

SRI KPR INDUSTRIES LIMITED



KPR

**30th
Annual Report
2017-2018**

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. Ms. V Satya Lakshmi Sambhavi	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. Ayyadevara & 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
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

5th Floor, KPR House, Sardar Patel Road, Secunderabad-500 003;

Tel: +91 40 27847121, 27819868; Fax: +91 40 27892076

E-mail: hwpi9@yahoo.com; Website: www.kprindustries.in

CIN: L20200TG1988PLC009157

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 30th Annual General Meeting (AGM) of **SRI KPR INDUSTRIES LIMITED** will be held on Saturday, the 29th day of September, 2018 at 10.00 A.M. at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda, (Behind Chermas Showroom), Ameerpet, Hyderabad-500 073 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt :
 - A. The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018 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, 2018 together with the Report of the Auditors thereon.
2. To declare Dividend on equity shares for the financial year ended March 31, 2018.
3. To consider appointment of Shri. Srinath Reddy Nalla, who retires by rotation and being eligible, offers himself for re-appointment and to pass with or without modification(s) the following as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed there under (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. Srinath Reddy Nalla, Director, to the extent that he is required to retire by rotation and continuation as Whole time Director of the Company."

4. To consider appointment of Shri. Kishan Reddy Nalla, who retires by rotation and being eligible, offers himself for re-appointment and to pass with or without modification(s) the following as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies

Act, 2013, read with rules framed there under (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. Kishan Reddy Nalla, Director, to the extent that he is required to retire by rotation and continuation as Managing Director of the Company."

5. To Consider and if thought fit to pass with or without modification 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 and pursuant to resolution passed by the Members at the Annual General Meeting held on September 29, 2017 Consent of the Members be and is hereby accorded ratifying the appointment of M/s. Ayyadevara & Co., Chartered Accountants (Firm Reg No. 0002785), Hyderabad as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at such remuneration as may be mutually agreed by them."

SPECIAL BUSINESS:

6. To consider and ratify the appointment of Shri. Bhoopal Reddy Aleti (DIN: 00043263), 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 Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of managerial persons) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force) consent of the members be and is hereby accorded for re-appointment of Shri Bhoopal Reddy Aleti as

Whole Time Director of the Company for a period of 5 (Five) Years on remuneration not exceeding 24 Lakhs per annum for a period of 3 years w.e.f. October 1, 2018 with liberty to the Board of Directors (hereinafter referred to as "the Board" which terms 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."

By Order of the Board of Directors

Sd/-

KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Place: Secunderabad

Date: 03.09.2018

NOTES:

1. 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 there under.
2. **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.
3. 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.
4. 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.

5. 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.
6. The Register of Members and Share Transfer books of the Company will remain closed from September 22, 2018 to September 29, 2018 (both days inclusive).
7. The Dividend for the financial year ended March 31, 2018, as recommended by the Board, if approved at this AGM, will be paid to those Members whose name appears in the Register of Members of the Company as at the closing business hours on September 21, 2018.
8. 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.
9. 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.

10. 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.
11. 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.
12. 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.
13. 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.
14. 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.
15. 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) Regulations, 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.
16. The Board has appointed Ms. D. Soumya, Practicing Company Secretary (Membership No. ACS 29312) to act as the Scrutinizer, to Scrutinize the entire e-voting process in a fair and transparent manner.
17. 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.
18. The route map showing directions to reach the venue of the 30th AGM is annexed to this notice.
19. Members may also note that the notice of the 30th AGM and the Annual report for the year 2017-18 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 of the company during the normal business hours on all working days till the date of the Annual General Meeting.
20. 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.
21. 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, Gachibowli, Financial District, Nanakramguda, Serlingampally, Hyderabad-500032.
22. 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.
23. 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.
24. 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:

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

i. The e-voting commences on Wednesday, September 26, 2018 at 10.00 A.M. and ends on Friday, September 28, 2018 at

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	<p><u>For Members holding shares in Demat form:-</u></p> <p>a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID</p> <p>b) For CDSL :- 16 digits beneficiary ID</p> <p><u>For Members holding shares in Physical Form:-</u></p> <p>Event no. followed by Folio Number registered with the Company.</p>
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.

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.

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.

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

5.00 P.M. IST. During this period, Members of the Company holding shares either in physical form or dematerialized form, as on the cut-off date i.e., September 21, 2018, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter.

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

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

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'.

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.

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 gsoumya.cs@gmail.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.kprindustries.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).

EXPLANATORY STATEMENT:

Item No. 3&4:

In terms of Section 152(6)(a) of the Companies Act, 2013, not less than two-third of the total number of directors of the public Company are liable to retire by rotation, unless the articles of association of such Company provide for retirement of all directors at every Annual General Meeting. The explanation to Section 152(6)(a) of the Companies Act, 2013 states that the term of "total number of directors" shall not include Independent Directors of a company. Further, Section 149(13) of the Companies Act, 2013, provides that Section 152(6) and 152(7) dealing with retirement of directors by rotation shall not be applicable to Independent Directors.

In accordance with Section 152(6)(c) of the Companies Act, 2013 one-third of the total number of directors are liable to retire by rotation or if the number is neither three or a multiple of three, then the number nearest to one third shall retire at the AGM of a Company every year.

The Company has 9 Directors, out of whom 4 are executive Directors, 2 are Non executive Directors and 3 are Independent Directors, out of whom Shri. Kishan Reddy Nalla, Managing Director and Shri Srinath Reddy Nalla, Whole Time Director have been long in the office. In order to ensure compliance of section 152 of the Companies Act, 2013, Shri. Kishan Reddy Nalla and Shri Srinath Reddy Nalla retire by rotation at this Annual General Meeting and being eligible are seeking re-appointment. This retirement and reappointment is only to comply with the provisions of the Companies Act, 2013 and as such shall not be treated as break in the employment of Shri. Kishan Reddy Nalla and Shri Srinath Reddy Nalla as Managing Director and Whole Time Director of the Company.

In view of the above, the Board recommends the re-appointment of Shri. Kishan Reddy Nalla and Shri Srinath Reddy Nalla as Directors of the Company and their continuation as Managing Director and whole time Director of the Company on terms and conditions approved by the members.

The Board of Directors recommends the resolution set out in Item No. 3&4 for approval of members.

None of the directors except Shri. Srinath Reddy Nalla, Smt. Vinitha Reddy Nalla, Shri Kishan Reddy Nalla and Shri. Vineel Reddy Nalla are concerned or interested or otherwise in the aforesaid resolution except as shareholder of the company.

Item No. 5

The Board of Directors of the Company at their meeting held on September 3, 2018 has pursuant to Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, in supersession to earlier resolution passed and based on the recommendation of Nomination & Remuneration Committee has re- appointed Shri. Bhoopal Reddy Aleti as Whole-time Director of the Company for a period of 5 (Five) years on a remuneration of Rs. 12 Lakhs per annum with power to vary the same subject to a limit of Rs. 24 Lakhs per annum (if approved by Members) for a period of 3 years, w.e.f. October 1, 2018.

Shri. Bhoopal Reddy Aleti (DIN: 00043263) satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief particulars of the terms of re-appointment:

- i. The Whole-time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board/ Managing Director from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board/ Managing Director and the functions of the Whole-time Director will be under the overall authority of the Managing Director.
- ii. The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- iii. The Whole-time Director shall adhere to the Company's Code of Conduct.
- iv. The office of the Whole-time Director may be terminated by the Company or by him by giving the other 1 (One) months' prior notice in writing or such period as may be agreed by Managing Director.

The above may be treated as a written memorandum setting out the terms under Section 190 of the Act.

Disclosures pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in the Annexure which forms part of this Notice.

As per the provisions of Section 196, 197 and Schedule V, members' approval is required by way of an Ordinary resolution for re-appointment of Shri. Bhoopal Reddy Aleti as Whole-time Director of the Company and payment of remuneration thereon.

The Board of Directors recommends the resolution set out in Item No. 6 for approval of members.

None of the Directors are concerned or interested or otherwise in the aforesaid resolution except the appointee.

By Order of the Board of Directors

Sd/-

KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Place: Secunderabad
Date: 03.09.2018