

SRI KPR INDUSTRIES LIMITED



KPR

**29th
Annual Report
2016-2017**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri. Jagadeeshwar Reddy Prodduturi	Chairman (Independent Director)
Shri. Kishan Reddy Nalla	Managing Director
Shri. Srinath Reddy Nalla	Whole time Director
Shri. Bhoopal Reddy Aleti	Whole time Director
Shri. Raja Reddy Gaddam	Whole time Director
Shri. Naveena Chandra Thammishetty	Independent Director
Shri. Krishna Prasad Srinivas	Independent Director
Shri. Vineel Reddy Nalla	Director
Shri. Vinitha Reddy Nalla	Director
Shri. Nandu Siddha Reddy	Chief Financial Officer
Ms. Meenakshi Deepak Navalakhe	Company Secretary

COMMITTEES

AUDIT COMMITTEE

Shri. Naveena Chandra Thammishetty	Chairman
Shri. Jagadeeshwar Reddy Prodduturi	Member
Shri. Krishna Prasad Srinivas	Member
Shri. Vineel Reddy Nalla	Member

NOMINATION & REMUNERATION COMMITTEE

Shri. Krishna Prasad Srinivas	Chairman
Shri. Naveena Chandra Thammishetty	Member
Shri. Jagadeeshwar Reddy Prodduturi	Member
Shri. Vineel Reddy Nalla	Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Shri. Vineel Reddy Nalla	Chairman
Shri. Kishan Reddy Nalla	Member
Shri. Srinath Reddy Nalla	Member

AUDITORS

Statutory Auditors

M/s. V Sridhar & Co.,
Chartered Accountants,
Hyderabad

Internal Auditors

M/s. A.M. Reddy & D.R. Reddy
Chartered Accountants,
Hyderabad

COMPANY BANKERS

State Bank of India, SME Branch, Saifabad, Hyderabad

REGISTERED & CORPORATE OFFICE

Vth Floor, K. P. R. House Sardar Patel Road, Secunderabad, Telangana – 500003

Tel: 040-27847121; Fax: 040 – 27892076;

E-Mail Id: bwpl9@yahoo.com;

Website: <http://www.kprindustries.in>

PLANT LOCATION

Sy No. 12, Gundlapochampally, Medchal, R.R. Dist.

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Pvt Ltd

Regd Off: KarvyHouse, 46, Avenue 4, Street No 1, BanjaraHills, Hyderabad – 500 034

Tel: +91-04-2331-2452/2332-0751/752/251

Fax: +91-40-2331-1968

Corporate Off: Karvy Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, Telangana

Tel: +91-40-67162222, 33211000

Fax: +91-40-23420814

Email Id: support@karvy.com;

Website: www.karvycomputershare.com

SRI KPR INDUSTRIES LIMITED

CIN: L20200TG1988PLC009157
5th Floor, KPR House, Sardar Patel Road, Secunderabad-500 003;
Tel: +91 40 27847121, 27819868; Fax: +91 40 27892076
E-mail: bwpi9@yahoo.com; Website: www.kprindustries.in

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 29th Annual General Meeting (AGM) of SRI KPR INDUSTRIES LIMITED will be held on Friday, the 29th day of September, 2017 at 10.00 A.M. at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda, (Behind Chermas Showroom), Ameerpet, Hyderabad-500073, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt :
 - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2017 together with the Reports of the Board and Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 together with the Report of the Auditors thereon.
2. To declare Dividend on equity shares for the financial year ended March 31, 2017.
3. To consider appointment of Shri. Raja Reddy Gaddam, who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for re-appointment of Shri. Raja Reddy Gaddam as Director, to the extent that he is required to retire by rotation and continuation as Whole time Director of the Company."

4. To consider and approve the appointment of M/s. Ayyadevara & Co., Chartered Accountants (Firm Registration No. 0002785), Hyderabad as the Statutory Auditors of the Company and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. Ayyadevara & Co., Chartered Accountants (Firm Reg No. 0002785), Hyderabad be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors M/s. V. Sridhar & Co., Chartered

Accountants, Hyderabad (Firm Reg No. 0062065), to hold office from the conclusion of this Annual General Meeting until the conclusion of 34th Annual General Meeting of the Company, subject to ratification by shareholders at every AGM, at such remuneration as may be mutually agreed by them."

SPECIAL BUSINESS:

5. To re-appoint Shri. Kishan Reddy Nalla as Managing Director of the Company and to pass with or without modification(s) the following as an Ordinary Resolution:

"RESOLVED THAT in supersession to the earlier resolution passed and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members be and is hereby accorded for re-appointment of Shri. Kishan Reddy Nalla as Managing Director of the Company for a period of 5 (Five) years on a remuneration not exceeding Rs. 48 Lakhs per annum for a period of 3 years, w.e.f. October 1, 2017, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit subject to aforesaid limits."

"RESOLVED FURTHER THAT the Chairman or any other Board member or Company Secretary be and are hereby severally authorized to do all such things, deeds, matters and acts as may be necessary, proper or expedient to give effect to this resolution."

6. To re-appoint Shri. Srinath Reddy Nalla as Whole time Director and to pass with or without modification(s) the following as an Ordinary Resolution:

"RESOLVED THAT in supersession to the earlier resolution passed and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members be and is hereby accorded for re-appointment of Shri. Srinath Reddy Nalla, as Whole-time Director of the Company for a period of 5 (Five) years on a remuneration not exceeding Rs. 24 Lakhs per annum for a period of 3 years, w.e.f. October 1, 2017, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit subject to aforesaid limits."

"RESOLVED FURTHER THAT the Chairman or any other Board Member or Company Secretary be and are hereby severally authorized to do all such things, deeds, matters and acts as may be necessary, proper or expedient to give effect to this resolution."

7. To re-appoint Shri. Raja Reddy Gaddam as Whole time Director and to pass with or without modification(s) the following as a Special Resolution:

"RESOLVED THAT in supersession to the earlier resolution passed and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to his attaining the age of 76 years, consent of the members be and is hereby accorded for re-appointment of Shri. Raja Reddy Gaddam as Whole-time Director of the Company for a period of 5 (Five) years on a remuneration not exceeding Rs. 24 Lakhs per annum for a period of 3 years, w.e.f. October 1, 2017, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit subject to aforesaid limits."

"RESOLVED FURTHER THAT the Chairman or any other Board Member or Company Secretary be and are hereby severally authorized to do all such things, deeds, matters and acts as may be necessary, proper or expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to Regulation 31A and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) applicable provisions, if any of the Companies Act, 2013 read with rules made thereunder and in view of the request received from the following promoters by virtue of their shareholding, consent of the members be and is hereby accorded for reclassification of the below said promoters ("hereinafter termed as Subject promoters") as Public Shareholders of the Company with immediate effect."

1. Mr. A. Prathap Reddy
2. Mrs. A. Shakuntala Devi
3. Mr. A. Srinivas Reddy

"RESOLVED FURTHER that the subject promoters will not:

- have any special rights through formal or informal agreements.
- hold more than 10% of the paid-up capital of the Company.
- act as a Key Managerial person for a period of more than three years from the date of Shareholders approval.
- directly or indirectly, exercise control, over the affairs of the entity.

"RESOLVED FURTHER THAT the board be and is hereby authorized to execute such documents, deeds, writings, papers and/ or agreements as may be required and to do all such acts, deeds, matters and things as may be necessary or expedient including making of necessary applications to the concerned authorities and filing of necessary documents and making of necessary intimations to the concerned authorities and to settle any questions, difficulties or doubts which may arise in this regard at any time, including in connection with the proposed re-classification of the aforesaid "Subject Promoters" as Public Shareholders of the Company".

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

"RESOLVED THAT pursuant to the provisions of Section 146 and other applicable provisions, if any of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to the Board of Directors to consider giving exemption to the Auditors of the Company to attend the General Meetings of the Company."

By Order of the Board of Directors

Sd/-
KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Place: Secunderabad
Date: September 2, 2017

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. Details of directors retiring by rotation/ seeking appointment/ re-appointment at the ensuing Meeting are provided in the "Annexure" to this notice pursuant to provisions of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The directors have furnished their consent/ declaration for appointment/ re-appointment as required under the Companies Act, 2013 and the Rules made thereunder.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013 read with Rule 19 of Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
4. The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company, duly filled, stamped and signed, not later than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed. Proxies submitted on behalf of the Limited Companies, societies etc., must be supported by an appropriate resolution/ authority as applicable.
5. Corporate members intending to send their authorized representative(s) to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send the Company, a certified copy of the relevant Board Resolution together with the respective specimen signature of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
6. Members/ proxies/ authorized representatives are requested to bring the Attendance Slip enclosed

herewith, duly filled and signed, mentioning therein the details of their DP ID and Client ID/ Folio No.

7. The Register of Members and Share Transfer books of the Company will remain closed from September 23, 2017 to September 29, 2017 (both days inclusive).
8. The Dividend for the financial year ended March 31, 2017, as recommended by the Board, if approved at this AGM, will be paid after September 29, 2017 to those Members whose name appears in the Register of Members of the Company as at the closing business hours on September 22, 2017.
9. Members who hold shares in the dematerialized form and want to change/ correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, Registrar is obliged to use only the data provided by the Depositories, in case of such demat shares.
10. Members holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent, M/s Karvy Computershare Private Limited, Karvy Selenium Tower B, 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad 500 032.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s Karvy Computershare Private Limited for assistance in this regard.
12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.

14. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository.
15. Physical copy of the Notice of AGM, Annual Report and Attendance Slip along with proxy form is being sent to those members who have not registered their e-mail address with the Company. Members who have received the notice of AGM, Annual Report and Attendance slip along with the proxy form in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration counter at the AGM.
16. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has also provided a facility to members to exercise their right to vote electronically through the electronic voting service facility arranged by Karvy Computershare Private Limited on all the resolutions set forth in this Notice. The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not casted their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the notice. Resolution(s) passed by the members through e-voting is/ are deemed to have been passed as if they have been passed at the AGM.
17. The Board has appointed Mr. A. Ravi Shankar, Practising Company Secretary (Membership No. FCS 5335) to act as the Scrutinizer, to Scrutinize the entire e-voting process in a fair and transparent manner.
18. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with M/s. Karvy Computershare Private Limited. Members are requested to update their e-mail address along with their Client ID/ DP ID with their respective DP for their demat account(s). The registered e-mail address will be used for sending future communications.
19. The route map showing directions to reach the venue of the 29th AGM is annexed to this notice.
20. Members may also note that the notice of the 29th AGM and the Annual report for the year 2016-17 will be available on the Company's website www.kprindustries.in. The physical copies of the said documents shall be open for inspection by Members at the Company's registered office on all working days (except holidays) between 11.00 a.m. and 1.00 p.m. up to September 28, 2017.
21. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 will be available for inspection at the Annual General Meeting.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are requested to submit their PAN details to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Cachibowli, Financial District, Nanakramguda, Seriingampally, Hyderabad-500032.
23. Members who wish to claim Dividends, which remain unclaimed are requested to either correspond with the Company's Registrar and Share Transfer Agent (Karvy Computershare Private Limited) Members are requested to note that dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.
24. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
25. Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Karvy, for consolidation into single folio.

PROCEDURE FOR REMOTE E-VOTING

A. The Company has appointed M/s. Karvy Computershare Private Limited ("Karvy") to provide the remote e-voting facility. The instructions for remote e-voting are as under:

1. In case of members receiving an email from M/s. Karvy Computershare Private Limited:

i. The e-voting commences on Monday, September 25, 2017 at 10 A.M. and ends

ii. Launch an internet browser and open <http://evoting.karvy.com>

iii. Enter the login credentials i.e User ID and password, provided in the email received from M/s. Karvy Computershare Private Limited as below:

User - ID	For Members holding shares in Demat form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- Event no. followed by Folio Number registered with the Company.
Password	Your password is sent through e-mail/ printed on the covering letter
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

iv. After entering the above details click on - Login.

viii. Select 'EVENT' of SRI KPR INDUSTRIES LIMITED and click on - Submit.

v. Password change menu will appear. Change the password with a new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. After changing the password, you need to login again with the new credentials.

ix. Now you are ready for e-voting as 'Ballot Form' page opens.

x. On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/ AGAINST/ ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'.

vi. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any Company, then your existing login id and password are to be used.

xi. After selecting the resolution you have decided to vote, 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.

vii. On successful login, the system will prompt you to select the E-voting event.

xii. Upon confirmation, the message "Vote cast successfully" will be displayed.

- xiii. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - xiv. Corporate/ Institutional members (Corporates/ Financial Institutions/ FII's/ Trust/ Mutual Funds/ Banks, HUF, NRI etc) are required to send scanned copy (PDF/ JPEG format) of the relevant Board resolution/ Authority Letter together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mail@rsfcs.com with a copy to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned document should be in the naming format "Corporate Name_ Event no."
2. In case of members receiving Physical copy of Notice of AGM and Attendance Slip [for members whose e-mail IDs are not registered with the Company/ Depository Participant(s)]:
- i. USER ID and Password is provided separately.
 - ii. Please follow all steps from Sr. No. (a)(i) to (a)(xiii) mentioned above, to cast vote.
- B. In case of any queries relating to e-voting, please visit "Help & FAQs" section on Karvy's website: <https://evoting.karvy.com>.
- i. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
 - ii. Members who have acquired shares after the dispatch of Notice of AGM and holding shares as on the cut-off date, may obtain the user ID and Password by sending a request at evoting@karvy.com.
 - a. However, if you are already registered with M/s. Karvy Computershare Private Limited for remote e-voting, then you can use your existing user ID and Password/PIN for casting your vote.
 - b. If you forget your password, you can reset your password by using "Forgot User Details/ Password" option available on <https://evoting.karvy.com>.
 - iii. The scrutinizer shall, immediately after the conclusion of remote e-voting at the Annual General Meeting, first count the votes casted at the meeting and thereafter unblock the votes cast through remote e-voting in presence of at least two (2) witnesses not in the employment of the Company and make within a period not exceeding 3 (Three) days from conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or person authorized by him of the Company.
 - iv. The Results of the voting declared along with Scrutinizer's Report(s) will be placed on the website of the Company <http://www.kprinindustries.in>. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.
 - v. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of voting results (i.e. remote e-voting along with the voting held at the AGM).