

SRI KPR INDUSTRIES LIMITED

(Formerly Bhagyanagar Wood Plast Ltd.)



KPR



25th
ANNUAL REPORT
2012-13

CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on August 19, 2013)

Mr. Kishan Reddy Nalla
Mr. Raja Reddy Gaddam
Mr. Srinath Reddy Nalla
Mr. Krishna Prasad Srinivas
Mr. Naveen Chandra Thammishetty
Mr. Jagadeeshwar Reddy Prodduturi

REGISTERED OFFICE

5th Floor, KPR House,
Sardar Patel Road,
Secunderabad 500 003
Andhra Pradesh, India

AUDITORS

V. Sridhar & Co
Chartered Accountants
Hyderabad

BANKERS

State Bank of India,
Commercial Branch, Koti, Hyderabad

State Bank of Hyderabad,
Commercial Branch, Secunderabad

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of **SRI KPR INDUSTRIES LIMITED** will be held at 10.00 A.M. on 30th day of September, 2013 at Nagarjuna Community Hall, Nagarjuna Nagar, Yellareddyguda, Ameerpet, Hyderabad 500 073, to transact following business;

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet of the company for the financial year ended March 31, 2013, along with Statement of Profit and Loss and Cash Flow Statement for the period along with the reports of directors and auditors thereon.
2. To declare dividend for the year ended March 31, 2013.
3. To appoint Director in the place of Mr. Jagadeeshwar Reddy Podduturu, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Statutory Auditors and to consider and, if thought fit, to pass the following resolution as Ordinary Resolution;

"RESOLVED THAT pursuant to Section 224 of the Companies Act, 1956 M/s. V. Sridhar & Co, Chartered Accountants, Hyderabad be and are hereby appointed as the statutory auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and Mr. N.Kishan Reddy, the Managing Director of the company be and is hereby authorized to fix their remuneration in consultation with them."

SPECIAL BUSINESS

5. APPOINTMENT OF MR. VINEEL REDDY NALLA AS 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 Section 257 and other applicable provisions, if any, of the Companies Act, 1956 (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 appointment of Mr. Vineel Reddy Nalla as director of the Company with immediate effect whose period of office is retire by rotation."

6. APPOINTMENT OF MRS. VINITHA NALLA AS 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 Section 257 and other applicable provisions, if any, of the Companies Act, 1956 (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 appointment of Ms. Vinitha Nalla as director of the Company with immediate effect whose period of office is retire by rotation."

7. APPOINTMENT OF MR. BHOOPAL REDDY ALETI AS 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 Section 257 and other applicable provisions, if any, of the Companies Act, 1956 (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 appointment of Mr. Bhoopal Reddy Aleti as director of the Company with immediate effect whose period of office is retire by rotation."

8. APPOINTMENT OF MR. BHOOPAL REDDY ALETI AS WHOLE TIME 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 Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 (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 appointment of Mr. Bhoopal Reddy Aleti as whole time Director of the Company for a period of five years with effect from 01.10.2013 on a remuneration of 2% of net profits of the Company calculated in accordance with the provisions of the Act."

"RESOLVED FURTHER THAT in case of inadequacy of profits during the currency of tenure of Mr. Bhoopal Reddy Aleti he will be entitled for payment of remuneration by way of salary, perquisites and other allowances subject to a limit of Rs. 1,00,000/- P.M. or such other sum as may be entitled from time to time in accordance with the provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 and in such an event the term of office shall be for a period of three years instead of five years."

"RESOLVED FURTHER THAT board be and is hereby authorized to review and fix monthly salary provided the remuneration payable is within the limits prescribed under the provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956."

**By the Order of the Board
FOR SRI KPR INDUSTRIES LIMITED**

Place: Secunderabad

Date: 19.08.2013

Sd/-

**N. Kishan Reddy
Chairman & Managing Director**

NOTES

1. A member eligible to attend and to vote at the meeting is entitled to appoint a proxy and such proxy need not be a member of the company.
2. Proxies in order to be effective must be deposited by the company, not less than 48 hours before the commencement of the meeting
3. The Register of Members and Share Transfer books of the company will remain closed from 23.09.2013 to 30.09.2013 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the meeting.

4. Members are requested to bring their copies of Annual Report to the meeting along with original attendance slips duly filled.
5. Members are requested to notify any change in their addresses to the share transfer agents i.e. M/s. Karvy Computershare Private Limited. Members whose shareholdings are in D-MAT form are requested to send the information for change of address to their respective depository participant.
6. To avoid entry of un-authorized persons into the meeting premises, the signature of the members shall be verified with the specimen signature recorded with the Company at the entrance of the venue. Inconvenience to members in this regard is highly regretted. The members are advised to carry their folio number with them.
7. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circular stating that the service of documents / notices including annual report can be sent by e-mail to its members. To support the same members are requested to register their e-mail addresses with the company.
8. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the meeting is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

The Board of directors with a view to broad base the Management and pursuant to notice received under section 257 of the Companies Act, 1956 from a member proposing his appointment as director of the Company, propose the appointment of Mr. Vineel Reddy Nalla as director of the company.

Pursuant to Provisions of Section 257 of the Companies Act, 1956 approval of members is required by way of Ordinary Resolution for appointment of person as director of the Company.

The directors recommend the resolution as set out in item no 6 of the notice for your approval.

None of the directors are interested in the aforesaid resolution except the appointee, Mr. Kishan Reddy Nalla and Mr Srinath Reddy Nalla.

ITEM NO. 6

The Board of directors with a view to broad base the Management and pursuant to notice received under section 257 of the Companies Act, 1956 from a member proposing his appointment as director of the Company has proposed for appointment of Mrs. Vinitha Nalla as director of the company.

Pursuant to Provisions of Section 257 of the Companies Act, 1956 approval of members is required by way of Ordinary Resolution for appointment of person as director of the Company.

The directors recommend the resolution as set out in item no 6 of the notice for your approval.

The appointee, Mr. Kishan Reddy Nalla and Mr. Srinath Reddy Nalla are deemed to be interested in the resolution.

ITEM NO. 7 & 8

The merger of Sri Venkateswara Pipes Limited with the company has been approved by the Hon'ble High Court of Andhra Pradesh and the approval has been effect to. Mr. Bhoopal Reddy Aleti has been the Managing Director of Sri Venkateswara Pipes Ltd from its inception and is well experienced in the field of asbestos cement pressure pipes and well versed with the activities of Sri Venkateswara Pipes Ltd (which is since merged with the company).

A notice has been received under section 257 of the Companies Act, 1956 from a member proposing his appointment as director of the Company. The management of the company will be strengthened with his vast experienced and further considering the fact that he has been the Managing Director of Sri Venkateswara Pipes Ltd (a company since merged) it is therefore proposed that he be appointed as the Whole Time Director of the company.

Pursuant to Provisions of Section 257 of the Companies Act, 1956 approval of members is required by way of Ordinary Resolution for appointment of person as director of the Company.

Your directors recommend the resolution as set out in item no 6 of the notice for your approval.

None of the directors are interested in the aforesaid resolution except the appointee.

**By the Order of the Board
FOR SRI KPR INDUSTRIES LIMITED**

Place: Secunderabad

Date: 19.08.2013

Sd/-

N. Kishan Reddy

Chairman & Managing Director

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INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING REAPPOINTMENT OF DIRECTORS

1.

PARTICULARS	INFORMATION
Name of the Director	Bhoopal Reddy Aleti
Date of Birth	14-06-1956
Date of Appointment	Presently Proposed
Qualification	B.A.
Job Profile & Responsibilities	Oversee the manufacturing activity of the company
Directorships in other Companies as on 31.03.2013	Nil
No of Shares held in the Company	633620

2.

PARTICULARS	INFORMATION
Name of the Director	Vineel Reddy Nalla
Date of Birth	08-04-1971
Date of Appointment	Presently Proposed
Qualification	M S (Computers) University of Texas, Arlington
Job Profile & Responsibilities	Non-executive Director
Directorships in other Companies as on 31.03.2013	NBOS Technologies Private Limited
No of Shares held in the Company	1890054

3.

PARTICULARS	INFORMATION
Name of the Director	Vinitha Nafia
Date of Birth	01-07-1973
Date of Appointment	Presently Proposed
Qualification	M B A
Job Profile & Responsibilities	Non-Executive Director
Directorships in other Companies as on 31.03.2013	Nil
No of Shares held in the Company	1690852

4.

PARTICULARS	INFORMATION
Name of the Director	Jagadeeshwar Reddy Podduturi
Date of Birth	04.03.1950
Date of Appointment	01-02-2009
Qualification	M.Com
Job Profile & Responsibilities	Independent Director
Directorships in other Companies as on 31.03.2013	Nil
No of Shares held in the Company	Nil

DIRECTORS' REPORT

To the Members of Sri KPR Industries Limited,

Your directors, with pleasure present herewith the Annual Report of the company together with the Audited Financial Statements (Balance Sheet as on March 31, 2013, Statement of Profit & Loss and the Cash Flow Statement for the period ended as on that date) along with the Reports of the Statutory Auditors.

HISTORY, OPERATIONS AND MANAGEMENT DISCUSSION AND ANALYSIS

Sri KPR Industries Ltd was incorporated on 13-10-1988 originally under the name of Bhagyanagar Engineering Industries Ltd and was promoted by Mr. Kishan Reddy Nalla, Mr. Prathap Reddy Ande and Mr. Raja Reddy Gaddam.

The company is heading for completion of **25** years of its incorporation and this is the **25th** Annual Report

After incorporation, the company established a facility for manufacture of PVC Pipes and PVC foam profiles at Nandikandi Village, Sadashivpet Mandal, Medak District and changed the name to Bhagyanagar Wood Plast Ltd.

The said project was part financed by maiden public issue of the company in the year 1994-95 and with term loan from HUDCO. The working capital facilities were provided by State Bank of Hyderabad.

Over a period of time the company gained experience in marketing the pipes and through its Managing Director Mr. Kishan Reddy Nalla possessed the technical knowledge and expertise in manufacture and marketing of Asbestos Cement Pressure Pipes. This expertise in the AC Pressure Pipes field was extended to Sri Venkateswara Pipes Ltd which was incorporated in the year 1996-97 which earned a royalty to the company for a period of five years.

In addition to extending the technical know-how support, the company also invested in Sri Venkateswara Pipes Ltd and has been a shareholder since the beginning of the said company. Post the five year technical support, the company also lent its expertise in presenting the benefits of Asbestos Cement Pressure Pipes to various government departments and thereby enhanced the business of Sri Venkateswara Pipes Ltd. With the active support of the company, Sri Venkateswara Pipes Ltd has established itself as a leader in Asbestos Cement Pressure Pipes field.

As a logical extension of the manufacture of AC Pressure Pipes, Sri Venkateswara Pipes Ltd formed a 100% subsidiary by name Sri KPR Infra & Projects Ltd, to carry on the business of laying Asbestos Cement Pressure pipe lines. Both Sri Venkateswara Pipes Ltd and its subsidiary have been profit making and dividend paying companies.

In the course of time the PVC Project was disposed-off and the company was exploring various options to augment its business prospects and also to have a progressive growth oriented business. The name of the company was at this time changed to Sri KPR Industries Ltd with a view to reflect a broader objective.

The management of the company and Sri Venkateswara Pipes Ltd noted that the expertise and experience in the field of AC Pressure Pipes is the common strength of these two companies and accordingly it was, after due deliberations deemed fit that the expertise possessed by the company in the area of AC Pressure Pipes and the experience gained by Sri Venkateswara Pipes Ltd being strengths of the respective companies could appropriately be synergized and combined for the mutual benefit of both the companies. Therefore a merger proposal was moved before the share holders of both the companies and the same was approved.

The Scheme of merger so approved by the shareholders was presented before the Hon'ble High Court of Andhra Pradesh for sanction, and the same was sanctioned in March, 2013.

Accordingly to the Scheme, the assets, liabilities and the reserves of Sri Venkateswara Pipes Ltd as at April 01, 2010 along with the additions, deletions and accretions thereto from that date, would belong to the company.

The merger has been given effect to in the financial statements for the year ended March 31, 2013 and as such the assets, liabilities and the reserves of Sri Venkateswara Pipes Ltd as at March 31, 2012 have been taken into the books of the company and the current year (Financial Year 2012-13) operations have been incorporated in the books of the company.

Keeping in view the fact that, as per the Scheme the profits of Sri Venkateswara Pipes Ltd belong to the company upon sanction of the merger and also the fact that Sri Venkateswara Pipes Ltd has been consistently a dividend paying company, it is proposed to recommend to the shareholders to declare a dividend of 7% of the post-merger paid up capital of the company. The shareholders would appreciate this positive aspect of the merger.

As stated earlier, Sri Venkateswara Pipes Ltd is a company engaged in the business of manufacture of AC Pressure Pipes. It has a wholly owned subsidiary by name Sri KPR Infra & Projects Ltd which is a company engaged in the business of construction of water supply pipe lines (laying of pipe lines). The subsidiary Sri KPR Infra & Projects Ltd has recently incorporated a wholly owned subsidiary by name Sri KPR Renewable Energy Ltd with the object of generation of non-conventional / renewable energy. Presently this is a start-up company.

Even before forming the step-down subsidiary Sri KPR Renewable Energy Ltd, both Sri Venkateswara Pipes Ltd and Sri KPR Infra & Projects Ltd have been generating renewable energy through the wind-electric generators owned by them.

As a result of the merger, Sri KPR Infra & Projects Ltd has now become a wholly owned subsidiary of Sri KPR Industries Ltd and consequently Sri KPR Renewable Energy Ltd becomes a step-down subsidiary. The results of this corporate structure are presented to the shareholders in the consolidated Balance Sheet of Sri KPR Industries Ltd. As stated earlier, the merger of Sri Venkateswara Pipes Ltd with the company is given effect to in the Financial Year 2012-13 and therefore the figures of the previous year are not comparable to those of the current year.

The company now is engaged in the manufacture of AC Pressure Pipes and through its subsidiary carries out the activity of construction of pipe lines and through the step down subsidiary would be generating electricity, in the days to come in addition to the electricity being generated through the wind electric generators already owned.

Thus, post the merger the business profile of the company Sri KPR Industries Ltd can be summarized as under:

- Manufacture and sale of Asbestos Cement Pressure Pipes.
- Execution of drinking water supply schemes (by wholly owned subsidiary Sri KPR Infra & Projects Ltd)
- Generation of electricity through own wind electric generators (wind mills)
- Generation of electricity (by wholly owned subsidiary Sri KPR Infra & Projects Ltd).
- Proposed renewable energy, wind and solar (step down subsidiary Sri KPR Renewable Energy Ltd)

The management is confident that its efforts in bringing in the above explained infrastructure into place will yield the expected results in the years to come.

FINANCIAL RESULTS

PARTICULARS (On the basis of the amalgamated financial statements. Hence no previous year's figures are given)	FOR THE YEAR ENDED 31.03.2013 Rs. In Lacs
Income from Operations	3284.77
Other Income	310.98
Cost of Material Consumed / Purchases and changes in inventory	1342.04
Administrative & Other Expenses	1400.39
Financial Expenses	165.87
Depreciation	154.54
Profit before Tax	532.91
Tax including deferred tax	91.60
Profit After Tax	441.31

DIVIDEND

Before the merger of Sri Venkateswara Pipes Ltd with the company, the paid up capital was Rs. 5,65,33,000 divided into 56,53,300 equity shares of Rs.10/- each fully paid up. The paid up capital of Sri Venkateswara Pipes Ltd on the appointed date (April 1, 2010) stood at Rs. 4,44,06,840 divided into 44,40,684 equity shares of Rs.10/- each fully paid up.

Out of the said total capital of Sri Venkateswara Pipes Ltd, the company already held of 3,00,000/- shares of Rs.10/- fully paid up aggregating to Rs.30,00,000/-. Thus the shareholding other than the shares held by the company amount to 41,40,684 shares.

As per the Scheme of Amalgamation, for every 2 shares held (by shareholders other than the company) in Sri Venkateswara Pipes Ltd, 7 shares in the company were issued accordingly 1,44,92,395 shares of Rs.10/- each fully paid up aggregating to Rs.14,49,23,950/- were issued to

the shareholders of Sri Venkateswara Pipes Ltd, thus bringing the total paid up share capital of the company post-merger to Rs.20,14,56,950/- divided into 2,01,45,695 shares of Rs.10/- each fully paid up.

From the current profits of the company (accounted on giving effect to the merger) for the Financial Year 2012-13 the Directors recommend a dividend of 7% on the post-merger paid up share capital of the company. This would result in an outflow by way of distribution of profits to the share holders of an amount of Rs. 1.59 crores (including tax on distributed of the company).

The Directors are optimistic that the foundation being laid now will result in a consistent distribution of profits on a year on year basis. The dividend distributed would be tax free in the hands of the Shareholders.

DIRECTORS

RETIRING BY ROTATION

In accordance with Section 256 of the Companies Act, 1956 read with Articles of Association of the Company, Mr. Jagadeeshwar Reddy Podduturi, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

A brief profile of Sri Jagadeeshwar Reddy Podduturi is given in the notice of the Annual General Meeting.

NEW DIRECTORS

With a view to broad base the Board of Directors of the company and also to bring in the experience of the Directors of the erstwhile Sri Venkateswara Pipes Ltd (since merged with the company) the Board of Directors are of the opinion that the inclusion of the following persons in the Board will add value to the management of the company.

a. Mr. Bhoopal Reddy Aleti

Mr. Bhoopal Reddy Aleti has been the Managing Director of Sri Venkateswara Pipes Ltd right from its inception. With the merger it is proposed that he continue as the Whole Time Director of the company, thus carrying with him the experience of Sri Venkateswara Pipes Ltd. Mr. Bhoopal Reddy Aleti is also proposed to be appointed as a Whole Time Director of the company with remuneration as set out in the resolution.

b. Mr. Vineel Reddy Nalla

A software engineer, with a professional degree from US University and work experience in the USA. He is the Managing Director of a IT Services company have presence in India and USA.

c. Mrs. Vinitha Nalla

A management graduate, having knowledge and aptitude in the general administration of the business.

In addition to the above appointments a resolution for approval of the members by postal ballot is proposed for appointment of Mr Kishan Reddy Nalla, as Managing Director of the company and Mr Srinath Reddy Nalla and Mr Raja Reddy Gaddam as Whole Time Directors of the company.

A brief profile of the Directors is given in the Notice of the Annual General Meeting.

COMMITTEES CONSTITUTED BY THE BOARD OF DIRECTORS

As provided in the Report on Corporate Governance.

AUDITORS

M/s V. Sridhar & Co, Chartered Accountants, Hyderabad, the Statutory Auditors of the Company retire at the conclusion of ensuing Annual General Meeting and are eligible for re-appointment.

They have confirmed their eligibility and willingness to accept office of the statutory auditors, if appointed.

DIRECTORS' RESPONSIBILITY STATEMENTS IN ACCORDANCE WITH PROVISIONS OF SECTION 217 (2AA)

In compliance with the provisions of sec. 217(2AA) of the Companies Act, 1956, the directors confirm that:

- a. The accounting standards to the extent applicable to the company have been followed in the preparation of the annual accounts. There are no material departures there-from.
- b. The accounting policies selected by the Board for the purpose of preparation and presentation of the financial statements have been and are being applied consistently and reasonable and prudent the judgments and estimates (wherever applicable) have been made, for the said purpose, so as to give a true and fair view of the affairs of the company as at end of the financial year under review and of the profit for the said year.

- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts have been prepared on going concern basis.
- e. The amalgamation of Sri Venkateswara Pipes Ltd with the company has been given effect to during the Financial Year 2012-13 and accounted for in accordance with Accounting Standard 14, Accounting for Amalgamations issued by the Institute of Chartered Accountants of India.

CORPORATE GOVERNANCE

The Company continues to strive towards highest standards of Corporate Governance while interacting with all the stakeholders.

The report of Board of Directors of the Company on Corporate Governance is given as a separate section titled as "Report on Corporate Governance 2012 - 13" which forms part of this Annual Report.

The requisite Certificate of the Statutory Auditors of the Company regarding compliance with the Corporate Governance requirements, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, is annexed with the Corporate Governance Report.

SUBSIDIARY COMPANIES

The details of subsidiary companies are as follows:

1. Sri KPR Infra & Projects Limited (a wholly owned subsidiary).
2. Sri KPR Renewable Energy Limited (step-down, a wholly owned subsidiary of Sri KPR Infra & Projects Ltd).

Pursuant to the provision of Section 212(8) of the Companies Act, 1956, the Ministry of Corporate Affairs (MCA), Government of India, New Delhi vide its Circular No.2/2011 dated: 08.02.2011 has granted general exemption from attaching the balance sheet, statement of profit and loss and other documents of the subsidiary companies with the balance sheet of the Company.

A statement containing the brief financial details of the Company's subsidiaries for the financial year ended March 31, 2013 is provided as Annexure and forms part of this report. Accordingly, this annual report does not contain the reports and other statements of the subsidiary companies. Any member intends to have a certified copy of the Balance Sheet and other financial statements of these subsidiaries may write to the Board. These documents are available for inspection during business hours at the registered office of the company and also at the registered offices of the respective subsidiary companies.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits with in the meaning of Sec. 58A of the Companies Act, 1956 and the rules made there under.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [Sec. 217(1)(e)]

The particulars prescribed under the provision of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is provided in annexure and the same forms part of the annual report.

PARTICULARS OF EMPLOYEES [Sec. 217(2A)]

There are no employees on the rolls of the company whose particulars are required to be disclosed in the report of the Directors pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management discussion & analysis report for the year under review is provided separately and the same forms part of the annual report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation and acknowledge with gratitude the support and consideration extended by the bankers, Shareholders and employees and look forward for their continued support and cooperation.

By Order of the Board

FOR SRI KPR INDUSTRIES LIMITED

Sd/-

Place: Secunderabad

Date: 19.08.2013

N. Kishan Reddy

Chairman & Managing Director

ANNEXURE TO DIRECTORS' REPORT
YEAR ENDED 31.03.2013

Form of Disclosure of Particulars with respect to Consumption & Generation of Energy

Power and Fuel	Current Year 31.03.2013	Previous Year 31.03.2012
Conservation of Energy		
<i>A) Electricity</i>		
Units Purchased	984792	NII
Total cost (Rupees)	6483617	NII
Rate per unit (Rupees)	6.58	NII
<i>B) Diesel Generator Set</i>		
Units Generated	130320	NII
Total cost (Rupees)	2730204	NII
Rate per unit (Rupees)	20.95	NII

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

Sri KPR Industries Ltd is committed to good corporate governance. The company has always focused on good corporate governance, which is a key driver of sustainable corporate growth and powerful medium to serve the long term value creation. Corporate governance strengthens investor's trust and ensures a long term partnership, and protects the interest of other stakeholders by way of transparency, accuracy and accountability.

BOARD OF DIRECTORS

A. COMPOSITION OF BOARD

In terms of the norms provided in Clause 49 of the Listing Agreement, the Chairman of the Company being a Whole-Time director, at least half of the board of directors is required to consist of independent directors. Upon approval of the new appointments, independent directors will be taken on Board to meet the prescribed norms.

The composition of the Board of Directors (as at August 19, 2013) and other details required in this regard are as under:

Sl. No	Name of Director	Category	No of Other Directorships	Membership in Other committees
1.	Sri. N. Kishan Reddy	Chairman & Managing Director	2	1
2.	Sri. N. Srinath Reddy	Whole Time Director	2	0
3.	Sri G. Raja Reddy	Whole time Director	2	1
4.	Sri. T. Naveena Chandra	Independent Non - Executive Director	5	3

5.	Sri S. Krishna Prasad	Independent Non - Executive Director.	0	3
6.	Sri. P. Jagadheeswar Reddy	Independent Non-Executive Director	0	3

Note:

- a. An Independent Director is a director who apart from receiving directors remuneration, does not have any material pecuniary relationship or transactions with the company, its promoters or its management or its subsidiaries, which in the judgment may affect their independence of judgment.
- b. Number of directorships include directorships held in public limited companies and subsidiaries of public limited companies and excludes directorships held in private limited companies and overseas companies.

B. ATTENDANCE OF DIRECTORS AT BOARD MEETING AND ANNUAL GENERAL MEETINGS

The Board of Directors of the company met 4 (Four) times during financial year on 30.05.2012; 30.07.2012; 30.10.2012 and 30.01.2013.

DIRECTORS ATTENDANCE IN BOARD AND ANNUAL GENERAL MEETING

Name of the Director	No of Board Meetings held	No of Board Meetings Attended	Attendance at last AGM
Sri.N.Kishan Reddy	4	4	Yes
Sri.G.Raja Reddy	4	4	Yes
Sri.N.Srinath Reddy	4	4	Yes
Sri.T.Naveena Chandra	4	4	Yes
Sri.S.Krishna Prasad	4	4	Yes
Sri.P.Jagadheeswar Reddy	4	4	Yes

REMUNERATION OF DIRECTORS

Details of Remuneration paid/payable to directors

Director	Relationship with other directors	Loans availed	Sitting Fees	Salary	Commission	Total
#Sri.N.Kishan Reddy	Father-In-Law to Sri. N. Srinath Reddy	Nil	Nil	Nil	Nil	Nil
#Sri.G.Raja Reddy	None	Nil	Nil	Nil	Nil	Nil
#Sri.N.Srinath Reddy	Son-In-Law to Sri. N.Kishan Reddy	Nil	Nil	Nil	Nil	Nil
Sri.T.Naveerja Chandra	None	Nil	Nil	Nil	Nil	Nil
Sri.S.Krishna Prasad	None	Nil	Nil	Nil	Nil	Nil
Sri.P.Jagadheeswar Reddy	None	Nil	Nil	Nil	Nil	Nil

The Board has passed and proposed the same for the approval of members through Postal Ballot, payment of remuneration by way of % of profits or fixed remuneration in case of inadequacy of profits.

AUDIT COMMITTEE

The committee met 4 times during the year 2012-13 on the following dates
29.05.2012; 29.07.2012; 29.10.2012 and 29.01.2013

The constitution of the committee and the attendance of each member of the said committee are as under:

NAME OF THE DIRECTOR	DESIGNATION	NO OF MEETINGS HELD	NO OF MEETINGS ATTENDED
T. Naveen Chandra	Chairman	4	4
G. Raja Reddy	Member	4	4
S. Krishna Prasad	Member	4	4

The terms of reference of the Audit Committee include the following:

1. To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board.
2. To oversee the financial reporting process and disclosure of financial information and to ensure that the financial statements are correct, sufficient and credible.
3. To hold periodic discussions with the statutory auditors and internal auditors of the company concerning the accounts of the company, internal control systems, scope of audit and observations of the auditors/internal auditors.
4. To make recommendations to the Board on any matter relating to the financial management of the company, including the audit report.
5. To recommend the appointment and removal of internal and external auditors, fixation of audit fee and also approval of fee for any other services by the auditors.

6. To investigate into any matter in relation to items specified in section 292A of the Company Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the company and also seek external professional advice where considered necessary.

7. To make recommendations to the Board on any matter relating to the financial management of the company.

REMUNERATION COMMITTEE:

As per Clause 49 of the Listing Agreement, Constitution of Remuneration Committee is non-mandatory and as no remuneration was proposed to any of the director the same has been not constituted.

Remuneration by way of sitting fee as decided by the Board of Directors for attending the Board Meetings and Committee Meetings is paid to Non-Executive Directors.

INVESTORS' GRIEVANCE COMMITTEE:

The committee met 4 times during the year 2012-13 on the following dates 29.05.2012; 29.07.2012; 29.10.2012 and 29.01.2013

NAME OF THE DIRECTOR	DESIGNATION	NO OF MEETINGS HELD	NO OF MEETINGS ATTENDED
G. Raja Reddy	Chairman	4	4
N. Kishan Reddy	Member	4	4
S. Krishna Prasad	Member	4	4

During the year 2012-13, no complaints were received from Shareholders. There are no pending complaints and transfers as on the date of the report.

GENERAL MEETINGS

The location and time of the Annual General Meetings held during the last 3 years are as under :

AGM	Date	Venue	No of Special Resolutions
22 nd	30.09.2009	Nagarjuna Function Hall, Ameerpet	Nil
23 rd	30.09.2010	Nagarjuna Function Hall, Ameerpet	Nil
24 th	24.09.2011	Nagarjuna Function Hall, Ameerpet	2

RESOLUTIONS PASSED BY POSTAL BALLOT

The following resolutions have been proposed through Postal Ballot for the approval of members;

- a. Alteration of Objects Clause of the Memorandum,
- b. Authorization to the Board of Directors to invest / lend / provide guarantee under section 372A of the Companies Act
- c. Authorization to the Board of Directors to Borrow and Otherwise dispose of the assets of the company under section 293(1)(a) and (d)
- d. Appointment and Remuneration of Mr N Kishan Reddy as Managing Director
- e. Appointment and Remuneration of Mr G Raja Reddy as Whole Time Director
- f. Appointment and Remuneration of Mr N Srinath Reddy as Whole Time Director

The results of the postal ballot will be intimated to the shareholders in accordance with the provisions of section 192A of the Act.

f. Name and address of the share transfer agents:

Karvy Computershare Pvt Ltd

Regd. Off: "Karvy House", 46 Avenue 4, Street No 1, Banjara Hills,

Hyderabad - 500034

Corporate Off: 17-24, Vittal Rao Nagar, Madhapur,

Hyderabad - 500 081

Distribution of Shareholding Post Merger

SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF	SHARE/DEBENTURE HOLDERS		SHARE/DEBENTURE AMOUNT		
	Rs. Rs.	Number	% to Total	In Rs.	% to Total
(1)	(2)	(3)	(4)	(5)	
Upto 5,000	5194	89.91	8956180	4.45	
5,001 10,000	276	4.78	2230430	1.11	
10,001 20,000	135	2.34	2043900	1.01	
20,001 30,000	46	0.80	1173670	0.58	
30,001 40,000	18	0.31	634310	0.31	
40,001 50,000	11	0.19	509720	0.25	
50,001 1,00,000	25	0.43	1650460	0.82	
1,00,001 and above	72	1.25	184258280	91.46	
TOTAL	5777	100	201456950	100	

g. Dematerialization of shares:

As on 31st March, 2013, 4454291 shares being 78.79% of the total number of shares are in dematerialization form. Post the merger of Sri Venkateswara Pipes Limited with the company, the dematerialization of shares is in progress.

i. Share transfer system:

Share transfer requests in physical form are processed within 30 days from the date of receipt. The requests for dematerialization of shares are confirmed within 15 days from the date of receipt.

To expedite the share transfer process in the physical segment, authority has been delegated to the Registrar & Share Transfer Agents.

j. Address for correspondence:

The company's Registered office is situated at Vth Floor, KPR House, S.P. Road, Secunderabad - 500 003.

Shareholders' correspondence may be directed to :

Karvy Computershare Pvt.Ltd,

Regd Off: "Karvy House", 46 Avenue 4, Street No 1, Banjara Hills, Hyderabad - 500 034.

Corporate Off: 17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081.

Management Discussion and Analysis Report**1. BACKGROUND**

The Management Discussion and Analysis Report sets out the developments in the business environment and the company's performance since our last report. This analysis supplements the Director's Report and the Audited Financial Statements forming part of this Annual Report.

2. BUSINESS ENVIRONMENT

Reference may be had to the paragraph titled "History, Operations, and Management Discussion Analysis" in the main body of the Directors' Report.

3. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has sound internal control system, which ensures that all the assets are protected against loss from unauthorized use and all the transactions are recorded and reported correctly.

The internal control system is supplemented by an extensive programme of internal audits and reviews by management. The internal control systems are designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

Further the reliance of all the internal control functions and its entire gamut of activities are covered by independent audit conducted by separate internal auditors whose findings will be reviewed regularly by the Audit Committee and top management of the Company.

The internal audit is conducted as per the requirement of the Company and the report will be submitted to the Audit committee and to the management. It reviews the policies and procedures followed. The committee reviews the quarterly and half yearly financial results before they are submitted to the Board of Directors.

4. HUMAN RESOURCE DEVELOPMENT

Human capital is one of the key elements of your Company. The Company has employed the employees who are highly motivated and have been contributing for the growth of the company. The Company's human resources policies are aimed at motivating its employees to deliver high quality performance and reward talent with adequate compensation and accelerated career growth opportunities. The loyalty and faithfulness exhibited by employees at all levels, sustained and untiring efforts put by them show the motivation and commitment on their part.

CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement relating to Corporate Governance with the Stock Exchanges, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct during the financial Year 201-13.

For Sri KPR Industries Ltd

sd/-

N. Kishan Reddy

Managing Director

Place: Secunderabad

Date: 19.08.2013

**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To
The Members of Sri KPR Industries Limited,
Secunderabad

We have examined the compliance of conditions of Corporate Governance by Sri KPR Industries Limited, (Formerly Bhagyanagar Wood Plast Limited) (hereinafter referred to as the company) for the year ended 31st March 2013 as stipulated in Clause 49 of the Listing Agreements of the said company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, as required under Sub-clause I (A) of Clause of 49 of the Listing Agreement.

We state that in respect of investor grievance received during the year ended March 31, 2013 no investor grievances are pending against the Company exceeding one month as per records maintained by the company which are presented to the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Sd/-

For V. Sridhar & Co.,
Chartered Accountants
FRN No : 0062065

Sd/-

Vemulapati Sridhar
Proprietor
ICAI Membership No: 202337

Secunderabad, August 19, 2013.

Auditors' Report

To the Members of Sri KPR Industries Limited,
(Formerly Bhayganagar Wood Plast Limited)
Secunderabad.

Report on the Financial Statements

1. We have audited the accompanying financial statements of Sri KPR Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. The financial statements of Sri KPR Industries Limited (Formerly Bhayganagar Wood Plast Limited), for the year ended March 31, 2013 have been audited by us vide our report dated May 30, 2013. Consequent to the grant of approval of the scheme of amalgamation of Sri Venkateswara Pipes Limited (the transferor company) with Sri KPR Industries Limited (the company) the accounts of the company have been restated and presented to us for audit. We have carried out the audit of the said restated financial statements. Attention of the members is drawn to clause A of Note 1 (Notes forming part of financial statements) "Significant Accounting Policies and Other information".

3. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 "the Act". This responsibility includes the design, implementation and maintenance of internal control 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.

4. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

5. Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit 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.

6. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- B. As required by section 227(3) of the Act, we report that:
- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

- (vi) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For V.Sridhar&Co.
Chartered Accountants
FRN No: 006206 S

Sd/-

Vemulapati Sridhar
Proprietor

ICAI Memb.No:202337
Secunderabad, August 19, 2013.

Annexure to the Auditors' Report

Re: Sri KPR Industries Ltd (Formerly Bhagyanagar Wood Plast Limited),
Year ended March 31, 2013.

Referred to in paragraph 6A of our report of even date under the heading "Report on other legal and regulatory requirements"

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The management during the year at reasonable intervals has physically verified the fixed assets. According to information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The company has not disposed of substantial part of fixed assets during the year.
- (ii) (a) The management has carried out physical verification of inventory during the year. In our opinion the frequency of verification is reasonable.
- (b) The procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company has maintained proper records of inventory including in respect of traded shares and in our opinion and according to information and explanations no material discrepancies have been noticed on physical verification of the inventories.
- (iii) The company has neither granted nor taken any loans secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

(v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.

(b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time. However there are no transactions exceeding rupees five lakhs in this regard.

(vi) The company has not accepted deposits within the meaning of section 58A of the Companies Act, 1956.

(vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not carried out detailed audit of the same.

(ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty, service tax and cess were in arrears, as at March 31, 2013 for a period of more than six months from the date they became payable.

(b) The company's appeal in respect of order under section 143(3) of the Income Tax Act, 1961 for the assessment year 2008-09 has been decided in favour of the company by the Hon'ble Commissioner of Income Tax (Appeals), the First Appellate Authority. Hence no amount is payable in respect of the same. However the department has preferred a second appeal before the Hon'ble Income Tax Appellate Tribunal, Hyderabad and the matter is pending. The amount of tax involved in the case is approximately Rs.32.50 lacs.

- (x) The company does not have any accumulated losses.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or banks. The company has not issued any debentures.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a *nidhi* / mutual fund / society.
- (xiv) Proper records have been maintained in respect of the transactions in shares and timely entries have been made therein. In respect of the shares/ investments whose transfer has been pending as at the last day of the financial year the entries have been made as soon as the transfer is recorded. These shares and securities are held in the name of the company.
- (xv) The company has not given any guarantee for loans taken by others.
- (xvi) The company has not raised any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xviii) The company has not made any preferential allotment during the year.
- (xix) The company has not issued any debentures.
- (xx) The company has not raised any monies from public issue during the year under review. However the company has allotted shares to the shareholders of Sri Venkateswara Pipes Limited, in accordance with the scheme of Amalgamation approved by the Hon'ble High Court of Andhra Pradesh. The amount of share capital allotted on account of the said merger is Rs. 14,49,23,950/-.

Particulars	2012	2011	2010
(xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.			
For V. Sridhar & Co., Chartered Accountants, FRN. 006206S			
Sd/- Vemulapati Sridhar Proprietor ICAI Membership No. 202337			
Secunderabad. August 19, 2013.			

SRI KPR INDUSTRIES LIMITED

(Formerly Bhagyanagar Wood Plast Ltd.)

S.No	Particulars	Note	Rupees	
			As at March 31, 2013	As at March 31, 2012
I	EQUITY AND LIABILITIES			
	(1) Shareholders' Funds			
	(a) Share Capital	2	201436950	56533000
	(b) Reserves and Surplus	3	31344510	16681275
	(c) Money received against share warrants		-	-
	(2) Share application money pending allotment		-	-
	(3) Non- Current Liabilities			
	(a) Long term borrowings	4	79494180	33806
	(b) Deferred tax liabilities(net)	5	60775794	292296
	(c) Other Long Term Borrowings		-	-
	(d) Long-term Provisions		-	-
	(4) Current Liabilities			
	(a) Short-term borrowings	6	71606992	-
	(b) Trade payables	7	110786979	1573924
	(c) Other current liabilities	8	9100000	-
	(d) Short term provisions	9	28055442	348723
	Total Equity & Liabilities		592720847	75463024
II	ASSETS			
	(1) Non current assets			
	(a) Fixed Assets			
	(i) Tangible assets	10	233913964	7428644
	(ii) Intangible assets		-	-
	(iii) Capital work in progress		2378865	-
	(iv) Intangible assets under development		-	-
	(b) Non current investments	11	37959700	5959700
	(c) Deferred tax assts (Net)		-	-
	(d) Long term loans and advances	12	-	28900000
	(e) Other non current assets	13	8804951	502640
	(2) Current assets			
	(a) Current investments	14	7047180	-
	(b) Inventories	15	80725831	4437248
	(c) Trade receivables	16	119123957	24055916
	(d) Cash and cash equivalents	17	78825618	2953851
	(e) Short term loans and advances	18	23940781	1225025
	(f) Other current assets		-	-
	Total Assets		592720847	75463024
	Significant Accounting Policies & Other Information	1		
Notes 1 to 26 form integral part of Financial Statements				

As per our report of even date

 For V.Sridhar & Co.,
Chartered Accountants
FRN No.:0062065

Sd/-

 Vemulapati Sridhar
Proprietor

ICAI Memb No: 202337

Secunderabad, August 19, 2013

For and on behalf of the Board of Directors

Sd/-

 N.Kishan Reddy
Managing Director

Sd/-

 N.Srinath Reddy
Wholtime Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

S.NO	PARTICULARS	NOTE	Rupees	
			For the Year Ended March 31, 2013	For the Year Ended March 31, 2012
I	Revenue from operations	19	328477408	
II	Other income	20	31098748	5719023
III	Total Revenue(I+II)		359576156	5719023
IV	Expenses:			
	Raw Materials Consumed	21	132756535	
	Changes in Inventories of Finished Goods and WIP	22	3446991	
	Other Manufacturing Expenses	23	23043687	
	Employee Benefits Expense	24	16905341	402778
	Finance Costs	25	36586632	28578
	Depreciation	10	15454462	210640
	Other Expenses	26	99214243	3161675
	Total Expenses		305407895	3803671
V	Profit before exceptional and extraordinary items and tax(III-IV)		54168261	1915352
VI	Exceptional items		877395	
VII	Profit before extraordinary items and tax(V-VI)		53290866	1915352
VIII	Extraordinary Items			
IX	Profit before tax (VII-VIII)		53290866	1915352
X	Tax expenses:			
	(1) Current tax			
	(2) Deferred tax - Reversal		(10685244)	(348723)
XI	Profit/(Loss) for the period from continuing operations		44130536	1638198
XII	Profit/(Loss) from discontinuing operations			
XIII	Tax expense of discontinuing operations			
XIV	Profit/(Loss) from discontinuing operations(after tax) (XII-XIII)			
XV	Profit/(Loss) for the period (XI + XIV)		44130536	1638198
XVI	Earnings per equity share:			
	(1) Basic		2.18	0.29
	(2) Diluted		2.19	0.29
Significant Accounting Policies & Other Information		1		
Notes 1 to 26 form integral part of Financial Statements				

As per our report of even date

For V.Sridhar & Co.,

Chartered Accountants

FRN No:0062065

For and on behalf of the Board of Directors

Sd/-

Vemulapati Sridhar

Proprietor

ICAI Memb No: 202337

Secunderabad, August 19, 2013

Sd/-

N.Kishan Reddy
Managing Director

Sd/-

N.Srinath Reddy
Wholtime Director

NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES & OTHER INFORMATION

A. Amalgamation of Sri Venkateswara Pipes Limited

Sri Venkateswara Pipes Limited (hereinafter referred to as 'SVPL'), is a company engaged in the business of Manufacture of Asbestos Cement Pressure Pipes and Couplings and undertakes pipe laying works.

Pursuant to scheme of amalgamation (hereinafter referred to as 'the scheme') of the erstwhile SVPL with Sri KPR Industries Limited (hereinafter referred to as 'the company'), as sanctioned by the Hon'ble High Court of Andhra Pradesh, on March 11, 2013, the assets, liabilities and reserves of SVPL stand transferred and vested in the company with effect from April 1, 2010. As per the scheme the appointed date is April 1, 2010 and the effective date is July 2, 2013.

The accounts of the company for the year ended March 31, 2013, have been audited and results announced pursuant to Clause 41 of the listing agreement vide report of the Auditors dated May 30, 2013. In view of the subsequent event of the scheme taking effect as above, the financial statements of the company for the year ended March 31, 2013 are restated to give effect to the scheme. The scheme has accordingly been given effect to in these accounts.

The amalgamation has been accounted for under the 'pooling of interest' method as prescribed by Accounting Standard - 14, 'Accounting for Amalgamations' issued by the Institute of Chartered Accountants of India. Accordingly the assets, liabilities and reserves of erstwhile SVPL as at April 01, 2010, along with subsequent additions and / or deletion thereto, up to March 31, 2012 have been transferred in accordance with the said scheme. The profits of SVPL during the period April 01, 2010 to March 31, 2012 have been transferred to the General Reserve of the company without opening the accounts of the company for the previous years. Current year transactions are duly incorporated in the books of the company. The cash flow statement is presented duly incorporating the effect of the merger.

As at April 01, 2010 total share capital of SVPL stood at Rs.4,44,06,840/- divided into 44,40,684 equity shares of Rs.10 each. Out of this total share capital of SVPL, the company held 3,00,000 equity shares of Rs.10 each aggregating to Rs.30,00,000/- which stand cancelled upon sanction of the scheme. The shareholders of SVPL (other than the company) have been issued seven shares in the company for every two shares held in SVPL aggregating to Rs.14,49,23,950/- divided into 1,44,92,395 shares of Rs.10/- each. The difference between the amount recorded as the share capital issued and the amount of share capital of SVPL on the appointed date (net of shares held by the company) is adjusted in the General Reserves and the intercompany transactions stand cancelled. There is no difference in the accounting policies followed by the company and SVPL.

In view of the above stated accounting treatment, the current year's figures in the financial statements as well as the cash flow statement are not strictly comparable to those of the previous year.

B. System of Accounting:

- i. The company follows mercantile system of accounting and recognizes Income and Expenditure on accrual basis.
- ii. The Financial statements have been prepared in all material aspects with accounting standards as notified in the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956.
- iii. Financial statements are prepared on historical cost basis and as a going concern.

C. Revenue Recognition :

- i. Sale of goods is recognized at the point of despatch of goods to customers and Gross Sales are inclusive of Excise Duty and net of Value Added Tax.
- ii. Income from Sale of Wind Power is recognized on the basis of units measured and certified by the concerned Electricity Board Authorities.
- iii. Dividends are recognized as income of the year in which the same are declared.
- iv. Income from traded shares is recognized upon sale of the same and until then the shares on hand are valued at cost or market value whichever is lower.

D. Income Recognition on Development of Land

- i. The Company has entered into a Agreement for development of its land into a residential apartment complex on a built-up area sharing basis.
- ii. The income arising out of the transaction is first recognised on delivery of residential units by the developer.
- iii. Profit, if any, arising out of the sale of the units falling to the share of the company is recognized upon sale of the residential unit.
- iv. The ungod units are shown under fixed assets.

E. Tangible Fixed Assets and Depreciation

- i. Tangible Fixed Assets acquired by the company are reported at acquisition value, with deductions for accumulated depreciation and impairment losses, if any.
- ii. The acquisition cost includes the purchase price (excluding refundable taxes) and expenses directly attributable to the asset to bring it to the site and in the working condition for intended use.
- iii. Depreciation is provided on straight line basis at rates and in the manner specified in schedule XIV to the Companies Act, 1956, unless then the use of higher rate or an accelerated charge is justified through technical estimates.

F. Investments

Non-current investments are stated at cost. Traded shares are stated at cost or market value whichever is lower.

G. Inventories

Stocks are valued at cost or realizable value whichever is lower. Cost of finished goods for this purpose is arrived at on absorption costing basis and is inclusive of excise duty.

H. Staff Benefits

Provident Fund Contributions and other staff benefits are accounted on accrual basis. The company is in the process ascertaining appropriate Group Gratuity Scheme for subscription and the premium / contributions towards the same will be charged to revenue as and when paid.

I. Deferred Taxation

Accounting treatment in respect of deferred taxation is in accordance with Accounting Standard 22: "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

J. Preliminary Expenses

Expenses incurred in connection with the increase in authorized capital of the company and merger of the transferor company are written off in equal installments over a period of five years and the unwritten off portion is included in non-current assets.

K. Currency Fluctuation

Gain / Loss arising on account of FCNB Loan borrowed by the company is treated as income / expense in the profit and loss account.

L. Contingent Liability. : Disputed Income Tax liability, Rs.32.50 lacs. The first appeal of the company before the Hon'ble Commissioner of Income Tax (Appeals) has been allowed in favor of the company. A second appeal has been preferred by the department to the Hon'ble Income Tax Appellate Tribunal, Hyderabad.

M. Related Party Transactions

Name of the Related Party (Relation)	Nature of Transaction	Transaction Value Rupees in Lacs	Maximum Balance Rupees in Lacs	Year-end balance (+) Receivable / (-) Payable Rupees in Lacs	Amount written-off returned back
Sri KPR Infra & Projects Ltd (A 100% Subsidiary)	Loan Taken	100.00	100.00	(-) 100.00	Nil
- Do -	Sale of Pipes	498.78	-	311.85	Nil
- Do -	Advance for supplies	451.28	551.28	(-) 451.28	Nil

N. Segment Reporting

Particulars	Amount Rupees in Lacs
Nature of the Segment	Wind Power
Revenues	242.09
Identifiable Operating Expenses	
a. Maintenance and Other Expenses	31.12
b. Interest	61.33
c. Depreciation	91.75
Allocated Expenses	Nil
Unallocable Expenses	Nil
Segment Operating Income	57.88
Segment Assets	1469.78
Segment Liabilities	323.85

- O. Previous year's figures have been regrouped wherever considered necessary. However in view of the accounting for the Merger of Sri Venkateswara Pipes Limited with the company, (as explained in paragraph A, above) the previous year's figures are strictly not comparable with those of the current year.

Notes Forming Part of Financial Statements as at March 31, 2013

	Particulars	As At			
		March 31, 2013	March 31, 2012		
2 Share Capital					
a. Authorised:					
	21000000 Equity shares of Rs.10/- each (Previous year 16000000 equity shares of Rs.10/- each)	210000000	160000000		
		210000000	160000000		
b. Issued, Subscribed & Paid up					
	20145695 Equity shares (Previous year 5653300) fully paid up	201456950	56533000		
	(during the current year 14492395 equity shares of Rs.10/- each have been allotted to the share holders of Sri Venkateswara Pipes Ltd for a consideration other than cash on account of merger of the said company with Sri KPR Industries Ltd. in accordance with the scheme of merger approved by the Hon'ble High Court of Andhra Pradesh. Refer Note (A))	201456950	56533000		
c. Par value of shares		Rs.10/-	Rs.10/-		
d. Number of Shares outstanding at beginning the year		5653300	5653300		
	Changes during the year (shares allotted to the outside share holders of Sri Venkateswara Pipes Ltd - a company since merged. See Note-1)	14492395			
	Number of Shares outstanding at end of the year	20145695	5653300		
e. Details of Shareholder holding more than 5% Shares					
		No of Shares	%	No of Shares	%
	1. N.Kishan Reddy	1933963	9.60	586546	10.38
	2. N.Vineel Reddy	1886654	9.37	544754	9.64
	3. N.Vijaya	1721067	8.54	379693	6.72
	4. N.Vineetha	1666155	8.38	348255	6.12
	5. G.Raja Reddy	1452910	7.21		
	6. NBOS Technologies (India) Private Limited	1109600	5.49		
	7. N. Srinath Reddy	1068622	5.25		
	The Company has only one class of Shares i.e. Equity shares				
f. The company has not made any bonus issue during last preceding five years					

Notes Forming Part of Financial Statements as at March 31, 2013

Particulars		As At March 31, 2013	As at March 31, 2012
3	Reserves & Surplus		
A	State Subsidy		
	Balance Brought Forward	2369086	2369086
	Add: Balance transferred from Sri Venkateswara Pipes Ltd (transferor company)	2000000	
	Total (A)	4369086	2369086
B	General Reserve		
	As per Last Balance Sheet		
	Add: Accumulated balance of Sri Venkateswara Pipes Ltd (transferor company as at 01-04-2012)	8973150	
	Total (B)	8973150	
C	Profit & Loss Account		
	As per Last Balance Sheet	14312189	12673991
	Add: Accumulated balance as on 01-04-2012 in Sri Venkateswara Pipes Ltd (transferor company)	78980454	
		93292643	12673991
	Add: Current year profit	44130536	1638198
		137423179	-14312189
	Less: Difference between the amount recorded as share capital issued to the outside share holders of the transferor company and the amount of share capital of the transferor company	(103517110)	
		33906069	14312189
	Proposed Dividend on Equity Shares	(14101987)	
	Dividend Distribution Tax	(1801808)	
	Total (C)	18002274	14312189
	Total (A+B+C)	31344510	16681275

SRI KPR INDUSTRIES LIMITED
(Formerly Bhagyanagar Wood Plast Ltd.)

Notes Forming Part of Financial Statements as at March 31, 2013

Particulars	As At March 31, 2013	As at March 31, 2012
Long Term Borrowings		
a) Term Loans	33806	33806
- From Banks		
- HDFC Bank Ltd (Skoda Car)		
- Pending reconciliation	23184504	
- State Bank of India		
- Secured by first charge on all fixed assets of the company both		
- movable and immovable	15999420	
b) Unsecured loans from	10000000	
- Others		
- Sri KPR Infra & Projects Ltd (Subsidiary)	30776450	
c) Deferred Sales tax	79494180	33806
Total	79494180	33806

The erstwhile Sri Venkateswara Pipes Ltd, the transferor company that has been merged with Sri KPR Industries Ltd had borrowed the working capital and term loans from State Bank of India, Commercial Branch, Koti, Hyderabad. The said borrowings have been guaranteed by the Directors of the transferor company Sri. A. Bhoopal Reddy, Sri. A. Narasimha Reddy and Sri. N.J. Sudershan Reddy, Sri. N. Kishan Reddy and Sri. G. Raja Reddy, Directors of Sri KPR Industries Ltd also guaranteed the undermentioned borrowings by providing personal guarantee. The extent of guarantee provided by all the Directors are as under:

Sr. No.	Name of the Bank / Nature of Facility	Aggregate amount of guarantee as per sanction letter	Repayment Terms
1.	State Bank of India, Commercial Branch, Koti, Hyderabad - Working capital	Rs. 2 crores	On demand
2.	State Bank of India, Commercial Branch, Koti, Hyderabad - Term Loan	Rs. 15 crores	26 quarterly installments
3.	Deferred Tax Liabilities	292236	363861
	Beginning in the year relating to the fixed Assets	62008412	
	Add: Deferred tax liabilities as on 01-04-2012 pertaining to Sri Venkateswara Pipes Ltd (transferor company)	62300708	363861
	Less: Timing difference during the year	(1574914)	(71569)
	Total	60775794	292236
4.	Short Term Borrowings:	71606992	
	Secured		
	State Bank of India, Commercial Branch, Koti, Hyderabad (towards working capital limits, secured by way of hypothecation of stocks and book debts and second charge on all fixed assets of the company both present and future)		
	[The above borrowings are also supported by personal guarantees of Directors of the company Sri. N. Kishan Reddy, Sri. G. Raja Reddy in addition to the personal guarantees of Sri. A. Bhoopal Reddy, Sri. A. Narasimha Reddy and Sri. N.J. Sudershan Reddy, the directors of erstwhile Sri Venkateswara Pipes Ltd]		
	Total Fund based	Rs. 9.00 Crores	
	Total Non-Fund based	Rs. 5.00 Crores	
	Total	71606992	

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Notes Forming Part of Financial Statements as at March 31, 2013

	Particulars	As At March 31, 2013	As at March 31, 2012
7	Trade Payables		
	Sundry Creditors	2282514	1573924
	Dues to Small scale Industries	7565314	-
	Sundry creditors - Raw Material	1357786	-
	Sundry creditors - Expenses	10956702	-
	Sundry creditors - Others	88624563	-
	Total	110786979	1573924
8	Other Current Liabilities		
	Installment for secured term loan from banks due with in one year	9200000	-
	Total	9200000	
9	Short Term Provisions		
	Income Tax	10685244	348723
	Provision for Excise duty on finished goods	1466403	-
	Proposed dividend	14101987	-
	Provision for Dividend Distribution Tax	1801808	-
	Total	28055442	348723
11	Non Current Investments		
	[All unquoted unless otherwise specified]		
	- 736000 equity shares of Rs.2/- each, investment in Balaji Amines Ltd (Quoted value as on 31-03-2013 - Rs.2.58 crores)	2944000	2944000
	In Subsidiaries		
	- 3500000 equity shares of Rs.10/- each, investment in Sri KPR Infra & Projects Ltd (a 100% subsidiary)	35000000	-
	- 300000 equity shares of Rs.10/- each, investment in Sri Venkateswara Pipes Ltd (current year merged with the company)	0	3000000
	Indira Vikas Patra (To be encashed)	200	200
	National Savings Certificate (To be encashed)	15500	15500
	Total	37959700	5959700

SRI KPR INDUSTRIES LIMITED

(Formerly Bhagyanagar Wood Plast Ltd.)

Notes Forming Part of Financial Statements as at March 31, 2013

	Particulars	As At March 31, 2013	As at March 31, 2012
12	Long term Loans & Advances		
	Loans to Sri Venkateswara Pipes Ltd (a company since merged in the current year)	-	28900000
			28900000
13	Other Non Current Assets		
	Deposits	5945206	
	Others	2482765	
	Miscellaneous Expenditure to the extent not written off or adjusted	376990	502640
	Total	8804951	502640
14	Current Investments		
	TATA AIG Mutual Funds	7047180	
	Total	7047180	
15	Inventories [As verified, valued and certified by the Management]		
	Raw material	1535531	
	Finished goods	47556551	
	Work-in-progress	30372844	
	Traded Shares	1260905	4437248
		80725831	4437248
16	Trade Receivables (Unsecured and Considered good)		
	- Over Six months	31755166	24055916
	- Others	87368791	
	Total	119123957	24055916
17	Cash and Cash equivalents		
	- Cash on hand	677207	214902
	- In Current Accounts	51121004	2216931
	- FDR with S.B.I. Kotl	9819608	0
	- Short Term Deposit with SBH including Interest there on	-	521956
	- Balance in ICICI - HYD (OD)	14954961	-
	- Margin Money on BG	2252838	-
	Total	78825618	2953851
18	Short term Loans and Advances		
	Balances with Central Excise	81685	-
	Advance Income tax (Including TDS)	3140336	-
	Advance recoverable in cash or in kind or for value to be received	18987886	-
	Others	1730874	1229025
	Total	23940781	1229025

Notes Forming Part of Financial Statements as at March 31, 2013

	Particulars	As At	As at
		March 31, 2013	March 31, 2012
19	Revenue from Operations		
	Sale of asbestos cement pressure pipes	313805356	
	Less: Excise duty	9537022	
	Net Sales	304268334	
	Sale of wind electric power	24209074	
	Total income from operations	328477408	
20	Other Income		
	Dividend	4736160	1059560
	Profit on sale of shares	1178278	305439
	Interest	2781185	4086290
	Profit on sale of residential units received under Development Agreement	2045348	
	Income from Government Works Contract	1074784	
	LIC Maturity	4392000	
	Sale of trading items	11999942	
	Recovery of Technical Salaries/Insurance	2891051	
	Others	0	267734
	Total	31098748	5719023
21	Raw Material Consumed		
	Opening Stock	3550385	
	Add: Purchase of Raw Material	130741685	
	Sub-Total	134292070	
	Less: Closing Stock	1535531	
	Net Total	132756539	
22	Changes in Inventories of Finished Goods & Work in process		
	Closing stock		
	Work in Process	30372844	
	Finished Goods	47556551	
	Sub-Total	77929396	
	Opening Stock		
	Work in Process	10554648	
	Finished Goods	68421739	
	Sub-Total	79376387	
	Increase/(Decrease) in Stock	(1446991)	

Notes Forming Part of Financial Statements as at March 31, 2013

Particulars		As At March 31, 2013	As at March 31, 2012
23	Other Manufacturing Expenses		
	Repairs & Maintenance-Plant & Machinery	590826	
	Building & Others	3522569	
	Power & Fuel	11402302	
	Stores & spares consumed	6632656	
	Other expenses	575134	
	Testing charges	68813	
	Loading & unloading expenses	251287	
	Total	23043687	
24	Employee Benefits Expenses		
	Salaries, wages and bonus	14069846	256311
	Contribution to PF	916509	32040
	Contribution to ESi	539015	12190
	Incentives to staff	-	19837
	Conveyance	105914	82400
	Staff welfare expenses	783769	
	Security services	433388	
	Gratuity	56900	
	Total	18905341	402778
25	Finance Cost		
	Interest	14996163	20730
	Bank charges	1590469	7868
	Total	16586632	28598
26	Other Expenses		
	Rent	146040	141270
	Trading items	21918788	-
	Auditor's Remuneration	674160	166540
	Other Expenses	47239358	1632066
	Misc. Debits Written Off	1754780	1094139
	Preliminary expenses written off	125660	125660
	Business Promotion expenses	75700	-
	Insurance	2158052	-
	VAT / CST	17194020	-
	Directors Remuneration	5548455	-
	Foreign Exchange Fluctuations Loss/(Gain)	2379000	-
	Total	99214243	3161675

Notes 1 to 26 form integral part of Financial Statements

As per our report of even date.
For V.Sridhar & Co.
Chartered Accountants
FRN No. 0062065

For and on behalf of Board of Directors

Sd/-

Vemulapati Sridhar
Proprietor
ICAI Memb No: 252337
Secunderabad, August 19, 2013

Sd/-

N.Kishan Reddy
Managing Director

Sd/-

N. Srinath Reddy
Whole Time Director

Rupees:

Sl No	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 01-04-2012	Additions during the year	Deletions during the year	As at 03-2013	As at 04-2012	Transfer of Accumulated depreciation of S.P.L. as on 01-04-2012	Depreciation for the year	Total as at 01-04-2013	As at 31-03-2013	As at 31-03-2012
1	Land	666490	531341	882807	3093944					3093944	6566490
2	Land (Leased Solar Power)		200000		200000					200000	
3	Buildings		877500	303300	574200					574200	
4	Furniture & Fixtures	2285634			178554	1083354				178554	307280
5	Office Equipment	4300	227700		241300	1172	761944	145026	98153	1505197	5027
6	Vehicles	3357887	657904	3330737	5047404	705611	3878472	463063	3290343	1757113	653857
7	Factory building		4548169		4542365		14134024	1514470	15937704	29400075	
8	Power-house building		2402937		2402937		647433	89162	506997	1895600	
9	Plant & Machinery		6212336		6212336		3538877	309062	2878815	3333354	
10	Diesel generator		3063313		2063313		142925	168443	1518153	328145	
11	Misc. fixed assets		6769238		6769238		2638465	321338	3960064	3885024	
12	Production control equip		6048337		6048337		2380905	321037	2712862	3368735	
13	Office equip - Amrook		30893		30893		9441	1062	11643	18180	
14	Land - Wine Project I		1812000		1812000					1812000	
15	Land - Wood Project II		1811000		1811000					1811000	
16	Wood M&E - Project I		88079345		88079345					88079345	
17	Wood M&E - Project II		85892519		85892519					85892519	
	Total	9078183	358691508	11345497	25191314	1789537	71586534	3753064	8814569	33811384	702844

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Rupees in Lacs	
	Current Year	Previous Year
A. Cash Flow from Operating Activities		
Profit before Depreciation, Interest and Tax	853.32	21.55
Less: Other Income considered separately	-310.99	-57.19
Net	542.33	-35.64
Non cash adjustment		-2.68
(Increase) / Decrease in Inventories	-762.89	-18.13
(Increase) / Decrease in Receivables	-950.68	53.96
(Increase) / Decrease in Loans & Advances	-227.16	-1.00
Increase / (Decrease) in Current Liabilities	1195.31	-60.13
(Increase) / Decrease in Other Current Investments	-70.47	
Total A	-273.56	-63.62
B. Cash Flow from Investing Activities		
Increase in Fixed Assets	-2443.19	
Increase in Non Current Investments	-320.00	
Increase in Deferred Tax Liability on account of Merger	620.08	
(Increase) / Decrease in Long Term Loans and Advances	289.00	
(Increase) / Decrease in Non Current Assets	-83.02	-5.73
Other Income	310.99	57.19
Total B	-1626.14	51.46
C. Cash Flow from Financing Activities		
Increase / (Decrease) in Secured Loans	1510.67	-2.50
Adjustment of Reserves & Surplus on account of share allotment	-135.64	
Interest Paid	-165.87	-0.29
Increase in Share Capital	1449.24	
Total C	2658.40	-2.79
D. Net Increase/(Decrease) in cash and cash equivalents	758.70	-14.95
Cash and cash equivalents at the beginning of the year (01.04.2012)	29.54	44.49
Cash and cash equivalents at the end of the year (31.03.2013)	788.24	29.54
Increase	758.70	-14.95

Notes to Cash Flow Statement

The cash flow statement is prepared in the basis of the financial statements presented after the amalgamation of Sri Venkateswara Pipes Limited with the company. Hence items pertaining to the transfer of assets and liabilities of the amalgamating company are explained in the cash flow statement

2 Reconciliation of Reserves & Surplus

Profit After Tax for the year		441.31
Less Appropriations	a. Dividend Proposed	-141.01
	b. Dividend Distribution Tax	-18.02
Net Increase	A	282.28
Reserves & Surplus as at March 31, 2013		313.45
Reserves & Surplus as at March 31, 2012		166.81
Net Increase	B	146.64
Difference of A and B	C	135.64
Transfer of balances from Amalgamating Company (Accounted item wise as per AS 14, Accounting for Amalgamations)		
Subsidy		20.00
Accumulated General Reserve		89.73
Accumulated balance in Profit & Loss Account		789.80
Total	D	899.53

Less - Difference between the amount recorded as share capital issued to outside shareholders of the amalgamating company and its paid up share capital adjusted against the reserves of the amalgamated company

E -1035.17

Difference of D and E (Adjusted under cash flows from investing activities)

-135.64

As per our report of even date

For V.Sridhar & Co.,
Chartered Accountants
FRN No: 0062065

For and on behalf of the Board of Directors

Sd/-
Vemulapati Sridhar
Proprietor
ICAI Memb No: 202337
Secunderabad, August 19, 2013

Sd/-
N.Kishan Reddy
Managing Director

Sd/-
N.Srinath Reddy
Wholetime Director

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

The Members of Sri KPR Industries Limited
Secunderabad.

1. We have audited the attached Consolidated Balance Sheet of Sri KPR Industries Limited and its subsidiary Sri KPR Infra & Projects Limited as at March 31, 2013 and the Consolidated Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the Accounting Principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the management of Sri KPR Industries Limited in accordance with the requirements of Accounting Standard-21, "Consolidated Financial Statements" and other applicable standards issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to the explanations given to us, the said Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of Sri KPR Industries Limited and its subsidiary Sri KPR Infra & Projects Limited as at March 31, 2013; and
 - b) in the case of the Consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and

For V. Sridhar & Co.,
Chartered Accountants
Firm No. 0062068

54/
Venulapati Sridhar
Proprietor
Membership No : 202337
Secunderabad, August 19, 2013

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

S.No	Particulars	Note	Rupees	
				Consolidated
I	EQUITY AND LIABILITIES			
	(1) Shareholders' Funds			
	(a) Share Capital	2		201456950
	(b) Reserves and Surplus	3		142701817
	(c) Money received against share warrants			
	(2) Share application money pending allotment			
	(3) Non- Current Liabilities			
	(a) Long term borrowings	4		91796141
	(b) Deferred tax liabilities(net)	5		84841230
	(c) Other Long Term Borrowings			
	(d) Long -term Provisions			
	(4) Current Liabilities			
	(a) Short-term borrowings	6		124450098
	(b) Trade payables	7		139256973
	(c) Other current liabilities	8		13633229
	(d) Short term provisions	9		39011994
	Total Equity & Liabilities			837148432
II	ASSETS			
	(1) Non current assets			
	(a) Fixed Assets			
	(i) Tangible assets	10		312419237
	(ii) Intangible assets			
	(iii) Capital work in progress			2378865
	(iv) Intangible assets under development			
	(b) Non current investments	11		3459700
	(c) Deferred tax assets (Net)			
	(d) Long term loans and advances	12		
	(e) Other non current assets	13		8804951
	(2) Current assets			
	(a) Current investments	14		7047180
	(b) Inventories	15		122553149
	(c) Trade receivables	16		151018191
	(d) Cash and cash equivalents	17		135079518
	(e) Short term loans and advances	18		43991048
	(f) Other current assets			50396593
	Total Assets			837148432
	Significant Accounting Policies & Other Information	1		
Notes 1 to 26 form integral part of Financial Statements				

As per our report of even date.

For V.Sridhar & Co.,
Chartered Accountants
FRN No: 0062065

For and on behalf of Board of Directors

Sd/-
Vemulapati Sridhar
Proprietor
ICAI Memb No: 202337
Secunderabad, August 19, 2013Sd/-
N. Kishan Reddy
Managing DirectorSd/-
N Srinath Reddy
Whole Time Director

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

Rupees

S.No	PARTICULARS	NOTE	Consolidated
I	Revenue from operations	19	728641117
II	Other Income	20	33923751
III	Total Revenue(I+II)		760564868
IV	Expenses:		
	Raw Materials Consumed	21	298885700
	Changes in Inventories of Finished Goods and WIP	22	20564673
	Other Manufacturing Expenses	23	159613410
	Employee Benefits Expense	24	21795938
	Finance Costs	25	28924651
	Depreciation	10	19800674
	Other Expenses	26	108619559
	Total Expenses		658184615
V	Profit before exceptional and extraordinary items and tax(III-IV)		102380253
VI	Exceptional items		848360
VII	Profit before extraordinary items and tax(V-VI)		101533893
VIII	Extraordinary items		
IX	Profit before tax (VII-VIII)		101533893
X	Tax expenses:		
	(1) Current tax		(20970858)
	(2) Deferred tax Reversal		2141008
XI	Profit/(Loss) for the period from continuing operations		82704041
XII	Profit/(Loss) from discontinuing operations		
XIII	Tax expense of discontinuing operations		
XIV	Profit/(Loss) from discontinuing operations(after tax) (XII-XIII)		
XV	Profit/(Loss) for the period (XI + XIV)		82704041
XVI	Earnings per equity share:		
	(1) Basic		
	(2) Diluted		

Significant Accounting Policies & Other Information

1

Notes 1 to 26 form integral part of Financial Statements

As per our report of even date

For V.Sridhar & Co.,

Chartered Accountants

FRN No: 0062065

Sd/-

Vemulapati Sridhar

Proprietor

ICAI Memb No: 202337

Secunderabad, August 19, 2013

For and on behalf of Board of Directors

Sd/-

N. Kishan Reddy
Managing Director

Sd/-

N Srinath Reddy
Whole Time Director

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**1. SIGNIFICANT ACCOUNTING POLICIES & OTHER INFORMATION****A. Amalgamation of Sri Venkateswara Pipes Limited**

Sri Venkateswara Pipes Limited (hereinafter referred to as 'SVPL'), is a company engaged in the business of Manufacture of Asbestos Cement Pressure Pipes and Couplings and undertakes pipe laying works.

Pursuant to scheme of amalgamation (hereinafter referred to as 'the scheme') of the erstwhile SVPL with Sri KPR Industries Limited (hereinafter referred to as 'the company'), as sanctioned by the Hon'ble High Court of Andhra Pradesh, on March 11, 2013, the assets, liabilities and reserves of SVPL stand transferred and vested in the company with effect from April 1, 2010. As per the scheme the appointed date is April 1, 2010 and the effective date is July 2, 2013.

The accounts of the company for the year ended March 31, 2013, have been audited and results announced pursuant to Clause 41 of the listing agreement vide report of the Auditors dated May 30, 2013. In view of the subsequent event of the scheme taking effect as above, the financial statements of the company for the year ended March 31, 2013 are restated to give effect to the scheme. The scheme has accordingly been given effect to in these accounts.

The amalgamation has been accounted for under the "pooling of interest" method as prescribed by Accounting Standard – 14, "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India. Accordingly the assets, liabilities and reserves of erstwhile SVPL as at April 01, 2010, along with subsequent additions and / or deletion thereto, up to March 31, 2012 have been transferred in accordance with the said scheme. The profits of SVPL during the period April 01, 2010 to March 31, 2012 have been transferred to the General Reserve of the company without opening the accounts of the company for the previous years. Current year transactions are duly incorporated in the books of the company. The cash flow statement is presented duly incorporating the effect of the merger.

As at April 01, 2010 total share capital of SVPL stood at Rs.4,44,06,840/- divided into 44,40,684 equity shares of Rs.10 each. Out of this total share capital of SVPL, the company held 3,00,000 equity shares of Rs.10 each aggregating to Rs.30,00,000/- which stand cancelled upon of sanction of the scheme. The shareholders of SVPL (other than the company) have been issued seven shares in the company for every two shares held in SVPL aggregating to Rs.14,49,23,950/- divided into 1,44,92,395 shares of Rs.10/- each. The difference between the amount recorded as the share capital issued and the amount of share capital of SVPL on the appointed date (net of shares held by the company) is adjusted in the General Reserves and the intercompany transactions stand cancelled. There is no difference in the accounting policies followed by the company and SVPL.

In view of the above stated accounting treatment, the current year's figures in the financial statements as well as the cash flow statement are not strictly comparable to those of the previous year.

Basis of Consolidation and presentation

- i. The financial statements of Sri KPR Industries Limited (Holding Company) and Sri KPR Infra & Projects Limited (a 100% Subsidiary) have been consolidated in accordance with the Accounting Standard 21, AS – 21 on "Consolidated Financial Statements", issued by Institute of Chartered Accountants of India and are presented to the extent possible in the same manner as the Company's separate financial statements.
- ii. The financial statements of Sri KPR Renewable Energy Limited (a wholly owned subsidiary of Sri KPR Infra & Projects Limited) have not been consolidated for the year under consideration. The share capital of Sri KPR Renewable Energy Limited is Rs.5.00 lacs and the company is yet to commence any activity. The impact of not consolidating the financial statements of the said company is not material.
- iii. The current year, i.e., year ended March 31, 2013 is the first time the consolidation of the financial statements as aforesaid is carried out, hence no previous year's figures are given and no cash flow statement is compiled. The company did not have any subsidiaries in the earlier years.
- iv. During the current year on account of amalgamation of Sri Venkateswara Pipes Limited (as explained in Note A above) its wholly owned subsidiary Sri KPR Infra & Projects Limited became wholly owned subsidiary of the company.
- v. The both the holding company and the subsidiary follow same set of accounting policies in the preparation and presentation of the financial statements.

C. System of Accounting:

- i. The company follows mercantile system of accounting and recognizes Income and Expenditure on accrual basis.
- ii. The Financial statements have been prepared in all material aspects with accounting standards as notified in the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956.
- iii. Financial statements are prepared on historical cost basis and as a going concern.

D. Revenue Recognition:

- i. Sale of goods is recognized at the point of despatch of goods to customers and Gross Sales are inclusive of Excise Duty and net of Value Added Tax.
- ii. Income from Sale of Wind Power is recognized on the basis of units measured and certified by the concerned Electricity Board Authorities.
- iii. Dividends are recognized as income of the year in which the same are declared.

iv. Income from traded shares is recognized upon sale of the same and until then the shares on hand are valued at cost or market value whichever is lower.

v. Income in respect of laying and jointing civil works is accounted in accordance with Accounting Standard 7, Construction Contracts and the revenues in respect of the same are recognized on the basis of work completion certificates issued by the contractees (viz., the Government Departments) and the work in progress is accounted on the basis of costs incurred pending billing.

E. Income Recognition on Development of Land

i. The Company has entered into a Agreement for development of its land into a residential apartment complex on a built-up area sharing basis.

ii. The income arising out of the transaction is first recognised on delivery of residential units by the developer.

iii. Profit, if any, arising out of the sale of the units falling to the share of the company is recognized upon sale of the residential unit.

iv. The unsold units are shown under fixed assets.

F. Tangible Fixed Assets and Depreciation

i. Tangible Fixed Assets acquired by the company are reported at acquisition value, with deductions for accumulated depreciation and impairment losses, if any.

ii. The acquisition cost includes the purchase price (excluding refundable taxes) and expenses directly attributable to the asset to bring it to the site and in the working condition for intended use.

iii. Depreciation is provided on straight line basis at rates and in the manner specified in schedule XIV to the Companies Act, 1956, unless then the use of higher rate or an accelerated charge is justified through technical estimates.

G. Investments

Non-current investments are stated at cost. Traded shares are stated at cost or market value whichever is lower.

H. Inventories

Stocks are valued at cost or realizable value whichever is lower. Cost of finished goods for this purpose is arrived at on absorption costing basis and is inclusive of excise duty. Civil contract work in progress is valued at cost.

I. Staff Benefits

Provident Fund Contributions and other staff benefits are accounted on accrual basis. The company is in the process ascertaining appropriate Group Gratuity Scheme for subscription and the premium / contributions towards the same will be charged to revenue as and when paid.

J. Deferred Taxation

Accounting treatment in respect of deferred taxation is in accordance with Accounting Standard 22: "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India

K. Preliminary Expenses :

Expenses incurred in connection with the increase in authorized capital of the company and merger of the transferor company are written off in equal installments over a period of five years and the unwritten off portion is included in non-current assets

L. Currency Fluctuation

Gain / Loss arising on account of FCNB Loan borrowed by the company is treated as income / expense in the profit and loss account.

M. Contingent Liability : Disputed Income Tax liability, Rs.32.50 lacs. The first appeal of the company before the Hon'ble Commissioner of Income Tax (Appeals) has been allowed in favor of the company. A second appeal has been preferred by the department to the Hon'ble Income Tax Appellate Tribunal, Hyderabad

N. Segment Reporting

Particulars	Amount	Amount
	Rupees in Lacs	Rupees in Lacs
Nature of the Segment	Civil Contracts for Government	Wind Power
Revenues	3853.15	360.58
Identifiable Operating Expenses	3436.34	273.62
Allocated Expenses	Nil	Nil
Unallocable Expenses	Nil	Nil
Segment Operating Income	424.81	86.96
Segment Assets	2562.26	2245.84
Segment Liabilities	3196.31	465.86

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

Particulars		As at March 31, 2013		
2	Share Capital			
	a. Authorised			
	21000000 Equity shares of Rs.10/- each (Previous year 16000000 equity shares of Rs.10/- each)		210000000	
			210000000	
	b. Issued, Subscribed & Paid up			
	20145695 Equity shares (Previous year 5653300) fully paid up		201456950	
	(During the current year 14492395 equity shares of Rs.10/- each have been allotted to the share holders of Sri Venkateswara Pipes Ltd for a consideration other than cash on account of merger of the said company with Sri KPR Industries Ltd. In accordance with the scheme of merger approved by the Hon'ble High Court of Andhra Pradesh. Refer Note 1A)			
	c. Par value of shares		Rs.10/-	
	d. Number of Shares outstanding at beginning the year		5653300	
	Changes during the year (shares allotted to the outside share holders of Sri Venkateswara Pipes Ltd - a company since merged. See Note-1.		14492395	
	Number of Shares outstanding at end of the year		20145695	
	e. Details of Shareholder holding more than 5% Shares			
	Sl. No	Name of the Share Holder	No of Shares	%
	1	N Kishan Reddy	1933963	9.60
	2	N Vineel Reddy	1888654	9.37
	3	N Vijaya	1721067	8.54
	4	N Vinatha	1688155	8.38
	5	G Raja Reddy	1452910	7.21
	6	NBOS Technologies (India) Private Limited	1105600	5.49
	7	N. Srinath Reddy	1058622	5.25
	The Company has only one class of Shares i.e. Equity shares			
	f. The company has not made any bonus issue during last preceding five years			

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

	Particulars	As at March 31, 2013
3	Reserves & Surplus	
A.	State Subsidy	-
	Balance Brought Forward	2369086
	Add: Balance transferred from Sri Venkateswara Pipes Ltd (transferor company)	2000000
	Total (A)	4369086
B.	General Reserve	
	As per Last Balance Sheet	-
	Add: Accumulated balance of Sri Venkateswara Pipes Ltd (transferor company as at 01-04-2012)	8973150
	Total (B)	8973150
C.	Profit & Loss Account	
	As per Last Balance Sheet	14312189
	Add: Accumulated balance as on 01-04-2012 in Sri Venkateswara Pipes Ltd (transferor company)	78980454
	Add: Accumulated balance as on 01-04-2012 of Subsidiary	73351590
		166644233
	Add: Current year profit	82704041
		249348274
	Less: Difference between the amount recorded as share capital issued to the outside share holders of the transferor company and the amount of share capital of the transferor company	(103517110)
		145831164
	Proposed Dividend on Equity Shares	(14101987)
	Dividend Distribution Tax	(2369596)
	Total (C)	129359581
	Total (A+B+C)	142701817

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

Particulars		
4	Long Term Borrowings	
a)	Term Loans	
	- From Banks	
	NDPC Bank Ltd (Skoda Car) (Pending reconciliation)	33806
	State Bank of India, Term Loan [Secured by first charge on wind mill, stocks and book debts of Sri KPR Infra & Projects Ltd]	14201951
	State Bank of India [Secured by first charge on all fixed assets of the company both movable and immovable]	23164504
b)	Unsecured loans from Others	24099420
c)	Deferred Sales tax	30276450
	Total	91706141

[The erstwhile Sri Venkateswara Pipes Ltd, the transferor company that has been merged with Sri KPR Industries Ltd had borrowed the working capital and term loans from State Bank of India, Commercial Branch, Koti, Hyderabad. The said borrowings have been guaranteed by the Directors of the transferor company Sri. A. Bhoopal Reddy, Sri. A. Narasimha Reddy and Sri. N.K. Sudershan Reddy. In addition thereto, Sri N. Kishan Reddy and Sri. G. Raja Reddy, Directors of Sri KPR Industries Ltd also guaranteed the borrowings by providing personal guarantee. The borrowings of Sri KPR Infra, both term loan and working capital have been guaranteed by Sri N. Kishan Reddy and Managing Director of Sri KPR Industries Limited. The extent of guarantee provided by all the Directors are as under:

Sl.No	Name of the Bank / Nature of Facility	Amount Guaranteed By the Directors Rupees Crores
1	State Bank of India, Commercial Branch, Koti, Hyderabad : Fund Based Working capital (Rs. 6.00 Crores of Holding Company and Rs.9.00 Crores of Subsidiary)	15.00
2	State Bank of India, Commercial Branch, Koti, Hyderabad - Term Loan (Rs.15.00 Crores of Holding Company and Rs.6.00 Crores of Subsidiary)	21.00
5	Deferred Tax Liabilities	
	Beginning in the year relating to the fixed Assets	24973824
	Add : Deferred tax liabilities as on 01-04-2012 pertaining to Sri Venkateswara Pipes Ltd (transferor company)	62008412
	Less :Timing difference during the year	86982236
	Total	(2141006)
6	Short Term Borrowings	
	Secured	
	State Bank of India, Commercial Branch, Koti, Hyderabad (towards working capital limits, secured by way of hypothecation of stocks and book debts and second charge on all fixed assets of the company both present and future)	124450098
	Total	124450098

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

	Particulars	As at March 31, 2013
7	Trade Payables:	
	Sundry Creditors	2282514
	Dues to Small scale Industries	7565314
	Sundry creditors - Raw Material	1357786
	Sundry creditors - Expenses	10956702
	Sundry creditors - Others	44767893
	Sundry creditors - Purchases	36484758
	Sundry creditors - Contracts	35842006
	Total	139256973
8	Other Current Liabilities:	
	Installment for secured term loan from banks due within one year	9200000
	Creditors for expenses	4833229
	Total	13633229
9	Short Term Provisions:	
	Income Tax	20970858
	Provision for Excise duty on finished goods	1466403
	Proposed dividend	14101987
	Provision for Dividend Distribution Tax	2369596
	Employee Benefits Payable	103150
	Total	39011994
11	Non Current Investments (All unquoted unless otherwise specified)	
	736000 equity shares of Rs.2/- each, investment in Balaji Amines Ltd (Quoted value as on 31-03-2013 - Rs.2.58 crores)	2944000
	In Subsidiaries	
	Investment in KPR Renewal Energy Ltd	500000
	Indira Vikas Patra (To be encashed)	200
	National Savings Certificate (To be encashed)	15500
	Total	3459700

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

	Particulars	As at March 31, 2013
12	Long term Loans & Advances	
13	Other Non Current Assets	
	Deposits	5945206
	Others	2482765
	Miscellaneous Expenditure to the extent not written off or adjusted	176980
	Total	8804951
14	Current Investments	
	TATA AIG Mutual Funds	7047180
	Total	7047180
15	Inventories [As verified, valued and certified by the Management]	
	Raw material	1535531
	Finished goods	47556551
	Work-in-progress	72200162
	Traded Shares	1260905
	Total	122553149
16	Trade Receivables (Unsecured and Considered good)	
	Over Six months	63649400
	Others	87368791
	Total	151018191
17	Cash and Cash equivalents	
	Cash on hand	1436369
	In Current Accounts	51517292
	FDR with S.B.I. Koti	9819608
	Short Term Deposit with SBH including interest there on	15098288
	Balance in ICICI - HYD (OD)	14954961
	Margin Money on BG	2252838
	State Bank of India, Koti, Cash Credit account Credit Balance	40000162
	Total	135079518
18	Short term Loans and Advances	
	Balances with Central Excise	81685
	Advance Income tax (including TDS)	12090597
	Advance recoverable in cash or in kind or for value to be received	18987886
	Others	2830880
	Loan & Advance to Sri Venkateswara Pipes Ltd	10000000
	Total	43991048

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

	Particulars	As at March 31, 2013
19	Revenue from Operations	
	Gross Contract Receipts	386314717
	Sale of asbestos cement pressure pipes	263929039
	Less: Excise duty	9537022
	Net Sales	640706734
	Sale of wind electric power	36058066
	Total Income from operations	676764800
20	Other Income	
	Dividend	1236160
	Profit on sale of shares	1178278
	Interest	4454214
	Profit on sale of residential units received under Development Agreement & on sale of other assets	1751321
	Income from Government Works Contract	1074784
	LC Maturity	4392000
	Sale of trading items	11999942
	Recovery of Technical Salaries/Insurance	2891051
	Total	28977750
21	Raw Material Consumed	
	Opening Stock	3550385
	Add: Purchase of Raw Material	246974529
	Sub-Total	250524914
	Less: Closing Stock	1535531
	Net Total	248989383
22	Changes in Inventories of Finished Goods & Work in process	
	Closing stock	
	Work in Process	72200162
	Finished Goods	47556552
	Sub-Total	119756714
	Opening Stock	
	Work in Process	71499648
	Finished Goods	68821739
	Sub-Total	140321387
	Increase/(Decrease) in Stock	(20564673)

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

	Particulars	As at March 31, 2013
23	Other Manufacturing Expenses	
	Repairs & Maintenance-Plant & Machinery	590826
	- Building & Others	3522669
	Power & Fuel	11402302
	Stores & spares consumed	6632656
	Other expenses	575134
	Testing charges	68813
	Loading & unloading expenses	251287
	Other Civil Works	117167653
	Duties and taxes	18619669
	Insurance premium on contract	782401
	Total	159613410
24	Employee Benefits Expenses	
	Salaries, wages and bonus	16932446
	Contribution to PF	1081063
	Contribution to ESI	539015
	Incentives to staff	210883
	Conveyance	1755974
	Staff welfare expenses	783769
	Security services	433388
	Gratuity	56900
	Professional tax	2500
	Total	21795938
25	Finance Cost	
	Interest	21788683
	Bank charges	5689967
	Total	27478650

Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

Particulars		As at March 31, 2013
26	Other Expenses	
	Rent	292080
	Trading Items	21918788
	Auditor's Remuneration	1123600
	Other Expenses	50621003
	Misc. Debits Written Off	1754780
	Preliminary expenses written off	175660
	Business Promotion expenses	75700
	Insurance	2196895
	VAT / CST	17194020
	Directors Remuneration	10938043
	Foreign Exchange Fluctuations Loss/(Gain) on account of FCNB Loan	2379000
	Total	108619569

Notes 1 to 26 form integral part of Financial Statements

For V.Sridhar & Co.,

Chartered Accountants

FRN No. 0062065

Sd/-

Venulapati Sridhar

Proprietor

ICAI Memb No : 202337

Secunderabad, August 19, 2013

For and on behalf of Board of Directors

Sd/-

N. Kishan Reddy

Managing Director

Sd/-

N.Srinath Reddy

Whole Time Director

SRI KPR INDUSTRIES LIMITED
(FORMERLY BHAGYANGAR WOODPLAST LIMITED)
Notes Forming Part of Consolidated Financial Statements as at March 31, 2013

Sl. No.	Particulars	GROSS BLOCK					DEPRECIATION			NET BLOCK		As at 31-03-2012
		As at 01-04-2012	As at 01-04-2012	As at 01-03-2013	As at 01-04-2012	As at 01-03-2013	As at 31-03-2013	As at 31-03-2013	As at 31-03-2013	As at 31-03-2013		
1	Land	4540980	5113342	4828177	4933544					3652644	3652644	1542888
2	Land (Residual of Solar Power)									2000000	2000000	
3	Buildings			8775000	8742000					5742000	5742000	
4	Furniture & Fixtures	1285624	70150		1355774					1215524	1215524	207280
5	Office Equipment	6200	106660		1170					107860	107860	3077
6	Vehicles	1357867	2091200	652107	1488710					2332867	2332867	652857
7	Factory building		4546115		4542810					2962087	2962087	
8	Main factory building		2410597		2402597					1895000	1895000	
9	Plant & Machinery		6212384		6212200					3333254	3333254	
10	Steel generator		2082018		2083318					523100	523100	
11	Misc. fixed assets		6783220		6784700					3165004	3165004	
12	Inflation control equip		4080337		4080337					3442755	3442755	
13	Office equip - Airflow		37999		30800					19204	19204	
14	Land - Misc Projects		3822000		30800					3140311	3140311	
15	Wind Mill - Project I				8733200					4550713	4550713	
16	Wind Mill - Project II		17277564		26433463					1848740	1848740	
17	Testing Equipment									1980074	1980074	
18	Total	1218181	21491594	16421084	15314610	16421084	1789537	2305816	1130905	3101204	10942744	7428644

SRI KPR INDUSTRIES LIMITED

(Formerly Bhagyanagar Wood Plast Ltd.)

Statement pursuant to exemption under Section 212 (8) of the Companies Act, 1956 relating to Subsidiary Company.

Name of the Subsidiary Company: Sri Kpr & Infra Projects Limited

(Rupees)

Sr. No.	Particulars	Current Year (2012-13)
1	Paid Up Share Capital	35000000
2	Reserves	107857306
3	Total Assets	333831767
4	Total Liabilities	190974461
5	Investment	--
6	Turnover	400988712
7	Profit/(Loss) before Tax	48243027
8	Provision for Income Tax	9669522
9	Profit /(Loss) after Tax	38573505
10	Proposed Dividend	3500000

E-COMMUNICATION REGISTRATION FORM

To,

Karvy Computershare Private Limited,
(Unit : Sri KPR Industries Limited)
Plot No.17 to 24, Vittalrao Nagar,
Madhapur, Hyderabad – 500081.

Dear Sir/Madam,

RE: Green Initiative in Corporate Governance

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No. : _____

DP ID : _____

Client ID : _____

PAN : _____

Name of 1st Registered Holder : _____

Name of Joint Holder(s) : _____

Registered Address : _____

E-mail ID : _____

Date : _____ Signature of the first holder: _____

Important Notes:

- 1) On registration, all the communication will be sent to the e-mail ID registered in the folio/DI & Client ID.
- 2) Shareholders are requested to keep company informed as and when there is any change in the e-mail address. Unless the email id given above is changed by you by sending another communication in writing, the company will continue to send the notice/documents to you on the above mentioned email ID.

ATTENDANCE SLIP
SRI KPR INDUSTRIES LIMITED

(Formerly Bhagyanagar Wood Plast Ltd.)
Registered Office : V Floor, KPR House,
S.P. Road, Secunderabad-500003.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTRANCE OF THE MEETING VENUE

DP, ID & Client ID / Master Folio No. : _____

Name & Address of the Share Holder

No. of Shares held _____

I hereby record my presence at the 25th Annual General Meeting of the Company held on Monday the 30th day of September, 2013 at 10:00 am at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda, (backside of Chemas Show Room) Ameerpet, Hyderabad - 500073.

Signature of the Shareholder or Proxy *

* Strike out whichever is not applicable _____

PROXY FORM
SRI KPR INDUSTRIES LIMITED

(Formerly Bhagyanagar Wood Plast Ltd.)
Registered Office : V Floor, KPR House, S.P. Road, Secunderabad-500003.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTRANCE OF THE MEETING VENUE

DP, ID & Client ID / Master Folio No. : _____

I/We _____
_____ of _____ being a member
members of M/s. Sri KPR Industries Limited here by appoint _____ of
_____ or failing him _____ of
_____ as my / our proxy to vote for me / us and on my / our behalf at the 25th

Annual General Meeting to be held on Monday the 30th day of September, 2013 at 10:00 am or at any adjournment thereof.

Signed this _____ day of _____ 2013.

Affix
One
Rupee

Note : The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the afore said meeting. The proxy need not be a member of the Company.

PRINTED MATTER
BOOK-POST

If undelivered, please return to :

SRI KPR INDUSTRIES LIMITED

(Formerly Bhagyanagar Wood Plast Ltd.)

5th Floor, KPR House,

S.P. Road, Secunderabad - 500 003.

Andhra Pradesh, INDIA.