire accident occurred in Block A the total plant and machinery was fired. The management has purchased new reactors for conversion process.

**C. Research and Development:**

The Company is carrying in process development in to Research and Development

**D. Foreign Exchange Earnings and out go.**

Foreign Exchange earnings during the year is Rs. 0 (ZERO) & Outflow is Rs.0 (ZERO).



## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW:

S. S. Organics Limited is strong in manufacturing of anti ulcerative and anti bacterial drugs. The Company is doing contract manufacturing work for APL and also having its own production. To minimize the working capital requirement and to have consistent income, it is necessary to continue contract manufacturing work till the Company gets working capital limits from any Bank. This contract manufacturing helps the Company to meet major operational expenses of the company.

### INDUSTRY REVIEW:

Indian bulk drug industry has made a significant presence in the global markets mainly because the foreign and the multinational companies are looking at sourcing a number of active pharmaceutical ingredients and the intermediates from India. The favorable factors acting in favour of bulk drugs in India are:

1. Presence of a vast technical pool,
2. Well-established state-of-the-art manufacturing plants,
3. Low cost factor compared to western countries
4. And the advantage of English language which is recognized worldwide.

Bulk Drug Industry is the backbone of the self-reliant Pharma industry in India, playing a significant role in improving the health standards of the people. The industry consists of Large, Medium and many Small-Scale Units providing tremendous employment opportunities. Today 90% of the domestic bulk drugs requirement has been met by the Indian industry itself.

The Indian Pharmaceutical Industry today is in the front rank of India's science-based industries with wide ranging capabilities in the complex field of drug manufacture and technology. A highly organized sector, the Indian Pharma Industry is estimated to be worth US \$ 4.5 billion, growing at about 8 to 9 percent annually.

### OPPORTUNITIES, RISKS AND THREATS:

The company is no exception to the competition from the market, new technologies and stringent patent laws. The Company has already identified such risks and trying to counter them over a period of time.

### INTERNAL CONTROL SYSTEMS & ADEQUACY:

The Company has proper and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal. All the transactions are authorized, recorded and reported correctly. The internal control system provides for well documented policies, guidelines, authorizations approvals and procedures. The observations arising out of audit are subject to periodic review, compliance and monitoring. The significant observations, made in internal audit reports, along with the status of action thereon are reviewed by the Audit Committee of the Board of Directors on a regular basis for future appropriate action, if deemed necessary.

### Performance Review:

Discussion on Financial Performance with respect to Operational Performance:

#### 1. Total Income:

During the year under review S.S. Organics Limited has achieved a gross total income of Rs.6,25,44,382/-.

#### 2. Share Capital:

The paid up share capital as on 31st March, 2015 is Rs.102013000/- divided into 10201300 fully paid-up equity shares of Rs.10/- each.

#### 3. Net Loss:

The Company's net loss is Rs. (6,11,49,082).

#### 4. Earnings Per Share (EPS):

The Earning Per Share for the Financial Year 2014-15 is Rs. (5.99) per share (Face Value: Rs.10/- each).



Your directors are putting continuous efforts to increase the performance of Company and are hopeful that the performance in coming year will improve in faster way.

**FINANCIAL PERFORMANCE:**

Since the Company has started its commercial production in the month of July 2015 after fire accident, it is in the process of stabilizing the manufacturing and marketing. Revenue from operations and operating income is less when compared to the amount of expenditure it is due to fire accident on 07.01.2015. But the Company is making serious efforts to strengthen its revenues against the expenditure but also to generate good profits in the near future. The revenue is increasing from the month of September 2015 onwards and by the November 2015 we will reach breakeven.

**HUMAN RESOURCES:**

The Company's industrial relations continued to be harmonious with its workforce during the year under review. The numbers of employees are 59.

**For and on behalf of the board**

**Place: Hyderabad**  
**Date: 14.11.2015**

**Sd/-**  
**V. N. Sunanda Reddy**  
**Chairman and Managing Director**

### CORPORATE GOVERNANCE REPORT

In Compliance with Clause 49 of Listing Agreement with Stock Exchanges, the Company Submits the report on the matters mentioned in said clause and lists the practices followed by the company.

#### 1. CORPORATE GOVERNANCE PHILOSOPHY:

The Company's philosophy on Corporate Governance is to practice fair and transparent governance to the benefit of its Shareholders, Lending Institutions, Customers, Employees and Society at large.

The Company relies on the strong Corporate Governance systems and policies of business for healthy growth, accountability and transparency. The code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company. In addition to compliance with regulatory requirements, the Company endeavors to ensure that the highest standards of ethical conduct are maintained throughout the organization.

#### 2. BOARD OF DIRECTORS:

The Board comprises of the following Directors:

Name of the Director	Category	No of Board Meetings during the Year 2014-2015 and attendance		Last AGM	As on date		
		B.M.			No. of other Directorships <sup>1</sup>	Committee positions <sup>2</sup>	
		Held	Attended			Member	Chairman
Mr. V.N Sunanda Reddy	Managing Director	6	6	Yes	Nil	1	Nil
Dr. V Sai Sudhakar	Executive Director	6	6	Yes	Nil	1	Nil
Mr. P. Ramachandra Gupta	Director	6	6	Yes	3	1	1
N. Gangi Reddy	Director	6	6	Yes	Nil	2	1
Dr. D.Sadasiva Reddy	Director	6	6	No	Nil	1	Nil
Mr. Appasani Ravi Kumar	Director	6	6	Yes	1	1	Nil
Mr. D. Vidya Sagar	Director	6	5	No	Nil	Nil	Nil
Dr. Sumanth Simha	Director	6	6	No	Nil	Nil	Nil
Mr. V. Gowtham Reddy	Director	6	2	No	Nil	Nil	Nil
Mr. P. Santosh Kumar <sup>3</sup>	Additional Director	6	0	No	2	Nil	Nil
Smt. Sudi Vijaya Lakshmi <sup>4</sup>	Additional Director	6	0	No	Nil	Nil	Nil

1. Other than Directorships in Section 8 Companies, Foreign Companies and Associations
2. Only Audit Committee and Stakeholders Relationship Committee positions.
3. Co-opted as Additional Director of the Company w.e.f. 13.08.2015.
4. Co-opted as Additional Director of the Company w.e.f. 12.10.2015

During the year under review, Six (6) Board meetings were held on 26th May, 2014, 13th August, 2014, 22nd August, 2014, 14th November, 2014, 14th February, 2015 and 31st March, 2015.

Your Company holds minimum of four board meetings in each year with maximum time gap of Four months between any two meetings. Additional Board Meetings will be convened by giving appropriate notice to address the urgent needs of the Company. The Board may also approve permitted matters by passing resolutions by circulation.

### 3. COMMITTEES OF DIRECTORS:

#### A. Audit Committee:

The Company constituted a Qualified and Independent Audit Committee comprising of Four Non-Executive Independent Directors and One Executive Director in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges and Section 177 of the Companies Act, 2013.

The Committee is empowered with the powers as prescribed under Clause 49 of Listing Agreement and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time. The Audit Committee has adequate powers to play effective role as required under Clause 49 of the Listing Agreement entered into with Stock Exchanges.

The composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

S.No	Name of the Director	Designation	No. of meetings held during the period	No. of Meetings attended
1	P. Ramachandra Gupta	Chairman	4	4
2	N. Gangi Reddy	Member	4	4
3	Dr. D.Sadasiva Reddy	Member	4	4
4	Dr. Sai Sudhakar Vankineni	Member	4	4
5	Appasani Ravi Kumar	Member	4	4

Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

Members of Audit Committee met four times with maximum time gap of Four Months between any two Committee meetings. Audit Committee meetings were held during the year under review on 26th May, 2014, 13th August, 2014, 14th November, 2014 and 14th February, 2015.

#### B. Nomination and Remuneration Committee:

Nomination and Remuneration Committee was duly constituted in accordance with the requirements of Section 178 of Companies Act, 2013 and Listing Agreement. The Nomination and Remuneration Committee is authorized subject to the provisions of Companies Act, 2013 and the consent of members, to negotiate, finalize and approve the terms of appointment for Managing Directors/Whole time Directors and other Senior Executives on behalf of the Company. The composition of Nomination and Remuneration Committee is as follows:

S.No.	Name of the Director	Designation
1	N. Gangi Reddy	Member
2	P. Ramachandra Gupta	Member
3	Dr. D. Sadasiva Reddy	Member
4	Appasani Ravi Kumar	Member

All the members of the Remuneration Committee are Non-Executive Directors and majority are Independent. The Remuneration Committee reviews the remuneration package payable to Executive Director(s) and Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendation to the Board and acts in terms of reference of the Board from time to time.

**C. Stakeholders Relationship Committee:**

The present composition of the Investors Relations Committee (Shareholders/ Investors grievances Committee) is as under:

Name of the Director	Designation	No. of meetings held during the year	No. of Meetings attended
N. Gangi Reddy	Chairman	4	4
V.N. Sunanda Reddy	Member	4	4

The Committee is empowered to oversee the redressal of investor complaints pertaining to share transfer, non-receipt of Annual Reports, issue of duplicate share certificates, transmission of shares and other miscellaneous complaints. In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorized the Compliance Officer, to approve share transfers/transmissions and comply with other formalities in relation thereto.

4)

**(i) General Body Meetings:**

Year	Place of Meeting	Date & Time	Special Resolutions
2013-14	Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak District, TS	26.09.2014 04.30 P.M	NIL
2012-13	Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak District, A.P	29-07-2013 04.30 P.M	Appointment of Dr. Sai Sudhakar Vankineni as an Executive Director of the company for a period of 3 years with effect from 1st August, 2013 – “Special Resolution”
2011-12	Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak District, A.P	04-05-2013 03.30 P.M	NIL

**(ii) During the last three years the following Extra-Ordinary General Meetings were as follows**

Year	Date	Time	Venue of the meeting	Special Resolutions/ Ordinary Resolutions Passed
2014-15	No Extra-ordinary General Meeting of the members was held during the year			
2013-14	No Extra-ordinary General Meeting of the members was held during the year			
2012-13	18th March, 2013	11.00 A.M	Sy. No. 252/1, Aroor Village, Sadasivapet Mandal, Medak District.	Reappointment of Mr. V. N. Sunanda Reddy as Managing Director w.e.f. 1st April, 2013. – “Special Resolution”  Appointment of M/s. VDNR & Associates as Statutory Auditors of the Company – Ordinary Resolution. – “Ordinary Resolution”

## 5. DISCLOSURES

### A. Disclosures on Materially Significant Related Party Transactions

There were no materially significant related party transactions compared to the business volume of the Company during the year conflicting with the interest of the Company.

### B. As per the Internal Code of Conduct the employees have been given access to the Audit Committee.

### C. Code of Conduct

The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all Directors and senior Management of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective Codes of Conducts for the financial year ended 31st March, 2015.

### D. Whistle Blower Policy.

As per internal code of conduct the employees have been given access to the Audit Committee.

### E. CEO Certification:

The Managing Director (CEO) has certified and submitted a certificate on the financial results and other compliance of statutory requirements to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO certification for the financial year ended 31st March, 2015.

### F. Details of Compliances with Mandatory Requirements and Adoption of the non-Mandatory Requirements

The Company has complied with all the mandatory requirements of Clause 49 and is in the process of implementation of Non-Mandatory requirements.

### G. Relationship inter-se among directors

In accordance with the provisions of as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014, no Directors of the Company are related to each other except Sri. V. Gowtham Reddy who is son of the Managing Director Sri. V. N. Sunanda Reddy and Proposing Director Dr. V. Sumanth Simha Director who is son of the Executive Director Dr. Sai Sudhakar Vankineni and P. Santosh Kumar who is son of the one of the Independent Director i.e. P. Rama Chandra Gupta.

## 6. MEANS OF COMMUNICATION

- A. The financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement.
- B. Management Discussion and Analysis forms part of this Annual Report.

## 7. GENERAL SHAREHOLDER'S INFORMATION

### A. Annual General Meeting

<b>Date and Time</b>	Thursday, 24th day of December, 2015 at 04.00 P.M.
<b>Venue</b>	Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak District, T.S.
<b>Last Date of Proxy forms submission</b>	04. 00 P.M. on 22nd day of December, 2015

- B. Financial Year** : 1st April 2014 to 31st March 2015.  
**C. Book Closure** : 17.12.2015 to 24.12.2015 (both days inclusive)  
**D. Listing on Stock Exchanges** : 1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.

**2. Stock Details.**

Name of the Stock Exchange	Stock Code	Scrip Code
Bombay Stock Exchange Limited	524636	SSORGS
Demat ISIN No. for CDSL and NSDL	INE102E01018.	

The Companies Securities are listed on the Bombay Stock Exchange Limited but the trading was suspended due to penal reasons and company has received In-Principle approval from Bombay Stock Exchange for lifting of suspension (Lifting of Suspension is under process). The Company already paid Rupees 2 Lakhs (Re-Instatement) fee as per the conditions stipulated in In-Principle Approval and also paid listing fee for F.Y. 2015-16.

**E. Market Price Data: High, Low and No. of Shares traded during each month in last Financial Year 2014-15 at BSE Limited is given below:**

Month	High (Rs.)	Low (Rs.)	Monthly Volume
April-2014	-	-	-
June-2014	-	-	-
July-2014	-	-	-
August-2014	-	-	-
September-2014	30.00	18.94	24090
October-2014	18.00	11.45	45730
November-2014	11.23	8.53	350058
December-2014	8.80	8.36	152166
January-2015	8.48	7.20	21937
February-2015	8.55	7.41	20660
March-2015	8.40	8.40	1680

Note: Revocation of Suspension in trading of equity shares of S.S. Organics Limited (Scrip Code: 524636) granted on 05-09-2015 and trading was also started from same date.

**F. Shareholding pattern as on 31-03-2015:**

Category	No. of Shareholders	No. of shares held	Percentage of shareholding
<b>A. Promoters' holding</b>			
1. Indian Promoters & Persons Acting in Concert.	11	3751700	36.78
<b>B. Non-Promoters' holding</b>			
1. Institutional Investors	3	9700	0.10
2. Others			
a) Private Corporate Bodies	111	562385	5.51
b) Indian Public	8662	4826315	47.31
c) NRIs/OCBs	2	55100	0.54
d) Clearing Members	22	45800	0.45
e) Others	4	950300	9.31
<b>GRAND TOTAL</b>	<b>8815</b>	<b>10201300</b>	<b>100.00</b>



**G. Registrar and Share Transfer Agent/ Common Agency for Share Registry work:**

**M/s. Venture Capital and Corporate Investments Private Limited**

12.10.167, Bharat Nagar,  
Hyderabad – 500 018  
Phone No. 040-23818475/476  
Fax No. 040-23868024  
E-mail: info@vccilindia.com

The Company periodically audits the operations of share transfer agent.

**H. Share Transfer System:**

Share Transfers in physical form shall be lodged with the Registrar at the above-said address. The share transfers are generally processed by our Registrars within 15 days from the date of receipt provided the documents are complete in all respects.

**F. Dematerialization of shares and liquidity:**

The Company has made necessary arrangements with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialization facility. Shareholders can open an account with the depository participant registered with this depository.

**G. Address for Correspondence**

S.S.Organics Limited, H/No. 8-2-120/77/5, Ground Floor, Opp: KBR Park, Road No. 2, Banjara Hills, Hyderabad – 500 034.  
Phone No. 040-2355 9938. Fax: 08455-250080

**For And On Behalf Of The Board**

**Sd/-**

**V. N. Sunanda Reddy  
Chairman & Managing Director**

**Place: Hyderabad**

**Date: 14.11.2015**

**CERTIFICATE PURSUANT TO CLAUSE 49 V OF THE LISTING AGREEMENT**

We have received the financial statements, read with the cash flow statement of S.S. Organics Limited for the year ended 31st March, 2015 and that to the best of our knowledge and belief, we state that;

- a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
- (ii) These statements present true and fair view of the Company's affairs and are in compliance with Current Accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and audit committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and audit committee:
- (i) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements.
- (ii) There are no instances of fraud involving the management or an employee

**For S.S. Organics Limited**

**Sd/-  
Dr. Sai Sudhakar Vankineni  
Executive Director**

**Sd/-  
V. N. Sunanda Reddy  
Managing Director**

**Place: Hyderabad**

**Dated: 14.11.2015**

**DECLARATION PURSUANT TO CLAUSE 49 I (D) (II) OF THE LISTING AGREEMENT**

In accordance with Clause 49I(D)(ii) of the Listing Agreement with the Stock Exchange, I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the code of conduct as applicable to them for the year ended March 31,2015.

**For S.S. Organics Limited**

**Place: Hyderabad**

**Date: 14.11.2015**

**Sd/-  
V.N. Sunanda Reddy  
Managing Director**





**AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To  
The Board of Directors,  
S. S. Organics Limited.

We have examined the compliance of conditions of Corporate Governance by S.S. Organics Limited for the year ended 31st March 2015 as stipulated in Clause 49 of the listing Agreement of the said company with stock exchange.

The compliance of condition of Corporate Governance is the responsibility of management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above- mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2015, there is No Investor Grievance is pending for a period exceeding one month against the Company as per the records maintained by the company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with the management has conducted the affairs of the company.

**For VDNR & ASSOCIATES.  
Chartered Accountants  
(Firm Regn. No. 011251S)**

**Place: Hyderabad  
Date: 14.11.2015**

**Sd/-  
D. Venkateswarlu  
Partner  
Membership No.028488**

## Independent Auditors' Report

To the Members of S.S. ORGANICS LTD

### Report on the Financial Statements

We have audited the accompanying financial statements of S.S. Organics Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of directors is responsible for matters stated in sub-section (5) of section 134 of the Companies Act, 2013 ('the act') with respect to the preparation and presentation 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 Companies (Accounts) Rules, 2014. This responsibility 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 judgements and estimates that are reasonable and prudent; design, implementation and maintenance adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 subsection 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 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 control system over financial reporting and other operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

### Basis for Qualified Opinion

1. Debtors balance amounts to Rs.64,25,418/- in the financial statement. Management has not obtained any confirmation of balances from the debtors for amount Rs.14,69,117./-. In the absence of Debtors confirmations for our verification we are unable to comment on the appropriateness of the carrying values of such amount and its consequential effects, if any, on the financial statements are presently not ascertainable. Our audit report on the financial statements for the year ended March 31, 2014 was also qualified for the same matter.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Emphasis of Matter**

- a) We draw attention to our comments to the financial statements which describe the uncertainty related to the outcome of the 21 lawsuits filed against the Company by various Statutory Authorities and Non Statutory concerns. Our opinion is not qualified in respect of these matters.
- b) Attention is drawn to Note No.9 of the Notes to the Accounts of the Company, relating to major fire accident occurred on 07-Jan-2015, which damaged the Plant & Machinery, Buildings, QC Lab equipments, Furniture & Fixtures and Office Equipments, installed in one of the Blocks. We are of the opinion that the damage of the fixed assets during the financial year will not affect the Going Concern status of the Company due to the measures taken.

Management could not ascertain the damage of individual asset components. Based on the available information and the claim submitted with the Insurance Company, damaged assets were removed from the net block.

Management and the Insurance Company are in the process of evaluating the claim / loss occurred due to fire.

Actual outcome of the Insurance claim is not ascertained and due to lack of information loss could not be recognised in the current financial year 2014-15. On actual receipt of the claim, loss or profit if any will be accounted.

**Report on other Legal and Regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a 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) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 Company does not have any branches; hence reporting under this clause is not applicable.
  - d) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - e) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company.
  - g) On the basis of written representations received from the directors as on March 31, 2015, and taken on record



by the Board of Directors, none of the directors are disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.

- h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 (c) to the financial statements;
  - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For VDNR & Associates  
Chartered Accountants  
FRN: 011251S

(Venkateswarlu D)  
Partner  
Membership No: 028488

Place: Hyderabad  
Date: 30-May-2015

**Annexure to the Auditor's Report**

The Annexure referred to in paragraph 7 of our report of even date to the members of S.S. Organics Limited, on the accounts of the company for the year ended 31st March, 2015.

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:

- i.
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- ii.
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 189 of Act.
- iv. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- v. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanations given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. (a) The company is not regular in depositing the undisputed statutory dues including Income-tax, Sales-tax, Service Tax, cess with the appropriate authorities and there have been serious delays in a large number of cases. According to the information and explanation provided to us, arrears of undisputed amount outstanding as on 31st March, 2015 for a period more than six months from the date they became payable are as follows :

## Statement of Arrears of Statutory Dues Outstanding for more than 6 Months

Nature of the Dues	Amount (Rs.)
Sales Tax	33,01,137
Professional Tax	2,07,300
Service Tax	10,61,046
TDS	36,59,414
ESI	26,373

b) Statement of Disputed dues as required by the clause are as given under:

Name of Authority	Nature of Dues	Amount in Rs.	Financial year to which the amount relates	Forum where disputes are pending
Customs Department	Customs Duty	Rs.62,40,052/-	1996-97	Hon'ble Customs, Excise, Gold(Control) Appellate Tribunal, Bangalore
Office of the Recovery officer – Employees Provident Fund Organization	Provident Fund	Rs.29,94,301/-	_____	Stay granted by High Court of Judicature - Hyderabad For the State of Telangana & Andhra Pradesh
Income Tax Department	Income Tax	Rs.11,84,817/-	2004-05	Income Tax, Circle – 1(1), Hyderabad
Income Tax Department	Income Tax	Rs.1,36,88,740/-	2005-06	Asst. Commissioner of Income Tax, Circle – 8(1), Hyderabad After reassessment dues as on date is of Rs.32,34,522/-.
Income Tax Department	Income Tax	Rs.89,24,820/-	2005-06	Dy. Commissioner of Income Tax, Circle – 1(1), Hyderabad
Income Tax Department	Income Tax	Rs.61,270/-	2008-09	CPC - Bangalore

(c) According to the information and explanation given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.

- viii. The accumulated losses of the company at the end of the accounting period are more than the fifty percent of its net worth. The company has incurred cash loss of Rs.4,31,96,124/- during the financial year and Rs. 3,23,99,809/- immediately preceding financial year.
- ix. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- x. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
- xi. Based on our audit procedures and on the information given by the management, the term loans have been applied for the purpose which they were raised.
- xii. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud has been noticed or reported during the course of audit.

For VDNR & Associates  
Chartered Accountants  
FRN:011251S

(Venkateswarlu D)  
Partner  
M.No.028488

Place: Hyderabad  
Date:30-May-2015



**S.S. ORGANICS LIMITED**  
**Balance Sheet as at 31st March, 2015**

Particulars	Note No	As at 31-03-2015	As at 31-03-2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	10,20,13,000	10,20,13,000
(b) Reserves and Surplus	3	(26,27,10,299)	(19,47,93,438)
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	14,33,17,521	10,62,32,683
(b) Deferred Tax Liabilities (Net)		1,38,64,020	2,12,55,553
(c) Long Term Liabilities	5	2,75,96,610	2,56,74,564
<b>(3) Current Liabilities</b>			
(a) Trade Payables	6	11,38,77,978	9,19,39,361
(b) Other Current Liabilities	7	3,90,77,382	2,59,04,859
(c) Short-Term Provisions	8	38,78,177	36,76,002
<b>Total</b>		<b>18,09,14,389</b>	<b>18,19,02,584</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible Assets	9	11,54,96,310	15,74,53,442
(ii) Capital work in Progress		6,43,727	-
(b) Non-current Investments	10	4,93,900	4,93,900
(c) Long Term Loans and Advances	11	1,00,21,663	72,97,253
<b>(2) Current Assets</b>			
(a) Inventory	12	52,63,383	3,13,177
(b) Trade Receivables	13	64,25,418	84,77,283
(c) Cash and Cash Equivalents	14	7,70,867	72,557
(d) Short-Term Loans and Advances	15	97,40,150	72,23,475
(e) Other Current Assets	16	3,20,58,971	5,71,497
<b>Total</b>		<b>18,09,14,389</b>	<b>18,19,02,584</b>

The accompanying notes are an integral part of the Balance Sheet  
As per my report of even date

**For VDNR & Associates**  
**Chartered Accountants**  
**FRN :011251S**

**for and on behalf of the board**

Sd/-  
(Venkateswarlu D)  
Partner  
M.No.028488

Sd/-  
(V N SUNANDA REDDY)  
Managing Director

Sd/-  
(Dr.V.SAI SUDHAKAR)  
Executive Director

**Date : 30.05.2015**  
**Place : Hyderabad**



**S.S. ORGANICS LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2015**

Particulars		Note No	For the year Ended 31-03-2015	For the year Ended 31-03-2014
I.	Revenue from Operations	17	6,24,23,732	2,47,00,500
II.	Other Income	18	1,20,650	23,36,620
III.	<b>Total Revenue (I +II)</b>		<b>6,25,44,382</b>	<b>2,70,37,120</b>
IV.	Expenses:			
	Cost of material consumed	19	2,79,04,441	32,67,500
	Changes in Inventories	20	(47,52,058)	-
	Other Manufacturing Expenses	21	2,92,77,495	1,71,74,025
	Employee benefit expense	22	2,88,12,119	2,13,54,751
	Financial expenses	23	20,66,333	1,06,171
	Depreciation	9	2,53,45,211	86,00,631
	Other expenses	24	2,24,32,176	1,75,34,482
	<b>Total Expenses</b>		<b>13,10,85,717</b>	<b>6,80,37,560</b>
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(6,85,41,335)	(4,10,00,440)
VI.	Exceptional Items		-	-
VII.	Profit before Prior Period items(V-VI)		(6,85,41,335)	(4,10,00,440)
VIII.	Prior Period items		-	-
IX.	Profit before extraordinary items and tax (VII - VIII)		(6,85,41,335)	(4,10,00,440)
X.	Extraordinary Items		-	-
XI.	<b>Profit before tax (IX - X)</b>		<b>(6,85,41,335)</b>	<b>(4,10,00,440)</b>
XII.	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(73,91,533)	18,82,815
XIII.	Profit/(Loss) from the period from continuing operations (XI - XII)		(6,11,49,802)	(4,28,83,255)
XIV.	Profit/(Loss) from discontinuing operations		-	-
XV.	Tax expense of discounting operations		-	-
XVI.	Profit/(Loss) from Discontinuing operations (XIV - XV)		-	-
XVII.	Profit/(Loss) for the period (XVI + XIII)		<b>(6,11,49,802)</b>	<b>(4,28,83,255)</b>
XVIII.	Earning per equity share:			
	(1) Basic		(5.99)	(4.20)
	(2) Diluted		(5.99)	(4.20)

"The accompanying notes are an integral part of the Profit & Loss

As per my report of even date

**For VDNR & Associates**

**Chartered Accountants**

**FRN :011251S**

**Sd/-**

**(Venkateswarlu D)**

**Partner**

**M.No.028488**

**Date : 30.05.2015**

**Place : Hyderabad**

**for and on behalf of the board**

**Sd/-**

**(V N SUNANDA REDDY)**

**Managing Director**

**Sd/-**

**(Dr.V.SAI SUDHAKAR)**

**Executive Director**





<b>S.S. ORGANICS LIMITED</b>				
<b>Cash flow statement for the year ending 31-03-2015</b>				
(As required Under Clause 32 of Listing Agreement with Stock Exchanges)				
	<b>For the year Ended 31-03-2015</b>		<b>For the year Ended 31-03-2014</b>	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before tax and extraordinary items	-6,85,41,335		(4,10,00,440)	
Adjustment for:				
Add:- Depreciation	2,53,45,211		86,00,631	
Less:-Interest income	-1,20,650		(13,307)	
Add:-Interest and Financial charges	20,66,333		1,06,171	
Less:- Profit on Sale of Assets	-		(9,79,850)	
<b>Operating Profit/(Loss) before working capital changes</b>		<b>-4,12,50,441</b>		<b>-3,32,86,795</b>
(Increase)/Decrease in Inventories	-49,50,211		(3,13,177)	
(Increase)/Decrease in Sundry Debtors	20,51,865		(47,28,292)	
(Increase)/Decrease in Other Current Assets	-3,14,87,474		-	
(Increase)/Decrease in Loans and advances	-25,16,675		(45,40,833)	
Increase/(Decrease) in Current Liabilities	3,51,11,140		1,46,24,943	
Increase/(Decrease) in Provisions	2,02,175	<b>-15,89,180</b>	13,02,854	<b>63,45,495</b>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>(4,28,39,621)</b>		<b>(2,69,41,300)</b>
Income Taxes paid		-		-
Cash flow before extraordinary items		(4,28,39,621)		(2,69,41,300)
Extraordinary items		-		-
<b>Net cash from operative activities</b>		<b>(4,28,39,621)</b>		<b>(2,69,41,300)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed assets		-2,29,67,357		(1,71,57,694)
Damage of Fixed assets		3,21,68,497		-
Interest received		1,20,650		13,307
Profit on Sale of Fixed assets		-		9,79,850
<b>Net cash used in investing activities</b>		<b>93,21,790</b>		<b>(1,61,64,537)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of share capital		-		-
Proceeds from long term & Other borrowings		3,90,06,884		3,92,38,576
Increase in Loans & Advances		-27,24,410		(18,74,131)
Interest Paid		-20,66,333		-1,06,171
<b>Net cash used in financial activities</b>		<b>3,42,16,141</b>		<b>3,72,58,274</b>
Net increase in cash and cash equivalents		6,98,310		(58,47,563)
Cash and cash equivalents at beginning of the year		72,558		59,20,121
Cash and cash equivalents at end of the year		7,70,867		72,558
"The accompanying notes are an integral part of the Balance Sheet				
<b>As per my report of even date</b>		<b>for and on behalf of the board</b>		
<b>For VDNR &amp; Associates</b>				
<b>Chartered Accountants</b>				
<b>FRN :011251S</b>				
Sd/-	Sd/-	Sd/-		
(Venkateswarlu D)	(V N SUNANDA REDDY)	(Dr.V.SAI SUDHAKAR)		
Partner	Managing Director	Executive Director		
M.No.028488				
Date : 30.05.2015				
Place : Hyderabad				

**Notes No. 1****SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:****1. Accounting Convention:**

The Financial statements are prepared as a going concern under the historical cost convention on accrual basis and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India.

**2. Fixed Assets:**

- a) Fixed Assets are stated at their cost of acquisition comprising of the purchase price and any attributable cost of bringing the asset to working condition for the intended use.
- b) Depreciation is provided on Straight line method on pro-rata basis in accordance with the useful life prescribed under Schedule II of the Companies Act, 2013.
- c) The Carrying amount of assets are reviewed at each balance sheet date when required to assess whether they are recorded in excess of their recoverable amounts and where carrying values exceed the estimated recoverable amount, assets are written down to their recoverable amount.

**3. Inventories:**

- a) Packing Materials, Stores, Spares and Consumables are valued at cost, calculated on "First-in-First-Out (FIFO)" basis, which either equal to or Less than the realizable value. Items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- b) Finished goods and Work-in-process are valued at lower of the cost or net realizable value. In respect of finished goods, cost includes material, labour and proportion of appropriate overheads and excise duty.

**4. Revenue recognition:**

Revenues are recognized on accrual basis. Sales are recognized exclusive of Excise Duty and Sales Tax.

**5. Retirement Benefits:**

- a) The Company's contribution to Provident Fund is recognized on accrual basis.
- b) Gratuity and Leave Encashment Liability is provided on the basis of actuarial valuation at the end of each financial year.

**6. Deferred Taxation:**

Deferred Tax resulting from timing differences between book and tax profit is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize.

**7. Contingencies:**

Loss arising from claims, litigation, assessments, fines, penalties etc, are provided for when it is probable that a liability may be incurred and the amount can be reasonably estimated.



## Notes No. 2. Share Capital

Particulars	31 Mar 2015 Amount in Rs.	31 Mar 2014 Amount in Rs.
<b>Authorized Shares</b> 1,05,00,000 Equity Shares of Rs.10/- each	10,50,00,000	10,50,00,000
<b>Issued, Subscribed and fully paid Shares</b> 1,02,01,300 Equity Shares of Rs.10/- each (Prv. Year 1,02,01,300 equity shares of Rs.10/- each)	10,20,13,000	10,20,13,000
<b>Total Issued, Subscribed and fully paid Shares</b>	<b>10,20,13,000</b>	<b>10,20,13,000</b>

## a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2015		31 March 2014	
	Nos	Amount In Rs	Nos	Amount In Rs
<b>“Issued, Subscribed &amp; fully paid Equity Shares”</b>				
At the Beginning of the period	1,02,01,300	10,20,13,000	1,02,01,300	10,20,13,000
Add:- Issued during the period	0	0	0	0
<b>Outstanding at the end of the Period</b>	<b>1,02,01,300</b>	<b>10,20,13,000</b>	<b>1,02,01,300</b>	<b>10,20,13,000</b>

## b. Terms/rights attached to Equity shares

(i). The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of Equity shares is entitled to one vote per share.

(ii). In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## c. Details of shareholders holding more than 5% Shares in the company

Particulars	31 March 2015		31 March 2014	
	No.of shares held	% of share holding	No.of shares held	% of share holding
VN Sunanda Reddy	26,52,600	26.00%	26,52,600	26.00%
B.Subba Reddy	13,02,200	12.76%	13,02,200	12.76%

Note No.		As at 31-03-2015	As at 31-03-2014
<b>3</b>	<b>Reserves and Surplus</b>		
	Profit and Loss statement		
	Opening Balance	(19,47,93,438)	(15,19,10,183)
	Add:- Profit/(Loss)for the Year	(6,11,49,802)	(4,28,83,255)
	Add:- Adjustment to Reserves (Refer Note No. 3.1)	(67,67,058)	-
	<b>Total</b>	<b>(26,27,10,299)</b>	<b>(19,47,93,438)</b>

3.1 Depreciation is calculated as per Schedule - II of the Companies Act, 2013. For the assets where the useful life is expired as on the date of financials is charged to Reserves & Surplus as per Schedule - II.

Note No.		As at 31-03-2015	As at 31-03-2014
4	<b>Long-Term Borrowings</b>		
	Secured Deposits-ICD (Refer Note No.4.1)	2,06,52,131	2,50,00,000
	Unsecured From Directors & Their Relatives (Refer Note No.4.2) Others (Refer Note No.4.3)	11,43,60,107 83,05,283	7,87,40,104 24,92,579
	<b>Total</b>	<b>14,33,17,521</b>	<b>10,62,32,683</b>

4.1 The Deposits - ICD from Aurobindo Pharma Ltd are Secured by Hypothecation of Movable Fixed assets of the company.

4.2 "The Company has taken interest free unsecured loans from directors and the relatives. Since the company is sick industry and registered with Hon'ble Board for Industrial Financial Reconstruction as case No. 91/97, Company has accepted deposits from Directors and their relatives.

Based on the BIFR Scheme, Company has obtained interest free loans from the directors. Post approval of the BIFR Scheme, Unsecured loans will be converted into Equity."

4.3 Unsecured Loans are obtained from the IKF Finance Ltd., based on the personal guarantees provided by the directors.

Note No.		As at 31-03-2015	As at 31-03-2014
5	<b>Long Term Liabilities</b>		
	Sales Tax Deferment (Refer Note No. 5.1)	1,15,70,647	1,15,70,647
	Others	1,60,25,963	1,41,03,917
	<b>Total</b>	<b>2,75,96,610</b>	<b>2,56,74,564</b>

5.1 The Sales Tax Department sanctioned an amount of Rs.2,43,52,164/- towards deferment for a period of ten years starting from 17-03-1995 to 16-03-2005.

Note No.		As at 31-03-2015	As at 31-03-2014
6	<b>Trade Payables</b>		
	Trade Payables (Refer Note No. 6.1)	10,36,10,876	8,54,21,617
	Advance from customers	1,02,67,102	65,17,744
	<b>Total</b>	<b>11,38,77,978</b>	<b>9,19,39,361</b>

6.1 In the absence of the information about the "Small scale industrial undertakings" status of its Sundry Creditors, at present the Management is unable to quantify the amounts due to Small scale industrial undertakings exceeding rupees one lakh which is outstanding for more than 30 days.



Note No.		As at 31-03-2015	As at 31-03-2014
7	<b>Other Current Liabilities</b> Current Maturities of Long Term Debt Other Payables (Refer Note No.7.1)	32,96,712 3,57,80,670	- 2,59,04,859
	<b>Total</b>	<b>3,90,77,382</b>	<b>2,59,04,859</b>

7.1 Other Payables consists of Amounts payable towards Tds, Sales tax, Excise duty, Professional tax, ESI, Salaries & Wages etc.,

Note No.		As at 31-03-2015	As at 31-03-2014
8	<b>Short-term provisions</b> Provision for employee benefits Others (Refer Note No.8.1)	25,47,469 13,30,708	23,08,970 13,67,032
	<b>Total</b>	<b>38,78,177</b>	<b>36,76,002</b>

8.1 Others includes Provision for Earned Leave and Gratuity .

Note No.		As at 31-03-2015	As at 31-03-2014
10	<b>Non-Current Investments</b> Investments in Equity instruments (Refer Note No.10.1)	4,93,900	4,93,900
	<b>Total</b>	<b>4,93,900</b>	<b>4,93,900</b>

10.1 Investments consists of 49,390 Equity shares in M/s Pattancheru Enviro-Tech Ltd of Rs.10/- each

Note No.		As at 31-03-2015	As at 31-03-2014
11	<b>Long Term Loans and Advances</b> Deposits Balances with Revenue Authorities	22,40,853 77,80,810	22,13,978 50,83,275
	<b>Total</b>	<b>1,00,21,663</b>	<b>72,97,253</b>

Note No.		As at 31-03-2015	As at 31-03-2014
12	<b>Inventories</b> Closing Work in Progress Closing Stock of Finished goods	43,92,383 3,59,675	- -
	<b>Total</b>	<b>47,52,058</b>	<b>-</b>

Note No.		As at 31-03-2015	As at 31-03-2014
<b>13</b>	<b>Trade receivables</b> Outstanding for a period exceeding six months Unsecured, considered Good (Refer Note No.12.1)	37,59,283 26,66,135	47,18,000 37,59,283
	<b>Total</b>	<b>64,25,418</b>	<b>84,77,283</b>

**13.1** The Management is in the process of obtaining confirmations of balances at the end of the year. Pending confirmation of balances of Rs. 14,69,117 /- and the consequent impact on the Statement of Profit & Loss is not ascertained.

Note No.		As at 31-03-2015	As at 31-03-2014
<b>14</b>	<b>Cash and cash equivalents</b> (a). Cash on hand (b). Balances with banks (i). In current Accounts	6,98,045 72,822	2,908 69,649
	<b>Total</b>	<b>7,70,867</b>	<b>72,557</b>

Note No.		As at 31-03-2015	As at 31-03-2014
<b>15</b>	<b>Short term loans and advances</b> (Unsecured Considered good, recoverable in cash or in kind for value to be received) Advances for Materials Advances for Services (Staff Advances & Exp) Vat Input Credit Tds Receivable Cenvat Credit Receivable on Capital Goods	26,27,241 2,97,535 43,32,209 18,63,945 6,19,220	32,80,418 3,39,882 26,45,698 4,76,322 4,81,155
	<b>Total</b>	<b>97,40,150</b>	<b>72,23,475</b>

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>16</b>	<b>Other Current Assets</b>	3,20,58,971	5,71,497
	<b>Total</b>	<b>3,20,58,971</b>	<b>5,71,497</b>

- 16.1** "a. A major fire accident was broke out on 07-Jan-2015, resulting into damage of Fixed assets of the company Management and the Insurance company is in the process of evaluating the loss occurred due to fire.
- b. Actual outcome of the Insurance claim is not ascertained and due to lack of information loss could not be recognised in the current financial year 2014- 15. On actual receipt of the claim, loss or profit if any, will be accounted.



## Note : 9

## Tangible Assets

Assets Particulars	Gross Block			Depreciation			Net Block	
	"As at 01.04.2014"	Additions	Deletions	"As at 31.03.2015"	For the Year	Dep on Deletions	"As at 31.03.2015"	"As at 31.03.2014"
Land	17,94,240	-	-	17,94,240	-	-	17,94,240	17,94,240
Buildings	4,57,42,706	4,33,101	1,01,50,701	3,60,25,106	19,08,411	13,80,299	2,39,06,973	3,41,56,490
Data Processing Equipment	11,93,636	84,000	2,30,941	10,46,695	86,685	37,465	2,46,709	4,77,524
Furniture	13,38,908	-	1,06,700	12,32,208	80,261	11,824	2,49,539	6,88,307
Misc Fixed Assets	34,82,400	50,299	-	35,32,699	1,06,236	-	9,97,506	17,33,852
Office Equipment	16,46,271	-	-	16,46,271	29,119	-	7,81,682	9,81,662
Plant & Machinery	17,95,22,048	2,02,78,195	3,96,28,062	16,01,72,181	2,23,94,305	1,65,18,319	36,44,932	11,37,53,215
QC Lab Equipment	51,39,612	3,17,200	-	54,56,812	3,74,252	-	8,42,885	34,18,901
Vehicles	5,89,052	11,60,835	-	17,49,887	3,65,942	-	-	4,49,255
<b>Grand Total</b>	<b>24,04,48,873</b>	<b>2,23,23,630</b>	<b>5,01,16,404</b>	<b>21,26,56,099</b>	<b>2,53,45,211</b>	<b>1,79,47,907</b>	<b>11,54,96,310</b>	<b>15,74,53,446</b>

Capital Work In Progress	As at 01.04.2014	Additions	Deletions	As at 31.03.2015	For the Year	Dep on Deletions	As at 31.03.2015	As at 31.03.2014
Previous Year-Civil	-	-	-	-	-	-	-	-
"Current Year-Civil Plant&Machinery	-	6,43,727	-	6,43,727	-	-	6,43,727	-

Note: a) Depreciation on the assets is provided according to the useful life of the asset as per Schedule - II of the Companies Act 2013.

b) The carrying amount of the asset as on the 01-Apr-2014 is depreciated over the remaining useful life of the asset as per Schedule - II.

c) For the assets where useful life is expired as on 01-Apr-2014, the carrying amount as on 01-Apr-2014 is charged to Retained earnings.

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>17</b>	<b>Income</b>		
	Job work	4,14,37,500	2,47,00,500
	Sales - Others	2,09,86,232	-
	<b>Total</b>	<b>6,24,23,732</b>	<b>2,47,00,500</b>

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>18</b>	<b>Other Income</b>		
	Nomination Fees	-	2,500
	Interest received	1,20,650	13,307
	Sales - Others	-	13,40,963
	Profit on Compulsory Acquisition of land - NHAI	-	9,79,850
	<b>Total</b>	<b>1,20,650</b>	<b>23,36,620</b>

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>19</b>	<b>Cost of material consumed</b>		
	Opening Stock	3,13,177	-
	Add: Purchases	2,81,02,589	35,80,677
		2,84,15,766	35,80,677
	Less: Closing Stock	5,11,325	3,13,177
	<b>Total</b>	<b>2,79,04,441</b>	<b>32,67,500</b>

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>20</b>	<b>Changes in Inventories</b>		
	Closing Stock of Work in Progress	43,92,383	-
	Closing Stock of Finished Goods	3,59,675	-
		47,52,058	
	Opening Stock of Work in Progress	-	-
	Opening Stock of Finished Goods	-	-
	<b>Total</b>	<b>47,52,058</b>	<b>-</b>

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>21</b>	<b>Other Manufacturing Expenses</b>		
	Carriage Inward	12,73,129	5,71,561
	Stores, Spares and Consumables	11,02,546	8,87,132
	Coal Purchases	1,26,55,271	59,65,067
	Lubricants & Fuel Charges	30,68,421	7,13,639
	Electricity Charges	94,37,220	68,04,145
	Repair & Maintenance P & M A/c	17,40,908	22,32,481
	<b>Total</b>	<b>2,92,77,495</b>	<b>1,71,74,025</b>





Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>22</b>	<b>Employee Benefits Expense</b>		
	Salaries and wages	2,49,04,717	1,86,58,398
	Earned Leave	85,269	77,223
	Gratuity	1,53,230	2,21,290
	Staff welfare expenses	36,68,903	23,97,840
	<b>Total</b>	<b>2,88,12,119</b>	<b>2,13,54,751</b>

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>23</b>	<b>Financial Expenses</b>		
	Bank Charges	20,317	14,527
	Interest	20,46,016	91,644
	<b>Total</b>	<b>20,66,333</b>	<b>1,06,171</b>

Note No.		For The Year Ended 31-03-2015	For The Year Ended 31-03-2014
<b>24</b>	<b>Other Expenses</b>		
	Rent-Office	6,20,000	4,79,000
	Rates and Taxes	4,06,635	69,453
	Legal Expenses A/c	6,700	89,324
	Legal Fee A/c	50,000	2,01,666
	Professional & Consultancy Charges A/c	22,68,554	22,46,702
	Directors Remuneration	45,60,000	40,41,613
	Insurance	2,07,147	1,72,920
	Printing & Stationery A/c	4,65,778	9,03,162
	Audit Fee A/c	3,37,080	3,37,080
	Postage & Telephone charges	3,56,227	4,41,963
	Travelling Expenses	12,62,931	12,80,129
	Conveyance Expenses A/c	2,34,842	2,87,425
	Vehicle Maintenance	3,53,848	3,10,524
	Listing Fees	1,12,360	1,40,450
	Registration & Renewal Fees	90,100	96,136
	License & Renewals	21,600	41,000
	Other Expenses	59,62,651	40,39,143
	Repairs & Maintenance - Building A/c	5,84,136	5,05,409
	Repairs & Maintenance - Others A/c	9,12,363	3,41,657
	Service tax	11,55,853	3,96,590
	Effluent and Other Manufacturing Expenses	24,63,371	11,13,136
	<b>Total</b>	<b>2,24,32,176</b>	<b>1,75,34,482</b>

**Note No. 20**
**Additional Information to the Financial Statements:**
**a) Remuneration to Directors**

During the Current Financial year, The Company provides the following remuneration.

Particulars	01-04-14 to 31-03-15 (12 Months)	01-04-13 to 31-03-14 (12 Months)fg
Directors – Salary*	22,80,000	20,20,807
Allowances	22,80,000	20,20,806
Total	45,60,000	40,41,613

**b) Annual Capacities (As Certified by the Management)**

DETAILS	2014-15	2013-14
Registered / Installed Capacity	320 Tonnes Per Annum	320 Tonnes Per Annum

**c) CONTINGENT LIABILITIES:**

Particulars	As at 31st March, 15	As at 31st March, 14
(i) Estimated Amount of Contracts Remaining to be executed on Capital account and not provided for	0.00	0.00
(ii) Exported obligation	70,00,000	70,00,000
(iii) Claims not acknowledged as debts	92,34,353	76,14,970

**d) FOREIGN EXCHANGE TRANSACTIONS:**

Inflow - Nil  
Outflow - Nil

**e) Earnings per Share:**

Particulars	As at 31st March, 15	As at 31st March, 14
Net Profit/(Loss) for the Year	(6,11,49,802)	(4,28,83,255)
No. of Equity Shares (Face Value of Rs.10/- each)	1,02,01,300	1,02,01,300
EPS	(5.99)	(4.20)



f) As per accounting standards 18, the disclosures of transactions with the related parties are given below:

(i). List of related parties where control exists (KMP) with whom transactions have taken place

SI. No	Name of the Related Party	Nature of Relationship
1	V N Sunanda Reddy	Key Management Personnel
2	Dr. V Sai Sudhakar	Key Management Personnel
3	V Gowtham Reddy	Son of VN Sunanda Reddy
4	V Sumanth Simha	Son of Dr. V Sai Sudhakar

ii) Transactions during the year with the related parties

Name of the Related Party / Nature of Transactions	Nature of Relationship	Amount (In Rs)
A) V N Sunanda Reddy	Key Management Personnel	
1. Salary		12,00,000
2. Allowances		12,00,000
3. Unsecured Loans received during the year net.		34,70,000
	<b>Total</b>	<b>58,70,000</b>
B) V Gowtham Reddy	Son of VN Sunanda Reddy	
1. Unsecured Loan received		24,40,000
	<b>Total</b>	<b>24,40,000</b>
C) Dr. V Sai Sudhakar	Key Management Personnel	
1. Salary		10,80,000
2. Allowances		10,80,000
3. Unsecured Loans received during the year net.		2,64,00,000
	<b>Total</b>	<b>2,85,60,000</b>
D) V Sumanth Simha	Son of Dr. V Sai Sudhakar	
1. Unsecured Loan received		31,00,002
	<b>Total</b>	<b>31,00,002</b>

iii) (a) Amounts due to Directors, KMP & their relatives as at the yearend:

Particulars	Amount (Rs. Lacs)
Total Amount due to Directors and their relatives	1143.60



(b) Loan from directors/KMP in excess of 10% of the total amount mentioned in iii (a)

<b>Particulars</b>	<b>Amount (Rs. Lacs)</b>
V N Sunanda Reddy	193.64
Dr. V Sai Sudhakar	511.00

\*Previous year's figures have been regrouped, recast and reclassified where ever necessary to conform to the current year's classification.

As per our report of even date attached

**For VDNR & Associates**  
**Chartered Accountants**  
**FRN: 011251S**

**For and on behalf of the Board**

**Sd/-**  
**(VENKATESWARLU D)**  
**Partner**  
**M.No.028488**

**Sd/-**  
**(V N SUNANDA REDDY)**  
**Managing Director**

**Sd/-**  
**(Dr. V SAI SUDHAKAR)**  
**Executive Director**

**Date: 30-May-2015**  
**Place: Hyderabad**



### S.S. Organics Limited

CIN: L24110TG1990PLC012038

Registered Office: Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak Dist. Telangana State

• E-mail : cs@ssorganics.co.in, md@ssorganics.co.in • Website : www.ssorganics.co.in

#### ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING (To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of S S Organics Limited.

I hereby record my presence at the 22nd Annual General Meeting of the Shareholders of S S Organics Limited on Thursday the 24th day of December, 2015 at 04.00 P.M. at Registered Office of the Company

DP ID*	Regd. Folio No.
Client ID*	No. of Shares

\*Applicable if shares are held in electronic form.

Name & Address of Member

\_\_\_\_\_  
Signature of Shareholder/Proxy/  
Representative (Please Specify)

#### ELECTRONIC VOTING

Electronic voting (e-voting) facility is being provided in respect of the Resolutions proposed at the 22nd AGM, in accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Please see Note (10) to the Notice of 22nd Annual General Meeting of the Company, convening the AGM for the procedure with respect to e-voting.

Your e-voting user ID and password are provided below:

Electronic Voting Event Number (EVEN)	User ID	Password
		Use your existing password



### S.S. Organics Limited

CIN: L24110TG1990PLC012038

Registered Office: Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak Dist. Telangana State

• E-mail : cs@ssorganics.co.in, md@ssorganics.co.in • Website : www.ssorganics.co.in

**Form No.MGT-11**
**Proxy Form**

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

CIN	L24110TG1990PLC012038		
Name of the Company	S.S. Organics Limited		
Registered Office	Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak Dist. Telangana State		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client ID		DP ID	

I / We, being the Member(s) of \_\_\_\_\_ shares of S.S. Organics Limited, hereby appoint

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

E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him

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

E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him

(3) Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him



as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 22nd Annual General Meeting (AGM) of the Company to be held on the Thursday, the 24th day of December 2015 at 04.00 p.m. at Registered Office of the Company i.e. Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak Dist. Telangana State , and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (√)	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Accounts for the financial year ended 31st March, 2015, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.		
2	Appointment of Dr. Sumanth Simha Vankineni who retires by rotation and being eligible offers herself for re-appointment.		
3	Re-Appointment of M/s.VDNR & Associates., Chartered Accountants, Registration No. 011251S, as Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 24th Annual General Meeting and to authorize the Board of Directors to fix their remuneration.		
<b>Special Business</b>			
4	Appointment of Sri P. Santosh Kumar, as Independent Director of the Company for a period of 5 Years		
5	Appointment of Smt Sudi Vijaya Lakshmi, as Independent Director of the Company for a period of 5 years		
6	Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015. Signature of shareholder: \_\_\_\_\_

NOTE : This form of proxy, in order to be effective, should be duly completed and deposited at the Corporate office of the Company not less than 48 hours before the commencement of the AGM i.e. by 04.00 p.m. on Tuesday, 22nd day of December, 2015.

Affix  
Revenue  
Stamp