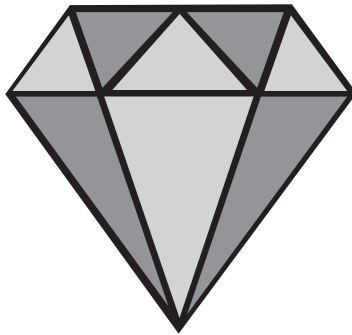


Sri Vajra Granites Limited



27th Annual Report 2015-16



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SRI VAJRA GRANITES LIMITED

CIN: L14102TG1989PLC009590

BOARD OF DIRECTORS:

SRI KOMPELLA SURYA KAMESWARA SARMA	:	Chairman (upto 30.05.2016)
SMT LEELA ANNAPAREDDY	:	Managing Director (w.e.f 04.04.2016)
SRI SRINIVAS REDDY ANNAPUREDDY	:	Director (w.e.f 04.04.2016)
SRI SAYAREDDY CHENNOLLA	:	Director
SRI RANGAREDDY METTU	:	Director
SRI PRABHU REDDY KANDULA	:	Additional Director (w.e.f 30.12.2015)
SRI K V V SATYANARAYANA	:	Chief Financial Officer (CFO) (w.e.f 30.12.2015)

AUDITORS:

: **M/s. I. Sudhaker & Co.,**
Chartered Accountants
H. No. 6-3-1091/13 to 15, Flat No. 115
Amrutha Ville, Rajbhavan Road
Somajiguda, Hyderabad – 500 082

BANKERS:

: **Andhra Bank**
Kamareddy Branch
Kamareddy – 503 111

REGISTERED OFFICE & WORKS:

: H. No. 6-3-347/22/10/2, Flat No. 202
IInd Floor, Sai Villa Apartment
Dwarkapuri Colony, Punjagutta
Hyderabad – 500 082
Tel : 040-23355695
Fax: 040-23352830
E-mail ID : srivajragranites@gmail.com
Website : www.srivajragranites.com

REGISTRARS & SHARE TRANSFER AGENTS

: **M/s. Big Share Services Pvt. Ltd.,**
306, 3rd Floor, Right Wing
Amrutha Ville, Opp. Yashoda Hospital
Raj Bhavan Road, Somajiguda
Hyderabad – 500 082
Email: bsshyd@bigshareonline.com
Phone: 040-23374967

WORKS

: Basvapuri Village,
Bhikanoor Mandal,
Kamareddy Taluq,
Nizamabad District,
Telangana.



NOTICE

Notice is hereby given that the **Twenty Seventh Annual General Meeting** of the Members of the Company will be held on **WEDNESDAY, 28th SEPTEMBER, 2016** at **11.00 A. M.** at H.No. 1-8-1/B/25/A, Sundarayya Vignana Kendram, Baghlingampally, Hyderabad – 500 044 to transact the following items of business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements:

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 along with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. A Srinivas Reddy, who retires by rotation and being eligible, offers himself for re-appointment.

3. Ratification of Appointment of Auditors:

To ratify the appointment of Auditors of the Company, who were appointed at the Twenty Fifth Annual General Meeting to hold office for a period of 3 years till the conclusion of the Annual General Meeting of the company to be held in the financial year 2017 and to authorize the Board of Directors to fix their remuneration for the financial year 2015-16.

SPECIAL BUSINESS:

4. TO APPOINT MRS. LEELA ANNAPUREDDY AS MANAGING DIRECTOR OF THE COMPANY:

To consider and if thought fit, to pass with or without modification(s), the following resolution as ORDINARY RESOLUTION:

“RESOLVED THAT in accordance with the provisions of Sections 196, 203 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, consent of the Company be and is hereby accorded for appointment of Mrs. Leela Annapureddy (DIN: 02548781) as Managing Director of the Company, for a period of 5 (Five) years with effective from 04.04.2016 at a remuneration of Rs.3,60,000 (Rupees Three Lakhs & Sixty Thousand only) per annum as recommended by the Remuneration Committee of the Company with such yearly increment on time scale basis as may be decided by the Board, provided that such remuneration does not exceed the limits specified under Section 197 read with Schedule V of the Act.”

“FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mrs. Leela Annapureddy, Managing Director, including the components of the above mentioned remuneration payable to her subject to provisions of the Act.”

5. APPOINTMENT OF MR. PRABHU REDDY KANDULA AS INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and if thought fit, to pass with or without modification(s), the following resolution as ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 & Rules made there under read with Schedule IV to the Act and Article No. 80 of the Articles of Association, Mr. Prabhu Reddy Kandula (DIN: 07382465) a Non-Executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment as an Independent Director and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 proposing his candidature for the office of Directorship, be and is hereby appointed as Independent Director on the Board of Directors of the Company to hold office from 28th September, 2016 to 27th September, 2021.”

Place: Hyderabad

By Order of the Board

Date: 12.08.2016

For **SRI VAJRA GRANITES LIMITED**

Sd/-
LEELA ANNAPAREDDY
Managing Director
DIN: 02548781



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.

Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business in Item No. 4 & 5 is annexed hereto.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
4. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2016 to 28th September, 2016 (both days inclusive)
6. Members are requested to quote ledger folio number in all their correspondence to avoid delay in communication. Members are advised to consolidate their ledger folios where they are holding shares in different folios in the same name.
7. Additional information pursuant to Regulation 36 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment/re-appointment at the AGM are furnished and forms a part of Notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment as per Companies Act, 2013 and rules thereunder.
8. In terms of Sections 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.
9. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for receiving the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
10. Members/Proxies should bring the duly filled attendance slip enclosed herewith to attend the Meeting.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9



A.M. to 5 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

13. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to the members to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited. (CDSL). The facility of voting through ballot paper will also be made available at the AGM and member attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Member who have cast 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 as under:

- (a) Use the following URL for e-voting: CDSL website: <https://www.evotingindia.com>
- (b) Shareholders of the Company holding shares either in physical form or in dematerialized form, as on 21st September, 2016 may cast their vote electronically.
- (c) Click on Shareholders.
- (d) The shareholders can login to the e-Voting system using their user-id (i.e. demat account number), PAN and Date of Birth (DOB) or Bank account number mentioned for the said demat account or folio.
- (e) Now 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.
- (f) Next enter the Image Verification as displayed and Click on Login.
- (g) Follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Bank Account or Date of Birth (DOB)	Enter the Bank Account or Date of Birth (DD/MM/YYYY format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat



holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for **Sri Vajra Granites Limited** on which you choose to vote.
- (l) 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.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) 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.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (q) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (s) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (t) The Portal will be open for voting from 9 A.M. on 24th September, 2016 to 5 P.M. on 27th September, 2016.
- (u) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

II. The Company has appointed Mr. Vasanth Kumar Bajaj, Practicing Company Secretary, as the Scrutinizer who will collate the electronic voting process in a fair and transparent manner.

III. The results of e-voting will be announced by the Company on CDSL Evoting website and also informed to the stock exchanges.



EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 4

The Board of Directors at their meeting held on 04th April, 2016 appointed Mrs. Leela Annapureddy as a Managing Director of the Company with effect from 04.04.2016 for a period of five years with effect from the said date.

The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mrs. Leela Annapureddy as the Managing Director and the remuneration payable at a remuneration of ₹ 3,60,000 (Rupees Three Lakhs & Sixty Thousand Only) subject to review by the board on time scale basis. The aggregate of the salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under sections 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of office, the payment of remuneration shall be governed by the limits prescribed under section II of part II of Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof, for the time being in force.

Statement pursuant to Schedule-V of the Companies Act, 2013

I. General Information	
Nature of industry	Granite Industry
Date or expected date of commencement of commercial production	10.02.1989
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.
Financial performance based on given indicators	The details of financial performance of the Company for the years 2014-15 and 2015-16 are provided in the Annual Report 2016 which accompanies this Notice.
Foreign investments or collaborations, if any	Nil.
II. Information about the appointee	
Background details	Mrs. Leela Annapureddy is Promoter of the Company and on the board of the Company since 29.09.2009.
Past remuneration	Nil
Recognition or awards	Being a Promoter, she has tremendously contributed to the welfare of the Company.
Job profile and her suitability	She is responsible for overall supervision of the functioning of the company including Products, Procurement, Marketing, handling day to day affairs of the Company, regularly reporting to the Board on the activities of the Company.
Remuneration proposed	The proposed remuneration of Rs. 3.60 Lakhs per Annum, comprise of monthly basic salary and all other perquisites and is fully justifiable and profile with respects to comparable to that prevailing in the industry, keeping in view the profile and the position of Managing industry, size of the Company.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mrs. Leela Annapureddy is one of the Promoter.



III. Other Information	
Reasons of loss or inadequate profits	Major reason being that 80% to 90% are small Quarries and non-captive and they are under no control as to the disposal of the rough blocks of the Granite with them. They can directly export the raw material unprocessed. Due to this Company is denied the supply of raw materials and there is under-employment of Plant's permanent costly foreign machinery, permanent labour, incidence of administrative costs, financial costs etc. added with ongoing inflation, the plant's input costs are also mounting up.
Steps taken or proposed to be taken for improvement	The Company undertook several steps aimed at lowering the overheads and aligning resources with current levels of operations. The company consolidated all its manufacturing facilities to cut down on overheads and to extract supply chain synergies last year. Company will try to get captive mining license to improve supply of raw materials. The Company continues to focus on product innovation, upholding of its high quality standards, increase in its cost competitiveness and on widening of its distribution network.
Expected increase in productivity and profits in measurable terms	The management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales and profitability of the Company. Considering the present business scenario, the Company is expecting increase in revenue and profitability. The Management is confident of keeping a higher growth ratio in the period to come.

Except Mrs. Leela Annapareddy and Mr. Srinivas Reddy Annapureddy, none of the Directors are in any way concerned or interested in the said resolution.

Item No. 5:

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Prabhu Reddy Kandula will hold office upto the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from the Director himself along with a deposit of ₹ 1,00,000/- proposing his candidature for office of Director.

Pursuant to provisions of Section 152 of the Companies Act, 2013, any appointment of Director requires the approval of the members; hence these resolutions are put up for approval of members.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

By Order of the Board
For **SRI VAJRA GRANITES LIMITED**

Place: Hyderabad
Date: 12.08.2016

Sd/-
LEELA ANNAPAREDDY
Managing Director
DIN: 02548781



DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(In pursuance of Regulation 36 (3) of the Listing Regulations.)

Name of Director	Mr. Prabhu Reddy Kandula
DIN No.	07382465
Date of Birth	29.03.1988
Date of First Appointment	30.12.2015
Experience in Specific Functional Area	Marketing
No. of Shares held in the company	Nil
Qualification	MBA

Name of Director	Mr. Srinivas Reddy Annapureddy
Date of Birth	14.11.1980
Date of First Appointment	30.01.2007
Experience in Specific Functional Area	He is Managing Director of the Company since 2009 and has experience of more than 7 years in Management & Administration Granite Industry and well versed in Computer Management Control
No. of Shares held in the company	6,68,545 Fully Paid-up Equity Shares of Rs. 10/- each
Educational Qualification	M.S. in Computer Science, USA

Name of Director	Mrs. Leela Annapareddy
Date of Birth	01.01.1957
Date of First Appointment	29.09.2009
Experience in Specific Functional Area	Very good knowledge of various aspect of Granite Industry and experience of more than decade in the Company
No. of Shares held in the company	7,26,893 Fully Paid-up Equity Shares of Rs.10/- each
Educational Qualification	P.U.C