

SRI KPR INDUSTRIES LIMITED



KPR

**31st
Annual Report
2018-2019**

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

COMMITTEES

AUDIT COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

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

STAKEHOLDER RELATIONSHIP COMMITTEE

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

AUDITORS

Statutory Auditors

M/s. Ayyadevara & Co.,
Chartered Accountants,
Hyderabad

Internal Auditors

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

COMPANY BANKERS

State Bank of India, SME Branch, Saifabad, Hyderabad

REGISTERED & CORPORATE OFFICE

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

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

E-Mail Id: bwpl9@yahoo.com;

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

PLANT LOCATION

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

REGISTRAR & SHARE TRANSFER AGENT

Karvy Fintech Pvt Ltd

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

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

Fax: +91-40-2331-1968

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

Tel: +91-40-67162222, 33211000

Fax: +91-40-23420814

Email Id: support@karvy.com;

Website: www.karvyfintech.com

SRI KPR INDUSTRIES LIMITED

SRI KPR INDUSTRIES LIMITED

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

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

E-mail: bwpl9@yahoo.com; Website: www.kprindustries.in

CIN: L20200TG1988PLC009157

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 31st Annual General Meeting (AGM) of **SRI KPR INDUSTRIES LIMITED** will be held on, the Monday 30th day of September, 2019 at 10.00 A.M. at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda, (Behind Chermas Showroom), Ameerpet, Hyderabad-500 073 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board and Auditors thereon; and
2. To consider appointment of Sri. Vineel Reddy Nalla, who retires by rotation and being eligible, offers himself for re-appointment and to pass with or without modification(s) the following as an **Ordinary Resolution**.

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

3. To consider appointment of Smt. Vinitha Reddy Nalla, who retires by rotation and being eligible, offers herself for re-appointment and to pass with or without modification(s) the following as an **Ordinary Resolution**.

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

4. To Consider and if thought fit to pass with or without modification as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time and pursuant to

resolution passed by the Members at the Annual General Meeting held on September 29, 2017 Consent of the Members be and is hereby accorded ratifying the appointment of M/s. Ayyadevara & Co., Chartered Accountants (Firm Reg No. 000278S), Hyderabad as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at such remuneration as may be mutually agreed by the Board in consultation with them."

5. To appoint Sri. Indrasena Reddy Gaddam as Independent Director and to pass with or without modification(s) the following as an **"Special Resolution"**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri. Indrasena Reddy Gaddam who was appointed as an Additional Non Executive Independent Director of the Company and who holds office upto ensuing Annual General Meeting of the Company and in respect of whom notice under Section 160 of the Companies Act, 2013 read with Rule 13 Companies (Appointment and Qualification of Directors) Rules, 2014 has been received from a Member signifying his intention to propose Sri. Indrasena Reddy Gaddam as a candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director for a term of 5 (Five) years effective from September 30, 2019 to September 30, 2024 and that he shall not be liable to retire by rotation in terms of relevant provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company."

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

By Order of the Board of Directors

Sd/-

KISHAN REDDY NALLA

MANAGING DIRECTOR

DIN: 00038966

Place: Secunderabad

Date: 03.09.2019

NOTES:

1. Details of directors retiring by rotation/ seeking appointment/ re-appointment at the ensuing Meeting are provided in the "Annexure" to this notice pursuant to provisions of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The directors have furnished declaration as required under the Companies Act, 2013 and the Rules made thereunder.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013 read with Rule 19 of Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
3. The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company, duly filled, stamped and signed, not later than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed. Proxies submitted on behalf of the Limited Companies, societies etc., must be supported by an appropriate resolution/ authority as applicable.
4. Corporate members intending to send their authorized representative(s) to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send the Company, a certified copy of the relevant Board Resolution together with the respective specimen signature of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
5. Members/ proxies/ authorized representatives are requested to bring the Attendance Slip enclosed herewith, duly filled and signed, mentioning therein the details of their DP ID and Client ID/ Folio No.
6. The Register of Members and Share Transfer books of the Company will remain closed from September 23, 2019 to September 30, 2019 (both days inclusive).
7. Members who hold shares in the dematerialized form and want to change/ correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, Registrar is obliged to use only the data provided by the Depositories, in case of such demat shares.
8. Members holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent, M/s KarvyFintech Private Limited, Karvy Selenium Tower B, 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad 500 032.
9. Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management including transfer of shares. Members can contact the Company or M/s KarvyFintech Private Limited for assistance in this regard.
10. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") securities of the listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above, Members are advised to dematerialize shares held by them in physical form.
11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository.
14. Physical copy of the Notice of AGM, Annual Report and Attendance Slip along with proxy form is being sent to those members who have not registered their e-mail address with the Company. Members who have received the notice of AGM, Annual Report and Attendance slip along with the proxy form in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration counter at the AGM.
15. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Company has also provided a facility to members to exercise their right to vote electronically through the electronic voting service facility arranged by KarvyFintech Private Limited on all the resolutions set forth in this Notice. The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not casted their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the notice. Resolution(s) passed by the members through e-voting is/ are deemed to have been passed as if they have been passed at the AGM.

16. The Board has appointed Ms. D. Soumya, Practicing Company Secretary (Membership No. ACS 29312) to act as the Scrutinizer, to Scrutinize the entire e-voting process in a fair and transparent manner.
17. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with M/s. Karvy Fintech Private Limited. Members are requested to update their e-mail address along with their Client ID/ DP ID with their respective DP for their demat account(s). The registered e-mail address will be used for sending future communications.
18. The route map showing directions to reach the venue of the AGM is annexed to this notice.
19. Members may also note that the notice of the 31st AGM and the Annual report for the year 2018-19 will be available on the Company's website www.kprindustries.in. The physical copies of the said documents shall be open for inspection by Members at the Company's registered office of the company during the normal business hours on all working days till the date of the Annual General Meeting.
20. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 will be available for inspection at the Annual General Meeting.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the Securities market. Members holding shares in electronic form are,

therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are requested to submit their PAN details to the Registrar and Share Transfer Agents, KarvyFintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032.

22. Members who wish to claim Dividends, which remain unclaimed are requested to either correspond with the Company's Registrar and Share Transfer Agent (KarvyFintech Private Limited) Members are requested to note that dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.
23. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
24. Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Karvy, for consolidation into single folio.

PROCEDURE FOR REMOTE E-VOTING

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

- i. In case of members receiving an email from M/s. KarvyFintech Private Limited:
 - i. The e-voting commences on Friday, September 27, 2019 at 10.00 A.M. and ends on Sunday, September 29, 2019 at 5.00 P.M. IST. During this period, Members of the Company holding shares either in physical form or dematerialized form, as on the cut-off date i.e., September 20, 2019, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter.
 - ii. Launch an internet browser and open <http://evoting.karvy.com>

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

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

- iv. After entering the above details click on – **Login**.
 - v. Password change menu will appear. Change the password with a new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. After changing the password, you need to login again with the new credentials.
 - vi. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any Company, then your exiting login id and password are to be used.
 - vii. On successful login, the system will prompt you to select the E-voting event.
 - viii. Select 'EVENT' of SRI KPR INDUSTRIES LIMITED and click on - **Submit**.
 - ix. Now you are ready for e-voting as 'Ballot Form' page opens.
 - x. On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/ AGAINST/ ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'.
 - xi. After selecting the resolution you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - xii. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xiii. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - xiv. Corporate/ Institutional members (Corporates/ Financial Institutions/ FII's/ Trust/ Mutual Funds/ Banks, HUF, NRI etc) are required to send scanned copy (PDF/ JPEG format) of the relevant Board resolution/ Authority Letter together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gsoumya.cs@gmail.com with a copy to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned document should be in the naming format "Corporate Name_ Event no."
2. In case of members receiving Physical copy of Notice of AGM and Attendance Slip [for members whose e-mail IDs are not registered with the Company/ Depository Participant(s)]:
 - i. USER ID and Password is provided separately.
 - ii. Please follow all steps from Sr. No. (a)(i) to (a)(xiii) mentioned above, to cast vote.
- B. In case of any queries relating to e-voting, please visit "Help & FAQs" section on Karvy's website: <https://evoting.karvy.com>.
- i. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
 - ii. Members who have acquired shares after the dispatch of Notice of AGM and holding shares as on the cut-off date, may obtain the user ID and Password by sending a request at evoting@karvy.com.
 - a. However, if you are already registered with M/s. KarvyFintech Private Limited for remote e-voting, then you can use your existing user ID and Password/PIN for casting your vote.
 - b. If you forget your password, you can reset your password by using "Forgot User Details/ Password" option available on <https://evoting.karvy.com>.
 - iii. The scrutinizer shall, immediately after the conclusion of remote e-voting at the Annual General Meeting, first count the votes casted at the meeting and thereafter unblock the votes cast through remote e-voting in presence of at least two (2) witnesses not in the employment of

the Company and make within a period not exceeding 2 (Two) days from conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or person authorized by him of the Company.

- iv. The Results of the voting declared along with Scrutinizer's Report(s) will be placed on the website of the Company <http://www.kprindustries.in>. The Company

shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.

- v. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of voting results (i.e. remote e-voting along with the physical / ballot voting at the AGM).

EXPLANATORY STATEMENT:**ITEM NO. 3&4:**

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

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

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

In view of the above, the Board recommends the re-appointment of Sri. Vineel Reddy Nalla and Smt.Vinitha Reddy Nalla as Directors of the Company and their continuation as Directors of the Company on terms and conditions approved by the members.

The Board of Directors recommends the resolution set out in item No. 2 & 3 for approval of members.

Except the appointees and Sri.Srinath Reddy Nalla, and Sri.Kishan Reddy Nalla none of the other directors are concerned or interested or otherwise in the aforesaid resolution except as shareholder of the company.

ITEM NO: 5

The Board of Directors vide its resolution dated August 30, 2019 have appointed Sri. Indrasena Reddy Gaddam as an Additional Non Executive Independent Director of the Company. Pursuant to Sections 161, 149 of the Companies Act read with Articles of Association of the Company he holds office upto the date of ensuing Annual General Meeting. In terms of section 160 of the Companies Act, 2013, the Board of Directors of the Company proposes for appointment of Sri. Indrasena Reddy Gaddam as Non Executive Independent Director of the Company not liable to retire by rotation for a term of consecutive period of 5 years from August 30, 2019 to August 29, 2024 as per the provisions of sections 149 and 152 of the Companies Act, 2013.

Sri.Indrasena Reddy Gaddam has given declaration to the Board of Directors of the Company that he meets the criteria of Independence as required under Section 149 of the Companies Act, 2013. In the opinion of the Board of Directors, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director of the Company. Further he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The Directors are of the view that the appointment of Sri. Indrasena Reddy Gaddam will be beneficial to the Company and that the Company should receive the benefit of his valuable experience and advice and commends his appointment.

Except Sri.Indrasena Reddy Gaddam, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise, in the resolution set out therein. Sri.Indrasena Reddy Gaddam is not related to any other Director of the Company.

The Board of Directors recommends the resolution set out at Item No. 5 for approval of the Members as special resolution.

By Order of the Board of Directors

Sd/-

KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Place: Secunderabad

Date: 03.09.2019

SRI KPR INDUSTRIES LIMITED

ANNEXURE TO THE NOTICE DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
Secretarial Standards on General Meetings)

Particulars	Sri. Vineel Reddy Nalla	Smt. VinithaNalla	Sri. Indrasena Reddy Gaddam
DIN:	01514842	01636570	00052355
Age	48 years	46 Years	74
Nationality	Indian	Indian	Indian
Date of first appointment on the board	September 30, 2013	September 30, 2013	03.09.2019
Qualification	MS	Degree	BE
Experience including expertise in specific functional areas/ Brief Resume	20 years of experience Software Industry.	25 years experience in Marketing & General Administration.	30 years experience in Engineering field.
Terms and Conditions of Appointment/ Re-appointment	As per the terms decided by the board.	As per the terms decided by the board.	As per the terms decided by the board.
Remuneration last drawn	Nil	Nil	Nil
Remuneration proposed	The director is proposed to be reappointed without any remuneration	The director is proposed to be reappointed without any remuneration	The director is being appointed as Independent Director without any remuneration
Comparative remuneration profile with respect to industry, size of the Company, profile of the positions and person.	Not applicable	Not applicable	Not applicable
Recognition and Awards	Nil	Nil	Nil
Shareholding in the Company as on March 31, 2019	18,99,654	16,99,062	
Directorships held in other Companies as on March 31, 2019	<ul style="list-style-type: none"> ➤ Sri KPR Infra & Projects Limited ➤ Sri Vijayeebhava Enterprises Private Limited ➤ 50K Ventures Advisors Private Limited ➤ NBOS Technology Private Limited ➤ Wavelabs Technologies Private Limited ➤ Radharam Technologies Private Limited ➤ Wavelabs Technologies India Private Limited 	<ul style="list-style-type: none"> ➤ Sri KPR Infra & Projects Limited ➤ Hanu Energy Private Limited ➤ Sri Vijayeebhava Enterprises Private Limited ➤ Vinishri Energy Private Limited 	<ul style="list-style-type: none"> ➤ Sri KPR Infra & Projects Limited
Chairmanships/ Memberships of Committees of other Boards	Nil	Nil	Nil
Relationship with other Directors	Son of Sri. Kishan Reddy Nalla	Daughter of Sri. Kishan Reddy Nalla	-
Number of meetings attended during the year	6	6	-

By Order of the Board of Directors

Sd/-

KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Route Map to the venue of the Annual General Meeting



Venue:

Nagarjuna Function Hall, Nagarjuna Nagar,
Yellareddyguda, Ameerpet,
Hyderabad-500073

Landmark:

Behind Chermas Showroom

BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company, along with the audited financial statements (Standalone & Consolidated) for the financial year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

(Amount in Rs.)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2019	2018	2019	2018
Income from operations	10,38,74,922	17,27,88,245	35,85,91,408	58,41,05,460
Other income	4,88,92,228	2,29,82,937	80,31,663	2,10,57,666
Total Income	15,27,67,150	19,57,71,182	36,66,23,071	60,51,63,126
Consumption of Raw materials	85,09,458	6,61,57,297	2,55,33,397	12,60,32,206
Changes in inventories	1,04,73,678	(65,71,080)	1,54,71,007	(21,42,353)
Employee benefit expenses	1,13,93,235	1,40,61,007	1,52,83,906	1,97,86,997
Finance cost	91,40,535	1,20,66,807	2,43,58,787	3,28,40,720
Depreciation	2,14,54,181	2,55,61,668	4,23,02,327	4,15,03,814
Other expenses	6,26,65,527	5,31,39,668	9,23,91,099	30,12,68,809
Total expenses	12,36,36,614	16,44,15,367	31,23,83,843	51,92,90,193
Profit/(Loss) before tax & exceptional items	2,91,30,537	3,13,55,815	5,42,39,228	8,58,72,933
Exceptional items	--	14,75,811	12,35,900	14,75,881
Prior period items	--	--	--	--
Profit/(Loss) before tax	2,91,30,537	3,28,31,626	5,30,03,328	8,73,48,814
Current tax	(50,46,580)	(44,05,836)	(1,17,45,301)	(1,72,64,132)
Deferred tax	1,53,80,767	6,00,104	3,70,76,011	(70,80,059)
Profit/(Loss) after tax	3,94,64,724	2,90,25,894	7,83,34,038	6,30,04,623

BUSINESS OPERATIONS

Your Company's strength lies in identification, planning execution and successful implementation of the projects undertaken by it.

Presently, the Company has interest in pipe manufacturing and wind power generation. During the year under review the Company has made a turnover of Rs.10.38crores as against previous turnover of Rs.17.27croresthereby resulting decreasein the turnover. Earned net profit of Rs.3.94crores as against the previous year Profit of Rs.2.90crores.

On a consolidated basis, the Company has achieved a turnover of Rs. 35.85crores as against the previous year turnover of Rs. 58.41 crores thereby resulting decrease in the turnover and the company has achieved net profit of Rs. 7.83 crores as against the previous net profit of Rs. 6.30crores.

However, the EPS is Rs.3.89 as against the previous year of Rs. 3.13,the increase in the EPS is primarily due to reduction in overheads.

STATE OF COMPANY AFFAIRS:

Duringthe period under review there is decrease in turnover as compared to last year due to the following reasons:

- 1) Decreasing demand for AC Pipes,because the Government departments have started using alternative pipes in Dinking Water Supply schemes in place of Cement Pipes.
- 2) There are no new orders on hand for execution of Drinking Water Supply Schemes, since the Telangana State Government has completed the Drinking Water Supply to entire State under Mission Bhagiratha (Grid).In view of this position the demand of A.C. Pipes as well as the scope of Drinking Water Supply Schemes in future, is bleak.

- 3) Considering the above issues, the turnovers and consequently the profitability for the current financial year (2019-20) may also be on the lower side.
- 4) You are aware that, considering the reducing prospects of AC Pressure Pipes business, the company has started investing in Wind Mills with a hope to get the standard returns to meet the company over heads & sustain a reasonable dividend to the shareholders. This step proved correct and as expected from last 5 / 6 years and the company has been paying dividend regularly from the year 2012-13.
- 5) Recently Sri KPR Infra & Projects Ltd (100% subsidiary of Sri KPR Industries Ltd) has invested in 6MW wind mill projects of Maharashtra state for the purpose of supplying the power to Indian Railways by forming SPV (Special Purpose Vehicle) by name "Sri Pavan Energy Pvt. Ltd". Originally the project was to commission by the end of December'2018. However, the project is delayed due to inter departmental procedures between MSEDCL & India Railways. Now it is expected to commission by end of October' 2019.
- 6) In recent years there is abnormal delay of more than two years, in getting the payments of wind generation bills from Tamil Nadu Electricity Board & as well as from A.P. State Electricity Board.
- 7) Recently the Government of A.P.stopped the payments (current as well as overdue) to all the Wind Power generators and commenced renegotiation of the tariffs as a policy and the issue has now become a subject matter of debate and dispute between the industry and the Government. This position is likely to continue and thus will adversely impact the cash flows on account of receivables from AP Government and consequently the profitability of the company.
- 8) The payments from execution of Drinking Water Supply Schemes were also delayed beyond Six months due to non-availability of funds with the State Government.

- 9) All the above factors of non-receipt of payments have had adverse effect on the cash flows of the company and this is expected to continue during present financial year i.e., during 2019-20 also.
- 10) The future of the company and its growth is mainly dependent on the outcome of policy decisions of the Government of AP and the release of payments in time both in respect of the current bills as well as long overdue bills.

DIVIDEND

In view of the above adverse effect on cash flows/liquidity of the company, the board has not recommended Dividend during the current financial year 2018-19.

RESERVES

The board has not transferred any amount to Reserves for the year 2018-19.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes and commitments affecting financial position of the Company between March 31, 2019 and the Board's Report expect the sale of land under survey No. 156, situated at Narsingi Village & Gramapanchayati, Gandipet Mandai, Ranga Reddy District, Telangana & land under Survey No.66, situated at Kasulabad Village, Miridoddi Mandai, Siddipet District, Telangana.

DEPOSITS

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not given any loan, provided guarantee or made any investment falling under the provisions of Section 186 of the Companies Act, 2013. However the details of existing investments are provided in the Financial Statements of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri.Vineel Reddy Nalla and Smt. Vinitha Nalla retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

During the year, Dilip Kumar Toshniwal (Membership Number: A-27978) has resigned as Company Secretary w.e.f. 16th July, 2018 and Ms. V Satya Lakshmi Sambhavi (Membership Number: A-55250) was appointed as Company Secretary w.e.f. August 13, 2018.

In further, the Board of Directors have appointed Sri Indrasena Reddy Gaddam as Additional Non Executive Independent

Director of the Company w.e.f. 03.09.2019 and proposed for ratification and appointment as Independent director for a period of 5 (Five) years at the ensuing Annual General Meeting. Further Sri. Krishna Prasad has resigned as Independent Director w.e.f. 01.09.2019.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 6 (Six) times during the year. Particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report, which forms part of the report.

COMMITTEES OF THE BOARD

Currently the Board has 3 committees:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholder Relationship Committee.

A detailed note on the composition of the board and its committees is provided in the Corporate Governance Report. Further during the year, all the recommendations made by Audit committee were accepted by the Board.

DETAILS OF SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES

During the year, the Board of Directors ('the Board') reviewed the affairs of its Wholly Owned Subsidiary i.e. Sri KPR Infra & Projects Limited. In accordance with Section 129(3) of the Companies Act, 2013 consolidated financial statements of the Company forms part of the Annual Report. A statement containing the salient features of the financial statements of the Subsidiary Company in the prescribed Form AOC-1 is appended as "Annexure I" to the Board's report.

In accordance with Section 136 of the Companies Act, 2013 the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of M/s. Sri KPR Infra & Projects Limited, Wholly owned subsidiary is available on our website, www.kprindustries.in. These documents will also be available for inspection during business hours at our registered office on all working days except on Saturday up to 1 P.M.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year your Company has not entered into any fresh contracts/ arrangements falling under the provisions of Section 188 of the Companies Act, 2013.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and is enclosed as "Annexure II".

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The details in respect of internal financial control and their adequacy are included in the management discussion & analysis report, which forms part of this report.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act, Rule 5(1) and top ten employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 has been appended as "Annexure III" to this Report. Further as stipulated under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, no employee who was employed for the whole of the financial year was in receipt of remuneration exceeding Rs. 1.02 Crores per annum and no employee who was employed for part of the financial year was in receipt of remuneration of Rs. 8 Lakhs per month.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company's policy on Director's appointment and remuneration and other matters provided under Section 178(3) of the Companies Act, 2013 has been disclosed under Corporate Governance Report, which forms part of this report.

CHANGE IN THE NATURE OF BUSINESS

During the year, there was no change in the nature of business carried out by the Company.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as "Annexure IV" to the Board's report.

BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, its committees and Individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The performance of the board and committees constituted was evaluated after seeking inputs from all the Directors such as effectiveness of board processes, information and functioning, etc.

The Board and the Nomination & Remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

AUDITORS

Statutory Auditors

As per the provisions of the Act, M/s. Ayyadevara & Co, Chartered Accountants have been appointed as Statutory Auditors for a period of 5 (Five) years in the AGM held in 2017 subject to ratification at every Annual General Meeting.

M/s. Ayyadevara & Co, Chartered Accountants have informed the Company that their appointment, if ratified, would be within the limits prescribed under Section 141 of the Companies Act, 2013 and they have also furnished a declaration in terms of section 141 of the Companies Act, 2013 that they are eligible to be appointed as auditors and that they have not incurred any disqualification under the Companies Act, 2013.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board has re-appointed

BS & Company, Company Secretaries LLP for a consecutive period of 3 consecutive years to conduct Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as "Annexure V" to this Report. The Secretarial Audit Report contains the following observations:

1. All the shares held by Promoters are in dematerialization mode except 300 shares which are held in physical form. the Promoters are unable to trace the existing share Certificates relating to shares held by them in physical mode. **The Promoters are unable to trace the existing Share Certificates and the Management has advised them for applying duplicate share certificates and dematerialize the same.**
2. The consent for operations from the Telangana Pollution Control Board (the Board) expired on 30.09.2014 and is in the process of renewal with the Board. **The Company is in the process of renewal of license.**

QUALIFICATIONS IN AUDIT REPORT:

There are no adverse remarks or any disclaimer remark against the Company by the statutory auditor in their report.

FRAUDS REPORTED BY AUDITORS

During the year, there were no frauds reported by the Auditors falling under Section 143 of the Companies Act, 2013.

RISK MANAGEMENT POLICY

Risk Management framework of your Company which ensures regular review by management to proactively identify the emerging risks, to do risk evaluation and risk prioritization along with development of risk mitigation plans and action taken. The various risks, including the risks associated with the economy, regulation, competition, foreign exchange, interest rate etc., are documented, monitored and managed efficiently.

CORPORATE GOVERNANCE

In terms of Schedule V of Listing Regulations, a detailed report on Corporate Governance along with Compliance certificate issued by Statutory Auditors of the Company is attached and forms integral part of this Annual Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report as required under LODR Regulations, is disclosed separately in the current Annual Report.

INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2014

Your Company is committed in creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013, your Company has constituted an Internal Complaints Committee. No complaints were received by the committee during the year under review. Since the number of complaints filed during the year was NIL, the Committee prepared a NIL

complaints report. This is in compliance with section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

COMPLIANCE BY LARGE CORPORATES:

Your Company did not fall under the category of Large Corporates as defined under SEBI vide its circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 as such no disclosure is required in this regard.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/ associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

FOR AND ON BEHALF OF THE BOARD

Sd/-

KISHAN REDDY NALLA

MANAGING DIRECTOR

DIN: 00038966

Sd/-

SRINATH REDDY NALLA

WHOLE TIME DIRECTOR

DIN: 00052862

Place: Secunderabad

Date: 03.09.2019

ANNEXURE - I

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/
Associate Companies/ Joint Ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in Rs)

S.NO	PARTICULARS	NAME OF THE SUBSIDIARY	
		SRI KPR INFRA & PROJECTS LIMITED	
1.	Reporting Period	April 1, 2018 to March 31, 2019	
2.	Reporting Currency	INR	
3.	Share Capital	3,50,00,000	
4.	Reserve and Surplus	28,78,12,691	
5.	Total Assets	77,74,16,681	
6.	Total Liabilities	45,46,03,990	
7.	Investments (current)	-	
8.	Turnover	25,64,14,725	
9.	Profit/ (Loss) before Taxation	4,09,90,890	
10.	Provision for taxation including Deferred Tax	1,49,96,523	
11.	Profit after taxation	5,47,51,513	
12.	Proposed Dividend	No	
13.	% of Shareholding	100%	

PART "B": ASSOCIATES AND JOINT VENTURES - NOT APPLICABLE

For and on behalf of the board of directors
FOR SRI KPR INDUSTRIES LIMITED

Sd/-
KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Sd/-
SRINATH REDDY NALLA
WHOLE TIME DIRECTOR
DIN: 00052862

Sd/-
NANDU SIDDHA REDDY
CFO

Sd/-
V SATYA LAKSHMI SAMBHAVI
COMPANY SECRETARY
M NO: 55250

ANNEXURE-IICONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**A. CONSERVATION OF ENERGY****i) Steps taken or impact on conservation of energy:**

Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices.

The key initiatives towards conservation of energy are:

- Improved monitoring of energy consumption through smart metering and integration with building management systems;
- Continuously replacing the inefficient equipment with latest energy efficient technology and up gradation of equipment's continually.
- Increasing the awareness of energy saving within the organization to avoid wastage of energy.

ii) Steps taken by the Company to utilize alternate source of energy

- Enhancing utilization of Renewable Energy Sources.
- Exploring the feasibility of utilization of solar power at plant locations wherever possible.

iii) Capital investment on energy conservation equipment.

No major investments were made during the year on energy conservation equipment.

B. TECHNOLOGY ABSORPTION**i) The efforts made towards technology absorption**

- Development & Implementation of new technique & process for manufacture of products.
- Evaluation of the alternative materials to reduce the cost of raw material
- Solar technologies for common area, parking and street lighting.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution.

- Cost optimization
- Improvement in quality of products.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of financial year) – NOT APPLICABLE**iv) Expenditure incurred on Research & Development – NIL****C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Amount in Rs.)

Particulars	2018-19	2017-18
Earnings	Nil	Nil
Outgo	Nil	Nil

For and on behalf of the board of directors
FOR SRI KPR INDUSTRIES LIMITED

Sd/-
KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Sd/-
SRINATH REDDY NALLA
WHOLE TIME DIRECTOR
DIN: 00052862

SRI KPR INDUSTRIES LIMITED

ANNEXURE - III

STATEMENT OF PARTICULARS AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

I) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19:

S.No	Name of the Director & Designation	Remuneration of Directors for the F.Y 2018-2019 (Amount in Rs.)	Ratio of remuneration of each Director to median remuneration of employee
1.	Sri. Kishan Reddy Nalla, Managing Director	24,00,000	25.139
2.	Sri. Srinath Reddy Nalla, Whole time Director	12,00,000	12.569
3.	Sri. Bhoopal Reddy Aleti, Whole time Director	12,00,000	12.569
4.	Sri. Raja Reddy Gaddam, Whole time Director	12,00,000	12.569

II) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:

S. No	Name of the Director/ KMP & Designation	Remuneration		% increase in remuneration
		2018-2019	2017-18	
1.	Sri. Kishan Reddy Nalla, Managing Director	24,00,000	24,00,000	-
2.	Sri. Srinath Reddy Nalla, Whole time Director	12,00,000	12,00,000	-
3.	Sri. Bhoopal Reddy Aleti, Whole time Director	12,00,000	12,00,000	-
4.	Sri. Raja Reddy Gaddam, Whole time Director	12,00,000	12,00,000	-
5.	Sri. N. Siddha Reddy, Chief Financial Officer	3,50,400	3,50,400	-
@6.	Ms. Meenakshi D. N., Company Secretary	-	1,20,000	-
@7.	Mr. Dilip Kumar Toshniwal, Company Secretary	50,000	1,50,000	-
@8.	Ms. V Satya Lakshmi Sambhavi, Company Secretary	1,20,000	-	-

@The aforesaid details has been provided for the period employed.

II) The percentage increase in the median remuneration of employees in the financial year:

Particulars	2018-19	2017-18	Increase (%)
Median remuneration of employees	Rs. 95,466	Rs. 88,796/-	7.51

IV) The number of permanent employees on the roll of the Company: 56 (Fifty Six)

V) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	Average Salary		% Increase
	2018-19	2017-18	
Employees	1,05,588	92,560	14.075
Managerial Personnel	10,86,733	11,03,400	(1.51)

VI) Affirmation that the remuneration is as per the remuneration policy of the Company: YES

VII) Top ten employees in terms of remuneration drawn

S. N o.	Name	Designation	Qualification(s) & Experience	Age (In years)	Date of commencement of employment	Nature of duties	Gross Remuneration	Previous Employment	% of equity shares held	Name of the related Director
1.	Kishan Reddy Nalla,	Managing Director	Civil Engineer, 40 years	70	01.04.1994	Management & Administration	24,00,000	None	9.69	Sri. Srinath Reddy Nalla, Smt. Vinitha Reddy Nalla, Sri Kishan Reddy Nalla and Sri. Vineel Reddy Nalla

2.	Srinath Reddy Nalla	Whole time Director	MBA, 23 years	52	29.09.2001	Management & General Administration	12,00,000	None	3.99	Do -
3.	Bhoopal Reddy Aleti	Whole time Director	BA, 35 years	62	30.09.2013	Overseeing Manufacturing activities	12,00,000	None	3.15	-
4.	Raja Reddy Gaddam	Whole time Director	HSC, 40 years	77	29.12.2000	Finance and general administration	12,00,000	None	7.37	-
5.	N. Siddha Reddy	CFO	B.Com	51	1997	Finance administration	3,50,400	None	-	-
## 6.	V Satya Lakshmi Sambhavi	Company Secretary	CS	26	13.08.2018	Secretarial Compliances	1,20,000	None	-	-
7.	N. Vijith Reddy	Manager Finance	B.Com	42	1997	Finance administration	2,16,000	-	-	-
8.	K. Meena Reddy	QC Incharge	SSC	60	2005	Quality Control	2,16,000	-	-	-
9.	G. Srikanth Reddy	Production incharge	SSC	44	2004	Production incharge	2,04,000	-	-	-
10.	S.K. Patak	Maintenance	Inter	60	2002	Plant maintenance	1,80,000	-	-	-
11.	M. Bhoopanju Reddy	Administration	SSC	40	1997	Foreman	1,80,000	-	-	-

Appointed as Company Secretary w.e.f. August 13, 2018.

For and on behalf of the board of directors
FOR SRI KPR INDUSTRIES LIMITED

Sd/-

KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Sd/-

SRINATH REDDY NALLA
WHOLE TIME DIRECTOR
DIN: 00052862

ANNEXURE -IV
EXTRACTS OF ANNUAL RETURN AS ON MARCH 31, 2019
FORM NO. MGT - 9

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

I.	REGISTRATION AND OTHER DETAILS	
i)	CIN	L20200TG1988PLC009157
ii)	Registration date	13.10.1988
iii)	Name of the Company	SRI KPR INDUSTRIES LIMITED
iv)	Category / Sub-Category of the Company	Category: Company Limited by Shares Sub Category: Indian Non Govt. Company
v)	Registered Office address and contact details	VthFloor, K.P.R. House, Sardar Patel Road, Secunderabad – 500003, Telangana Tel: 040-27847121 Fax: 040 – 27892076 E-Mail Id: bwpl9@yahoo.com Website: www.kprindustries.in
vi)	Whether Listed Company	Yes
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	KarvyFintechPvt Ltd Regd Off &Corporate Off: Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Gachibowli,Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, India. Tel: +91-40-67162222 Fax: +91-40-67161791 Email Id: support@karvy.com Website: www.karvyfintech.com

II.	PRINCIPAL BUISNESS ACTIVITIES OF THE COMPANY
-----	--

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

SL. NO	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT / SERVICE	% OF THE TOTAL TURNOVER OF THE COMPANY
1	Sale of asbestos cement pressure pipes	26959	40
2	Sale of wind electric power	40108	60

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. N O	NAME & ADDRESS OF THE COMPANY	CIN / GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARE S HELD	APPLICABL E SECTION
1.	Sri KPR Infra & Projects Limited. Regd Off: 5 th Floor, KPR House, S.P. Road, Secunderabad-500003, Telangana	U45209TG2007PLC055010	Wholly-owned Subsidiary	100%	Section 2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

i) Category wise Share Holding

Category of the shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTERS									
INDIAN									
Individual / HUF	1,18,09,395	300	1,18,09,695	58.62	1,18,15,941	300	1,18,16,241	58.65	0.03
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	11,05,600	-	11,05,600	5.49	11,05,600	-	11,05,600	5.49	-
Banks / FI's	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total A-1	1,29,14,995	300	1,29,15,295	64.11	1,29,21,541	300	1,29,21,841	64.14	0.03
FOREIGN									
NRI's Individual	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks / FI's	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total A-2	-	-	-	-	-	-	-	-	-
TOTAL SHAREHOLDING OF PROMOTERS (A1 + A2)	1,29,14,995	300	1,29,15,295	64.11	1,29,21,541	300	1,29,21,841	64.14	0.03
B. PUBLIC SHAREHOLDING									
1. INSTITUTIONS									
Mutual funds	-	8,400	8,400	0.04	-	8,400	8,400	0.04	-
Banks / FI's	200	-	200	0.00	1400	-	1400	0.01	0.01
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-

Insurance Companies	-	-	-	-	-	-	-	-	-
FII's	-	3,500	3,500	0.02	-	-	-	-	-0.02
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (Specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL – B1	200	11,900	12,100	0.06	1400	8400	9,800	0.05	-0.01
2. NON INSTITUTIONS									
a) Bodies Corporate									
Indian	5,64,860	47,401	6,12,261	3.04	5,69,442	47,101	6,16,543	3.06	0.02
Overseas	-	-	-	-	-	-	-	-	-
b) INDIVIDUAL									
Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	9,96,342	7,75,736	17,72,078	8.80	9,46,574	7,54,649	17,01,223	8.44	-0.35
Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	20,44,390	27,39,570	47,83,960	23.75	2099664	2739570	4839234	24.02	0.27
Others (Specify)									
Non Resident Indians	50,000	-	50,000	0.25	56,664	-	56,664	0.28	0.03
Clearing Members	1	-	1	-	390	-	390	-	-
SUB TOTAL B2	36,55,593	35,62,707	72,18,300	35.83	36,72,734	35,41,320	72,14,054	35.81	-0.02
TOTAL PUBLIC SHAREHOLDING (B1+B2)	36,55,793	35,74,607	72,304,00	35.89	36,74,134	35,49,720	72,23,854	35.86	-0.03
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	1,65,70,788	35,74,907	2,01,45,695	100	1,65,95,675	35,50,020	2,01,45,695	100	-

ii) Shareholding of Promoters

Sl No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1.	Kishan Reddy Nalla	19,51,739	9.69	-	19,58,285	9.72	-	0.03
2.	Vineel Reddy Nalla	18,99,654	9.43	-	18,99,654	9.43	-	-
3.	VijayaNalla	17,33,085	8.60	-	17,33,085	8.60	-	-
4.	VinithaNalla	16,99,062	8.43	-	16,99,062	8.43	-	-
5.	Gaddam Raja Reddy	14,83,802	7.37	-	14,83,802	7.37	-	-
6.	NBOS Technologies Private Limited	11,05,600	5.49	-	11,05,600	5.49	-	-
7.	N. Srinath Reddy	8,03,622	3.99	-	8,03,622	3.99	-	-
8.	Vineela Reddy N	7,11,300	3.53	-	7,11,300	3.53	-	-
9.	G. Sunitha	6,82,763	3.39	-	6,82,763	3.39	-	-
10.	NomulaSarita	3,19,867	1.59	-	3,19,867	1.59	-	-
11.	NomulaDeepti	2,24,587	1.11	-	2,24,587	1.11	-	-
12.	GaddamHemanth Reddy	1,53,130	0.76	-	1,53,130	0.76	-	-
13.	GaddamMadhumathi	93,256	0.46	-	93,256	0.46	-	-
14.	N. Rajeshwar Reddy	53,828	0.27	-	53,828	0.27	-	-
Total		1,29,15,295	64.11	-	1,29,21,841	64.14	-	0.03

iii) Change in Promoters Shareholding:

S. NO	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR		Date	Reason	CHANGE IN SHAREHOLDING (No. of Shares)		CUMULATIVE SHAREHOLDING AT THE END OF THE YEAR	
		NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY			INCREASE	DECREASE	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	Kishan Reddy Nalla	19,51,739	9.69	19/10/2018	Purchase	1965	-	19,53,704	9.70
				09/11/2018	Purchase	1381	-	19,55,085	9.70
				30/11/2018	Purchase	600	-	19,55,685	9.71
				21/12/2018	Purchase	300	-	19,55,985	9.71
				01/03/2019	Purchase	2100	-	19,58,085	9.72
				22/03/2019	Purchase	200	-	19,58,285	9.72
2.	Vineel Reddy Nalla	18,99,654	9.43	-	-	-	-	18,99,654	9.43
3.	VijayaNalla	17,33,085	8.60	-	-	-	-	17,33,085	8.60
4.	VinithaNalla	16,99,062	8.43	-	-	-	-	16,99,062	8.43
5.	Gaddam Raja Reddy	14,83,802	7.37	-	-	-	-	14,83,802	7.37
6.	NBOS Technologies Private Limited	11,05,600	5.49	-	-	-	-	11,05,600	5.49
7.	N. Srinath Reddy	8,03,622	3.99	-	-	-	-	8,03,622	3.99

8.	Vineela Reddy N	7,11,300	3.53	-	-	-	-	7,11,300	3.53
9.	G. Sunitha	6,82,763	3.39	-	-	-	-	6,82,763	3.39
10.	Nomula Saritha	3,19,667	1.59	-	-	-	-	3,19,667	1.59
11.	Nomula Deepthi	2,24,587	1.11	-	-	-	-	2,24,587	1.11
12.	Gaddam Hemant Reddy	1,53,130	0.76	-	-	-	-	1,53,130	0.76
13.	Gaddam Madhumathi	93,256	0.46	-	-	-	-	93,256	0.46
14.	N. Rajeshwar Reddy	53,828	0.27	-	-	-	-	53,828	0.27

iv. Shareholding Pattern of Top ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADR)

S.NO.	FOR EACH OF THE TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CHANGE IN SHAREHOLDING (No. of Shares)			CUMULATIVE SHAREHOLDING AT THE END OF THE YEAR		
		NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY	Date	INCREASE	DECREASE	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY	
1.	Bhoopal Reddy Aleti	6,33,620	3.15	-	-	-	6,33,620	3.15	
2.	Mahitha Aleti	189,350	0.94	-	-	-	189,350	0.94	
3.	Nomula Eshan Reddy	153,500	0.76	-	-	-	153,500	0.76	
4.	Subramanian P	120,000	0.6	-	-	-	120,000	0.6	
5.	A Srinivas Reddy	105,856	0.53	-	-	-	105,856	0.53	
6.	Premalatha Reddy Eleti	88,843	0.44	21.09.2018	-	5320	83,523	0.41	
				09.11.2018	5313	-	88,836	0.44	
				25.01.2019	-	1500	87,336	0.43	
7.	Ande Prathap Reddy	88,710	0.44	-	-	-	88,710	0.44	
8.	Yuvaraj Reddy Gaddam	77,200	0.38	-	-	-	77,200	0.38	
9.	A Shakunthala Devi	72,266	0.36	-	-	-	72,266	0.36	
10.	Pushpa Latha Aleti	66,191	0.33	-	-	-	66,191	0.33	

v. Shareholding of Directors and Key Managerial Personnel:

S. NO	NAME OF THE DIRECTOR / KMP	SHAREHOLDING AT THE BEGINNING OF THE YEAR		Date	Reason	CHANGE IN SHAREHOLDING (No. of Shares)		SHAREHOLDING AT THE END OF THE YEAR	
		NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY			INCREASE	DECREASE	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	Kishan Reddy Nalla	19,47,089	9.67	19/10/2018	Purchase	1965	-	19,53,704	9.70
				09/11/2018	Purchase	1381	-	19,55,085	9.70
				30/11/2018	Purchase	600	-	19,55,685	9.71
				21/12/2018	Purchase	300	-	19,55,985	9.71
				01/03/2019	Purchase	2100	-	19,58,085	9.72
				22/03/2019	Purchase	200	-	19,58,285	9.72
2.	Bhoopal Reddy Aleti	6,33,620	3.15	-	-	-	-	6,33,620	3.15
3.	Srinath Reddy Nalla	8,03,622	3.99	-	-	-	-	8,03,622	3.99
4.	Raja Reddy Gaddam	14,83,802	7.37	-	-	-	-	14,83,802	7.37
5.	Vineel Reddy Nalla	18,99,554	9.43	-	-	-	-	18,99,554	9.43

S. NO	NAME OF THE DIRECTOR / KMP	SHAREHOLDING AT THE BEGINNING OF THE YEAR		Date	Reason	CHANGE IN SHAREHOLDING (No. of Shares)		SHAREHOLDING AT THE END OF THE YEAR	
6.	Vinitha Reddy Nalla	16,99,062	8.43	-	-	-	-	16,99,062	8.43
7.	N. Siddha Reddy	-	-	-	-	-	-	-	-
8.	# Dilip Kumar Toshniwal	-	-	-	-	-	-	-	-
9.	## V. Satya Lakshmi Sambhavi	-	-	-	-	-	-	-	-

Resigned as Company secretary w.e.f. July 16, 2018.

Appointed as Company Secretary w.e.f. August 13, 2018.

V. INDEBTEDNESS

	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
INDEBTEDNESS AT THE BEGINNING OF THE FINANCIAL YEAR				
Principal Amount	7,29,20,766	10,00,000	NIL	7,39,20,766
Interest due but not paid	NIL	NIL	NIL	NIL
Interest accrued but not due	NIL	NIL	NIL	NIL
Total	7,29,20,766	10,00,000	NIL	7,39,20,766
CHANGE IN INDEBTEDNESS DURING THE YEAR				
Addition	NIL	NIL	NIL	NIL
Reduction	1,85,68,354	NIL	NIL	1,85,68,354
INDEBTEDNESS AT THE END OF THE FINANCIAL YEAR				
Principal Amount	6,43,29,134	NIL	NIL	6,43,29,134
Interest due but not paid	NIL	NIL	NIL	NIL
Interest accrued but not due	NIL	NIL	NIL	NIL
Total	6,43,29,134	NIL	NIL	6,43,29,134

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTORS AND/ OR MANAGER:

S.N	PARTICULARS OF REMUNERATION	NAME OF THE MD / WTD / MANAGER				TOTAL
		KISHAN REDDY NALLA	SRINATH REDDY NALLA	BHOOPAL REDDY ALETI	RAJA REDDY GADDAM	
1.	Gross Salary					
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 24,00,000/-	Rs. 12,00,000/-	Rs. 12,00,000/-	Rs.12,00,000/-	Rs. 60,00,000/-
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-	-	-
	c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - Others (Specify)	-	-	-	-	-
5.	Others (Pls Specify)	-	-	-	-	-
	Total A	Rs. 24,00,000/-	Rs. 12,00,000/-	Rs. 12,00,000/-	Rs. 12,00,000/-	Rs. 60,00,000/-
	Ceiling as per Act	As per Part-II of Schedule V of the Companies Act, 2013				

B. REMUNERATION TO OTHER DIRECTORS: NIL

SL. NO	PARTICULARS OF REMUNERATION	NAME OF THE DIRECTOR					TOTAL AMOUNT
		Naveena Chandra Thammishetty	Krishna Prasad Srinivas	Jagadeeshwar Reddy Prodduturi			
1.	INDEPENDENT DIRECTORS						
	a) Fee for attending Board/ Committee meetings	-	-	-	-	-	-
	b) Commission	-	-	-	-	-	-
	c) Others, Pls Specify	-	-	-	-	-	-
	TOTAL - 1	-	-	-	-	-	-
2.	OTHER NON EXECUTIVE DIRECTORS	Vineel Reddy Nalla	Vinitha Reddy Nalla				
	a) Fee for attending Board/ Committee meetings	-	-	-	-	-	-
	b) Commission	-	-	-	-	-	-
	c) Others, Pls Specify	-	-	-	-	-	-
	Total 2	-	-	-	-	-	-
	Total B (1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per Act	1 % of the net profits of the Company					

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

SL. NO	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL				
		CEO	CFO	COMPANY SECRETARY		TOTAL
			N. SIDDHA REDDY	@Dilip Kumar Toshniwal(Resigned w.e.f. 16 th July, 2018)	@Satya Lakshmi Sambhavi (Appointed w.e.f. 13 th August, 2018)	
1.	Gross Salary		3,50,400	50,000	1,20,000	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-				
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-	-	-
	c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - Others (Specify)	-	-	-	-	-
5.	Others (Pls Specify)	-	-	-	-	-
	Total	-	3,50,400	50,000	1,20,000	

@The aforesaid details has been provided for the period employed.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY/ PUNISHMENT /COMPOUNDING FEE IMPOSED	AUTHORITY [RD/NCLT/COURT]	APPEAL MADE, IF ANY
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the board of directors

FOR SRI KPR INDUSTRIES LIMITED

Sd/-

(KISHAN REDDY NALLA)

MANAGING DIRECTOR

DIN: 00038966

Sd/-

(SRINATH REDDY NALLA)

WHOLE TIME DIRECTOR

DIN: 00052862

**ANNEXURE - V
Form No. MR-3**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

To,
The Members,
Sri KPR Industries Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sri KPR Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms, returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and relied on the information provided by the management and its officers for the financial year ended on 31st March, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- V. The Company has identified the following laws, Regulations, Guidelines, Rules, etc., as applicable to the Company:
 1. The Factories Act, 1948 and Rules made thereunder
 2. The Telangana Fire Services Act, 1999
 3. Electricity Act, 2003
 4. The Environment Protection Act, 1986
 5. The Air (Prevention and Control of Pollution) Act, 1981
 6. The Water (Prevention and Control of Pollution) Act, 1974

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) which the Company is in the process of adopting.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above, except for the following:

1. *All the shares held by Promoters are in dematerialization mode except 300 shares which are held in physical form.*
2. *The consent for operations from the Telangana Pollution Control Board (the Board) expired on 30.09.2014 and is in the process of renewal with the Board.*

We further report that

The Board of Directors of the Company was constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice was given to all directors for convening the Board/ Committee Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, resolutions were carried through majority decisions. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review

Based on the information, documents provided and the representations made by the Company, its officers during our audit process, in our opinion there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by us since the same have been subject to review by statutory auditors and other professionals.

We further report that following were the major events during the audit period:

1. Re-appointment of Sri. Bhoopal Reddy Aleti as Whole Time Director of the Company.
2. Cessation of Mr. Dilip Kumar Toshniwal as the Company Secretary of the Company.
3. Appointment of Varahagiri Satyalakshmi Sambhavi as the Company Secretary of the Company.

For BS & Company Company Secretaries LLP

sd/-

Date: 27.08.2019

Place: Hyderabad

Soumya Dafthardar
Designated Partner
ACS No. 29312
C P No.: 13199

Note: This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

To,
The Members,
Sri KPR Industries Limited
Hyderabad

Our report of even date is to be read along with this letter:

Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.

The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the management and the respective heads taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment Laws and Data protection policy.

We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For BS & Company Company Secretaries LLP

Date: 27.08.2019
Place: Hyderabad

Sd/-
SoumyaDafthardar
Designated Partner
ACS No. 29312
C P No.: 13199

CORPORATE GOVERNANCE REPORT

I. OUR CORPORATE GOVERNANCE PHILOSOPHY

Corporate governance is about internalizing and manifesting a firm commitment to the adoption of ethical practices across the Company to deliver value in all of its dealings with a wide group of stakeholders encompassing associates, customers, vendors, regulators and shareholders at all times. The Company believes that Corporate Governance is an integral means for the existence of the Company. Good Corporate practices stem from the dynamic culture and positive mindset of the organization. The board is committed to achieve and maintain highest standards of Corporate Governance on an ongoing basis.

The Corporate Governance requires professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Finance, Stakeholder Relationship Committee, Auditors and the Senior Management.

We believe Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is

an upward moving target that we collectively strive towards achieving.

II. BOARD OF DIRECTORS

Your Company has a balanced Board with combination of Executive and Non-Executive Directors to ensure independent functioning and the current composition of the board is in conformity with Regulation 17(l) of Listing Regulations. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

A. COMPOSITION

Listing regulations mandate that for a Company with a non executive Chairman, at least one-third of the Board should be Independent Directors. As on March 31, 2019, our board consists of 9 (Nine) Directors, of the Nine Directors, 4 (Four) of whom are Executive Directors, while the remaining 5 (Five) are Non-Executive Directors. Of the Five Non-Executive Directors, 3 (Three) are Independent Directors. The Company in compliance with Companies Act, 2013 & SEBI (LODR) Regulations, 2015 and has appointed a Women Director.

Composition of Board, Shareholding and Directorships held as on March 31, 2019 are as follows:

DIN	Name	Category & Designation	Directors hip in other Compani es	Membership in board committees of other Companies	Chairmanship in board committees of other Companies	No of shares held as on March 31, 2019
02582809	Sri. Jagadeeshwar Reddy Prodduturi	Chairman, Non-Executive Independent Director	1	Nil	Nil	Nil
00038966	Sri. Kishan Reddy Nalla	Promoter, Executive, Managing Director	4	Nil	Nil	19,58,285
00043263	Sri. Bhoopal Reddy Aleti	Executive, Whole time Director	1	Nil	Nil	6,33,620
00052862	Sri. Srinath Reddy Nalla	Promoter, Executive, Whole time Director	5	Nil	Nil	8,03,622
00126854	Sri. Raja Reddy Gaddam	Promoter, Executive, Whole time Director	1	Nil	Nil	14,83,802
00231636	Sri. Naveena Thammishetty Chandra	Non-Executive Independent Director	6	1	1	Nil
00360198	Sri. Krishna Prasad Srinivas	Non-Executive Independent Director	Nil	Nil	Nil	Nil
01514842	Sri. Vineel Reddy Nalla	Non-Executive, Director	8	Nil	Nil	18,99,554
01636570	Smt. Vinitha Reddy Nalla	Non-Executive Director	4	Nil	Nil	16,99,062

*Including Unlisted Public & Private Companies.

Further the Company has not issued any convertible instruments.

Name of the listed entities other than SRI KPR INDUSTRIES, where a director of the Company, is a director:

S No	Name of the Director	Name of the other listed entity	Category
1	Sri. Jagadeeshwar Reddy Prodduturi	Nil	Nil
2	Sri. Kishan Reddy Nalla	Nil	Nil
3	Sri. Bhoopal Reddy Aleti	Nil	Nil
4	Sri. Srinath Reddy Nalla	Nil	Nil
5	Sri. Raja Reddy Gaddam	Nil	Nil
6	Sri. Naveena Thammishetty Chandra	1. Balaji Amines Limited	Non-Executive Independent Director
		2. Saaketa Consultants Limited	Managing Director

7	Sri. Krishna Prasad Srinivas	Nil	Nil
8	Sri. Vineel Reddy Nalla	Nil	Nil
9	Smt. Vinitha Reddy Nalla	Nil	Nil

B. BOARD MEETINGS

a. The board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held when necessary. Committees of the Board usually meet the same day or a day before the formal board meeting or whenever the need arises for transacting business.

- b. Six Board meetings were held during the year 2018-19 on May 28, 2018; August 13, 2018; September 3, 2018; November 5, 2018; February 12, 2019 and March 26, 2019.
- c. The necessary quorum was present for all the meetings.
- d. The names of the Directors on the Board, their attendance at Board Meetings held during the year are given herein below:

Attendance of Directors during 2018-19

Name of the Director	No. of Board Meetings			% of attendance	Attendance at the last AGM held on September 29, 2018
	Held	Entitled	Attended		
Sri. Jagadeeshwar Reddy Prodduturi	6	6	6	100	Yes
Sri. Kishan Reddy Nalla	6	6	6	100	Yes
Sri. Bhoopal Reddy Aleti	6	6	6	100	Yes
Sri. Srinath Reddy Nalla	6	6	6	100	Yes
Sri. Raja Reddy Gaddam	6	6	6	100	Yes
Sri. Naveena Chandra Thammishetty	6	6	4	66.67	Yes
Sri. Krishna Prasad Srinivas	6	6	4	66.67	No
Sri. Vineel Reddy Nalla	6	6	6	100	Yes
Smt. Vinitha Reddy Nalla	6	6	6	100	Yes

Relationships between Directors inter – se:

Except as disclosed below, no Director of the Company is related to any other Director on the Board in terms of the meaning of the term 'relative' given under the Companies Act, 2013.

- Sri. Kishan Reddy Nalla is father of Sri. Vineel Reddy Nalla and Smt. Vinitha Reddy Nalla.
- Sri. Vineel Reddy Nalla is brother of Smt. Vinitha Reddy Nalla.
- Sri. Srinath Reddy Nalla is Son-in-Law of Sri. Kishan Reddy Nalla.

The Board currently has sufficient range of expertise and possesses all the competencies required for effective functioning.

INDEPENDENT DIRECTORS

Independent Directors are non-executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The Independent Directors, in the opinion of the Board, fulfill the conditions of the SEBI LODR and are independent of the management.

The Company has issued a formal letter of appointment to the Independent Directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company.

Schedule IV of the Companies Act, 2013 and the Rules made there under mandates that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-Independent Directors and members of the Management.

These meetings are expected to review the performance of non-Independent Directors and the board as a whole and as well as the performance of Chairman of the board taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of the flow of information between the management and the Board that is necessary for it to effectively and reasonably perform its duties.

The Independent Directors met once during the year on February 12, 2019.

The details of familiarization programme of the Independent Directors are available on the website of the Company (<http://www.kprindustries.in>).

III COMMITTEES OF THE BOARD

Presently, the board has three committees: Audit committee, Nomination and Remuneration committee and Stakeholder Relationship Committee.

A. AUDIT COMMITTEE

- The audit committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.
- The terms of reference of the audit committee are broadly as under:
 - Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - Reviewing with the management, the annual financial statements and auditors' report thereon

before submission to the board for approval, with particular reference to:

- ❖ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - ❖ Changes, if any, in accounting policies and practices and reasons for the same.
 - ❖ Major accounting entries involving estimates based on the exercise of judgment by management.
 - ❖ Significant adjustments made in the financial statements arising out of audit findings.
 - ❖ Compliance with listing and other legal requirements relating to financial statements.
 - ❖ Disclosure of any related party transactions.
 - ❖ Qualifications in the draft audit report.
- d) Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- e) Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report Submitted by the monitoring agency monitoring the utilization of proceeds of a

public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- f) Review and monitor the auditors' independence and performance, and effectiveness of audit process;
 - g) Approval or any subsequent modification of transactions of the Company with related parties;
 - h) Scrutiny of inter-corporate loans and investments;
 - i) Examination of the financial statements and the auditors' report thereon;
 - j) Valuation of undertakings or assets of the company, wherever it is necessary;
 - k) Evaluation of internal financial controls and risk management systems;
 - l) Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
 - m) The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
 - n) The audit committee shall review the information required as per SEBI Listing Regulations.
3. The Company Secretary acts as the Secretary to the Audit Committee.
4. The Audit Committee met Five (5) times during the financial year on May 28, 2018; August 13, 2018; September 3, 2018; November 5, 2018; February 12, 2019. The necessary quorum was present for all the meetings.

5. The composition and the details of meetings attended by the members of Audit Committee are given below:

Name	Category	Position	No of meetings during the financial year 2018-19		
			Held	Entitled	Attended
Sri. Naveena Chandra Thammishetty	Non-Executive Independent Director	Chairman	5	5	3
Sri. Jagadeeshwar Reddy Produtturi	Non-Executive Independent Director	Member	5	5	5
Sri. Vineel Reddy Nalla	Non-Executive Director	Member	5	5	5
Sri. Krishna Prasad Srinivas	Non-Executive Independent Director	Member	5	5	3

Further the board has reconstituted the Audit Committee at its meeting held on November 5, 2018 consequent to appointment of Sri. Jagadeeshwar Reddy Produtturi as Chairman of Audit Committee.

S.No.	Name	Category	Position
1.	Sri. Jagadeeshwar Reddy Produtturi	Non-Executive Independent Director	Chairman
2.	Sri. Naveena Chandra Thammishetty	Non-Executive Independent Director	Member
3.	Sri. Vineel Reddy Nalla	Non-Executive Director	Member
4.	Sri. Krishna Prasad Srinivas	Non-Executive Independent Director	Member

Further the board has reconstituted the Audit Committee at its meeting held on September 3, 2019 consequent to appointment of Sri. G. Indrasena Reddy a Member in place of Sri. Krishna Prasad w.e.f. 03.09.2019.

S.No.	Name	Category	Position
1.	Sri. Jagadeeshwar Reddy Produtturi	Non-Executive Independent Director	Chairman
2.	Sri. Naveena Chandra Thammishetty	Non-Executive Independent Director	Member
3.	Sri. Vineel Reddy Nalla	Non-Executive Director	Member
4.	Sri. G. Indrasena Reddy	Non-Executive Independent Director	Member

B. NOMINATION AND REMUNERATION COMMITTEE

1. The Nomination and Remuneration committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013.

2. The Nomination and Remuneration committee looks at all matters pertaining to appointment and remuneration of the Managing Director, the Executive Directors, Key Managerial Personnel and all other Non-Executive Directors of the Company.

3. The broad terms of reference of the nomination and remuneration committee are as under:

- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;
- carry on the evaluation of every director's performance; formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- formulation of criteria for evaluation of Independent Directors and the Board;
- devising a policy on Board diversity; and
- recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- whether to extend or continue the appointment of Independent Director, on the basis of the report of performance evaluation of independent directors;
- any other matter as the Board may decide from time to time.

4. Nomination and Remuneration Policy

INTRODUCTION

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchange as per the requirements of SEBI (LODR) Regulations, 2015 as amended from time to time, the Company has formulated "Nomination and Remuneration Policy." This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

I. DEFINITIONS

1. "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
2. "Board" means Board of Directors of the Company.
3. "Company" means Sri KPR Industries Limited.
4. "Directors" mean Director appointed to the Board of a Company.
5. "Committee" means Nomination and Remuneration committee constituted or re-constituted by the Board, from time to time.
6. "Key Managerial Personnel" means
 - i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
 - ii. Chief Financial Officer;
 - iii. Company Secretary; and
 - iv. such other officer as may be prescribed.
7. "Senior Management" means Senior Management means the personnel of the Company who are members of its core management team excluding

Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

8. "Independent Director" means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

II. OBJECTIVES

The Key Objectives are:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
3. Formulation of criteria for evaluation of Independent Director and the Board.
4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
5. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
6. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
8. To develop a succession plan for the Board and to regularly review the plan.
9. To assist the Board in fulfilling responsibilities.
10. To implement and monitor policies and processes regarding principles of corporate governance.

III. CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company constituted the committee to be known as the "Nomination and Remuneration Committee" consisting of non-executive directors out of which not less than one-half are independent directors. The Board is further authorized to re-constitute the said committee from time to time complying with the provisions of Companies Act, 2013 and Listing Regulations, 2015.

IV. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

1. Appointment Criteria and Qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board of his/ her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise

and experience possessed by a person are sufficient/ satisfactory for the concerned position.

- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) A whole-time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However they can be appointed as Director in any Company with the permission of the Board of Directors of the Company.

2. Term/ Tenure

a) Managing Director/ Whole-time Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Every Independent Director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change, give a declaration that he meets the criteria of independence.

3. Evaluation

The Committee shall carry out the performance evaluation of every Director including Independent Director, KMP and Senior Management Personnel at regular interval (yearly). Based on the evaluation performance report of the board, it shall be determined whether to extend or continue the term of appointment of the independent Directors

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

V POLICY FOR REMUNERATION TO DIRECTORS/ KMP/ SENIOR MANAGEMENT PERSONNEL

1. Remuneration to Managing/ Whole-time/ Executive/ Managing Director, KMP and Senior Management Personnel

The Remuneration/ Compensation/ Commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Remuneration to Non- Executive/ Independent Director

The Non-Executive Independent Director may receive remuneration/ compensation/ commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

VI POLICY REVIEW

This policy is framed based on the provisions of the Companies Act, 2013 read with rules made there under and the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

This policy shall be reviewed by Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes in the policy shall be approved by the Board of Directors

5. The Nomination and Remuneration committee met 4(Four) times during the financial year 2018-19 on May 28, 2018; August 11, 2018; September 3, 2018 and November 5, 2018. The necessary quorum was present for all the meetings.

6. The composition of Nomination and Remuneration committee and the details of meetings attended by its members are given below:

Name	Category	Position	No of meetings during the financial year 2018-19		
			Held	Entitled	Attended
Sri. Krishna Prasad Srinivas	Non-Executive, Independent Director	Chairman	4	4	2
Sri. Naveena Chandra Thammishetty	Non-Executive, Independent Director	Member	4	4	2
Sri. Jagadeeshwar Reddy Produtturi	Non-Executive, Independent Director	Member	4	4	4
Sri. Vineel Reddy Nalla	Non-Executive Director	Member	4	4	4

However the board has reconstituted the Nomination and Remuneration Committee at its meeting held on February 12, 2019 consequent to appointment of Sri. Naveena Chandra Thammishetty as Chairman of the Committee.

S.No.	Name	Category	Position
1.	Sri. Naveena Chandra Thammishetty	Non-Executive Independent Director	Chairman
2.	Sri. Jagadeeshwar Reddy Produtturi	Non-Executive Independent Director	Member
3.	Sri. Vineel Reddy Nalla	Non-Executive Director	Member
4.	Sri. Krishna Prasad Srinivas	Non-Executive Independent Director	Member

Further the board has reconstituted the Nomination and Remuneration Committee at its meeting held on September 3, 2019 consequent to appointment of Sri. G. Indrasena Reddy a Member in place of Sri. Krishna Prasad w.e.f. 03.09.2019.

S.No.	Name	Category	Position
1.	Sri. Naveena Chandra Thammishetty	Non-Executive Independent Director	Chairman
2.	Sri. Jagadeeshwar Reddy Produtturi	Non-Executive Independent Director	Member
3.	Sri. Vineel Reddy Nalla	Non-Executive Director	Member
4.	Sri. G. Indrasena Reddy	Non-Executive Independent Director	Member

7. Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

1. The Stakeholder Relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013.

2. The broad terms of reference of the Stakeholder Relationship committee are as under:

- ❖ Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/ notice/

annual reports, etc. and all other securities-holders related matters.

- ❖ Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

3. The Stakeholder Relationship committee met 5 (Five) times during the Financial year 2018-19 on May 28, 2018; August 13, 2018; September 3, 2018; November 5, 2018; February 12, 2019. The necessary quorum was present for all the meetings.

4. The composition of Stakeholder Relationship committee and the details of meetings attended by its members are given below:

Name	Category	Position	No of meetings during the financial year 2018-19		
			Held	Entitled	Attended
Sri. Vineel Reddy Nalla	Non-Executive Director	Chairman	5	5	5
* Sri. Kishan Reddy Nalla	Managing Director	Member	4	4	4
Sri. Srinath Reddy Nalla	Executive, Whole time Director	Member	5	5	5
* Sri. Krishna Prasad Srinivas	Non-Executive Independent Director	Chairman	1	1	1

*However the board has reconstituted the Stakeholders Relationship Committee in its meeting held on November 5, 2018 consequent to appointment of Sri. Krishna Prasad Srinivas as Chairman of the Committee and resignation of Sri. Kishan Reddy Nalla.

S.No.	Name	Category	Position
1.	Sri. Krishna Prasad Srinivas	Non-Executive Independent Director	Chairman
2.	Sri. Srinath Reddy Nalla	Executive, Whole time Director	Member
3.	Sri. Vineel Reddy Nalla	Non-Executive Director	Member

However the board has reconstituted the Stakeholders Relationship Committee in its meeting held on September 3, 2019 consequent to appointment of Sri. G. Indrasena Reddy as Chairman of the Committee consequent to resignation of Sri. Krishna Prasad.

S.No.	Name	Category	Position
1.	Sri. G. Indrasena Reddy	Non-Executive Independent Director	Chairman
2.	Sri. Srinath Reddy Nalla	Executive, Whole time Director	Member
3.	Sri. Vineel Reddy Nalla	Non-Executive Director	Member

5. Name, designation and address for correspondence of Compliance officer

Ms. V Satya Lakshmi Sambhavi, Company Secretary and Compliance Officer

Vth Floor, K.P.R. House, Sardar Patel Road, Secunderabad, Telangana; E-mail: bwpl9@yahoo.com

6. Details of investor complaints received and redressed during the year 2018-19 are as follows:

Particulars	No of Investor complaints pending at the beginning of the Year	No of Investor Complaints received during the Year	No of Investor Complaints disposed of during the Year	No of Investor Complaints remaining unresolved at the end of the Year
Non receipt of Share Certificates	0	3	3	0
Non receipt of Dividend Warrants	0	4	4	0
Non receipt of Annual Reports	0	0	0	0
Total	0	7	7	0

IV REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors for the services rendered during the financial year 2018-19 are given below:

Particulars	Name of the Director & Designation									Amount (In Lakhs)
	Sri. Kishan Reddy Nalla	Sri. Srinath Reddy Nalla	Sri. Bhoopal Reddy Alethi	Sri. Raja Reddy Gaddam	Sri. Naveena Chandra Thammishetty	Sri. Krishna Prasad Srinivas	Sri. Vineel Reddy Nalla	Smt. Vinitha Reddy Nalla	Sri. Jagadeeshwar Reddy Prodduturi	
	MD	WTD	WTD	WTD	Independent Director	Independent Director	Non-executive Director	Non-executive Director	Chairman Independent Director	
Salary	24	12	12	12	-	-	-	-	-	
Allowances	-	-	-	-	-	-	-	-	-	
Commission/ Incentives/ Variable Pay	-	-	-	-	-	-	-	-	-	
Sitting fees	-	-	-	-	-	-	-	-	-	

No remuneration is being paid to Non-executive Directors. Further they do not have any pecuniary relationship or transactions with the Company or its Directors, senior management, subsidiary, other than in normal course of business.

No stock options were issued to any of the Independent Directors and Promoter Directors during the year 2018-19.

The Members are hereby informed that considering the financial position of the Company the Board has approved for non-payment of remuneration to Managing Director and whole-time directors.

V. SUBSIDIARY COMPANY

The Subsidiary Company is managed by its respective Board having the rights and obligations to manage Company in the

best interest of their stakeholders. The Company monitors performance of subsidiary company, inter-alia, by the following means:

- Financial statements, in particular the investments made by the unlisted subsidiary company are reviewed quarterly by the Audit Committee of the Company.
- All minutes of Board Meetings of the unlisted subsidiary Company are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary Company is placed before the Company's Board.

VI GENERAL BODY MEETINGS

a) Details of last three Annual General Meetings of the Company.

YEAR	DATE	VENUE	TIME
2015-16	30.09.2016	Nagarjuna Community Hall, Nagarjuna Nagar, Yellareddyguda, Ameerpet, Hyderabad-500073	10.00 A.M.
2016-17	29.09.2017	Nagarjuna Community Hall, Nagarjuna Nagar, Yellareddyguda, Ameerpet, Hyderabad-500073	10.00 A.M.
2017-18	29.09.2018	Nagarjuna Community Hall, Nagarjuna Nagar, Yellareddyguda, Ameerpet, Hyderabad-500073	10.00 A.M.

b) Details of special resolutions passed in the previous three Annual General Meetings.

DATE OF AGM	NUMBER OF SPECIAL RESOLUTION PASSED	DETAILS OF SPECIAL RESOLUTION PASSED
30.09.2016	Nil	Nil
29.09.2017	2(Two)	a) Approval under first proviso to section 196(3) for Re appointment of Sri. Raja Reddy Gaddam as whole time director of the company. b) Approval for Reclassification of Promoters shareholders as public shareholders under regulation 31A of SEBI (LODR) Regulations, 2015.
29.09.2018	Nil	Nil

c) Special resolutions passed through Postal ballot

No Special Resolution was passed through Postal Ballot during the financial year 2018-19. None of the resolutions proposed in the ensuing Annual General Meeting need to be passed by Postal Ballot.

Simultaneously they are also uploaded on the Company's website www.kprindustries.in. Official news release are sent to the Stock Exchange and also displayed on the website of the Company. The Company files electronically the quarterly results, Corporate Governance report, Share holding pattern, etc. through BSE Listing Centre.

VII MEANS OF COMMUNICATION

The Company's quarterly/ half yearly/ annual financial results are sent to the Stock exchange and published in "Financial Express" and "Nava Telangana/ NamasteTelangana".

There was no presentation made by the Company to any of the Institutional Investors or Analysts. The Company has not entered into agreement with any Media Companies.

VIII GENERAL SHAREHOLDERS INFORMATION

i. Annual General meeting for the financial year 2018-19

Date	30.09.2019
Venue	Nagarjuna Community Hall, Nagarjuna Nagar, Yellareddyguda, Ameerpet, Hyderabad-500073
Time	10.00 A.M.
Book closure dates for final dividend	September 23, 2019 to September 30, 2019 (both days inclusive).

ii. Financial year: April 1, 2018 to March 31, 2019

19. The securities have not been suspended from trading.

iii. Dividend Payment Date

The board has not recommended any dividend for the financial year.

- The Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs, Government of India is **L20200TG1988PLC009157** and the Company's Registration Number is 009157.

iv. Listing information

- The Company's equity shares (Stock Code: 514442) are listed on BSE Limited (BSE), Phirozejeebhoy Towers Dalal Street, Mumbai 400 001.
- The ISIN Number of the Company is INE009CO1019.
- The Company has paid the requisite Annual Filing Fees to the stock exchange for the financial year 2018-

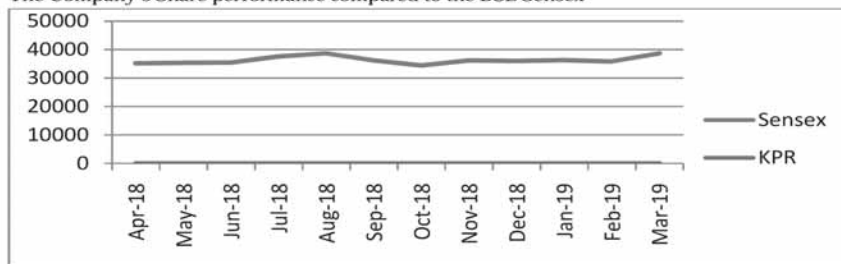
v. Market Information

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) for the year ended March 31, 2019 are as under:

Month	HIGH	BSE LOW	VOLUME
April 2018	28.30	25.05	33,187
May 2018	28.35	22.80	23,560
June 2018	27.85	23.55	24,247
July 2018	28.05	23.85	9,542
August 2018	27.90	20.75	37,461
September 2018	26.25	20.90	6,311
October 2018	20.90	16.60	11,709
November 2018	24.00	19.15	26,987

December 2018	19.55	16.45	3,476
January 2019	21.00	16.95	10,779
February 2019	19.80	16.00	11,863
March 2019	19.00	16.05	5,577

vi. The Company's Share performance compared to the BSE Sensex



vii. Registrar and Share Transfer Agents:

Name	KarvyFintech Private Limited
Address	Corporate Off: Karvy Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, Telangana
	Tel: +91-40-67162222, 33211000
	Fax: +91-40-23420814
Email Id:	support@karvy.com
Website:	www.karvyfintech.com

viii. Share Transfer System

Presently the shares, which are received in physical form, are transferred within a period of 10-12 days from the date of receipt, subject to the documents being valid and complete in all respects. Adequate care is taken to ensure that, no transfers are pending for more than a fortnight.

ix. Distribution of shareholdings on March 31, 2019:

Category	No of shareholders	Shareholders (%)	Number of shares held	Shareholding (%)
1-5000	5564	89.44	8,85,114	4.39
5001-10,000	316	5.08	2,56,291	1.27
10,001-20,000	175	2.81	2,64,777	1.31
20,001-30,000	44	0.71	1,11,476	0.55
30,001-40,000	23	0.37	81,097	0.40
40,001-50,000	12	0.19	56,231	0.28
50,001-1,00,000	20	0.32	1,34,282	0.67
1,00,001 & above	67	1.08	1,83,56,427	91.12
Total	6221	100	2,01,45,695	100

x. Dematerialization of shares and liquidity:

1,65,95,675 equity shares representing 82.38% of the total paid up equity capital were held in dematerialized form with the National Securities Depository Limited and Central Depository Services (India) Ltd. as on March 31, 2019.

Shareholders holding shares in physical form are requested to convert their physical holdings to demat/ electronic form through any of the registered Depository participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc and also to ensure safe and speedy transaction in respect of the shares held and payment of dividend thereof.

xi. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments in the past and hence as on March

31, 2019, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

xii. Commodity price risk or foreign exchange risk and hedging activities - Nil

xiii. Plant Locations

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

xiv. Address for correspondence

Sri KPR Industries Limited
Vth Floor, K.P.R. House Sardar Patel Road, Secunderabad, TG 500003
Tel no: 040-27847121; Fax no. 040 27892076
Email:bwpl9@yahoo.com;
Website: www.kprindustries.in

IX OTHER DISCLOSURES

- a. **Materially significant related party transactions that may have potential conflict of interests of listed entity at large:** There are no materially significant related party transactions between the Company and its promoters, directors or key managerial personnel or their relatives having any potential conflict with interest of the Company at large.
- b. **Details of non-compliance:** There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. However BSE has levied penalty for non-compliance of constitution of Nomination and Remuneration Committee in compliance of SEBI (LODR) Regulations, 2015 in the period 2019-2020.
- c. **Whistle blower policy:** The establishment of vigil mechanism and Whistle Blower Policy approved by the board has been implemented and no personnel has been denied access for making disclosure or report under the policy to the Audit Committee.
- d. **Details of compliance with mandatory requirement:** Your Company has complied with all the mandatory requirements of the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.
- e. **Web links:** A policy on material subsidiaries and Policy on dealing with related party transactions has been formulated and the same is posted on the Company's website <http://www.kprindustries.in/investor.html>
- f. Certificate from Company Secretary in practice that none of the directors on the board of the Company
- i. **Compliance of Corporate Governance Requirements as specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of Listing Regulations.**

have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed hereinafter.

- g. **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**
 a. Number of complaints filed during the financial year : Nil
 b. Number of complaints disposed of during the financial year: Nil
 c. Number of complaints pending as on end of the financial year : Nil
- h. **Details of compliance with discretionary requirements**
 The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations:
- ❖ **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- ❖ **Audit Qualifications:** The Company's financial statements for the financial year 2018-19 do not contain any audit qualification.
- ❖ **Separate posts of Chairperson and Managing Director:** The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director. Sri. Jagadeeshwar Reddy Prodduturi, Non-executive Independent Director is the Chairman of the Company and Sri. Kishan Reddy Nalla is the Managing Director of the Company.

I. DISCLOSURE ON WEBSITE IN TERMS OF LISTING REGULATIONS	
Item	Compliance (Yes/ No/ NA)
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

II. ANNUAL AFFIRMATIONS		
PARTICULARS	REG NO	COMPLIANCE
Board Composition	17(1)	Yes
Meeting of Board of Directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/ Compensation	17(6)	NA
Minimum information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Director	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21(1), (2), (3), (4)	NA
Vigil Mechanism	22	Yes
Policy for related party transactions	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2) & (3)	NA
Approval for material related party transactions	23(4)	NA
Composition of Board of Directors of unlisted material subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Other corporate governance requirements	27	Yes

X. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

The Company does not have any balance with respect to Demat suspense account/ unclaimed suspense account.

XI. The Board currently has sufficient range of expertise and possesses all the competencies required for effective functioning.

SKILLS, EXPERTISE AND COMPETENCIES OF DIRECTORS

The Company believes that it is the collective effectiveness of the Board that impacts Company performance and therefore members of the Board amongst themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company.

Given the Company's size, scale and diversified nature of its businesses, the Directors should possess following skills, expertise and competencies:

1. Organisational Purpose

The Company is operating to identify opportunities and threats for the Company's businesses. Ability to contribute towards creating an inspiring Vision for the Company by building synergy between serving the society and creating economic value for the Company.

2. Strategic Insight

Ability to evaluate competitive corporate and business strategies for fulfilment of its goals.

3. Organisational Capacity Building

Evaluate organisational capacity across relevant parameters and provide guidance on bridging gaps in capacity building.

4. Stakeholder Value Creation

Ability to understand processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.

5. Risk Management and Compliance

Ability to identify key risks impacting the Company's businesses and contribute towards development of systems and controls for risk management periodically.

FOR SRI KPR INDUSTRIES LIMITED

Sd/-

KISHAN REDDY NALLA

MANAGING DIRECTOR

DIN: 00038966

Sd/-

SRINATH REDDY NALLA

WHOLE TIME DIRECTOR

DIN: 00052862

Place: Secunderabad

Date: 03.09.2019

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the 'Code of Conduct' and 'Our Code' in respect of the financial year 2018-19.

FOR SRI KPR INDUSTRIES LIMITED

Sd/-
KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Sd/-
SRINATH REDDY NALLA
WHOLE TIME DIRECTOR
DIN: 00052862

Place: Secunderabad

Date: 03.09.2019

CEO/CFO CERTIFICATE

CEO / CFO CERTIFICATE

To,
The Board of Directors
SRI KPR INDUSTRIES LIMITED

1. We have reviewed financial statements and the cash flow statement of SRI KPR INDUSTRIES LIMITED for the year ended March 31, 2019 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that:
 - i. there are no significant changes in internal control over financial reporting during the year;
 - ii. there are no significant changes in accounting policies during the year; and
 - iii. there are no instances of significant fraud of which we have become aware.

Place: Secunderabad
Date: 03.09.2019

Sd/-
KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Sd/-
NANDU SIDDHA REDDY
CHIEF FINANCIAL OFFICER

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Sri KPR Industries Limited,

We have examined the compliance of conditions of Corporate Governance by Sri KPR Industries Limited ('the Company'), for the Financial Year ended 31st March, 2019 as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulation').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure 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 the opinion on the financial statements of the Company.

In our opinion, and to the best of the 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 Regulations, as applicable.

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.

For Ayyadevara & Co.,
Chartered Accountants
FRN No. 000278S

Sd/-
Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803

Secunderabad, May 27, 2019.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

There are no new orders on hand for execution of Drinking Water Supply Schemes, since the Telangana State Government has completed the Drinking Water Supply to entire State under Mission Bhagiratha (Grid). As such the demand of A.C. Pipes as well as Drinking Water Supply Schemes are bleak in future. Further the demand for AC Pipes has decreased, since the Government departments have started using metal pipes in Drinking Water Supply schemes in place of Cement Pipes. Hence turnovers and profitability during the current financial year (2019-2020) may also come down.

You are aware that, in view of the above reasons, the company has started investing in Wind Mills with a hope to get the standard returns to meet the company overheads & dividend to the shareholders which was proven correct as expected from last 5 / 6 years and the company is paying the dividend regularly from the year 2012-2013 onwards. Recently Sri KPR Infra & Projects Ltd (100% subsidiary of Sri KPR Industries Ltd) has invested in 6MW wind mill projects of Maharashtra state for the purpose of supplying the power to Indian Railways by forming SPV (Special Purpose Vehicle) by name "Sri Pavan Energy Pvt. Ltd". Originally the project was about to commission during the end of December' 2018. However the project is delayed due to inter departmental procedures between MSDECPL& India Railways. Now it is expected to commission by end of September' 2019.

In recent years there is abnormal delay of more than two years in getting the payments of wind generation bills from Tamil Nadu Electricity Board & as well as from A.P. State Electricity Board. Recently the Government of A.P. not only stopped the payments from last one year but they have issued notices to all the Wind Power generators to reduce the power tariff rate from Rs.4.70 to Rs.2.40, otherwise threatened to terminate the PPAs. The payments from execution of Drinking Water Supply Schemes were also delayed beyond Six months due to non availability of funds with the State Government.

All the above factors of non receipt of payments made adverse effect on the cash flows of the company which is expected to continue during present financial year of 2019-20 also.

The future of the company and its growth is mainly depend on the attitude of the Government of A.P. in honoring the PPAs & release of payments.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal audit and control systems. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up, remedial measures are being taken including review and increase in the scope of coverage, if necessary. The Audit Committee of Directors, in its periodical meetings, reviews the adequacy of internal control systems and procedures and suggests areas of improvements.

Information technology base created by the Company over the period is providing a very useful helping hand in the process. Needless to mention, that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain central point of the entire control systems.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**Standalone:**

During the year under review, revenue from operations decreased from Rs.17.28 crores to Rs.10.38 crores. The net profit for year has been increased from Rs. 2.90 crores to Rs. 3.94 Crores. The earning per share for the year is Rs. 1.96/- as against Rs.1.44/- of the previous year.

Consolidated:

However, under the consolidated balance sheet during the year, the revenue from the operations has decreased from Rs. 58.41 crores to Rs. 35.85 crores. The net profit is also increased from Rs. 6.30 crores to Rs. 7.83 crores. The earning per share is Rs. 3.89/- as against Rs. 3.13/- of the previous year.

SEGMENT WISE PERFORMANCE**Standalone:**

The revenue from sale of Wind Electric Power increased from Rs. 5.56 crores to Rs. 6.26 crores. Revenue from the sale of A.C. Pipes has been decreased from Rs.11.65Crores to Rs. 4.13 Crores.

Consolidated:

However, in consolidated balance sheet the revenue from sale of Wind Electric Power increased from Rs. 10.13 crores to Rs.11.56 crores due to setting up one more Wind Mill during the year in its subsidiary.

HUMAN RESOURCE DEVELOPMENT

Human resource is considered as key to the future growth strategy of the Company and looks upon to focus its efforts to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological and technical developments.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statements. Important factors that would influence the Company's operations include cost of raw materials, tax laws, procedural hurdles of Government Agencies, delay in release of wind Electric payments economic developments and such other factors within the Country.

FOR SRI KPR INDUSTRIES LIMITED

Sd/-
KISHAN REDDY NALLA
MANAGING DIRECTOR
DIN: 00038966

Sd/-
SRINATH REDDY NALLA
WHOLE TIME DIRECTOR
DIN: 00052862

INDEPENDENT AUDITOR'S REPORT
Report on the Audit of the Standalone Financial Statements

To the Members of
Sri KPR Industries Limited
Secunderabad, Telangana

Opinion

We have audited the standalone financial statements of Sri KPR Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not determined any key audit matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The 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
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ayyadevara & Co
Chartered Accountants
FRN: 000278S

Sd/-
Ayyadevara Srinivas
Proprietor
Membership No.028803

Secunderabad. May 27, 2019.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SRI KPR INDUSTRIES LIMITED

[Referred to in para 1 under the heading 'Report on Other Legal and Regulatory Requirements']

1	a	The company is maintaining proper records showing full particulars, including quantitative details and details about the situation of fixed assets.
	b	These fixed assets have been verified by the Management at reasonable intervals. According to information and explanations given to us no material discrepancies have been noticed on such verification.
	c	The Title Deeds of Immovable Properties are held in the name of the company.
2		Physical verification of inventory has been conducted at reasonable intervals by the management and we are informed that no material discrepancies were noticed during such verification.
3		The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4		The company has not made any new investments during the year. The company has not granted any loans.
5		The company has not accepted any Deposits.
6		In respect of the records maintained by the company under Rules made by the Central Government for maintenance of Cost Records under section 148(1) of the Companies Act, 2013, we have broadly reviewed the same and we are of the opinion, that the prescribed accounts and records have been kept and maintained. However, we have not carried out a detailed audit of such records.
7	a	There are no undisputed statutory dues that are outstanding for more than six months from the date they became payable.
	b	There are no disputed amounts in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax.
8		The company has not defaulted in repayment of borrowings from Financial Institutions / Banks. The company does not have any borrowings from Government or Debenture holders.
9		The company has not raised any monies by way of any Public Offer or Term Loans during the year under review.
10		To the best of our information and according to explanations given to us no fraud by the company or on the company by its officers or employees has been noticed or reported during the year under review.
11		The managerial remuneration paid / provided by the company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V, to the Companies Act.
12		The company is not a <i>Nidhi Company</i> .
13		The transactions with related parties are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
14		The company has not made any preferential allotment or private placement of shares or debentures during the year under review.
15		The company has not entered into any non-cash transactions with its Directors or persons connected with them.
16		The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Ayyadevara & Co.,
Chartered Accountants**

FRN No. 000278S

Sd/-

Ayyadevara Srinivas

Proprietor

ICAI Membership No. 028803

Secunderabad May 27, 2019

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sri KPR Industries Limited, of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Sri KPR Industries Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Sd/-
Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803

Secunderabad, May 27, 2019.

SRI KPR INDUSTRIES LIMITED
Standalone Audited Balance Sheet As at March 31, 2019

Rupees

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
1. Non - current assets			
a. Property, Plant and Equipment	2	56,68,40,600	64,19,52,945
b. Capital work - in -progress		12,36,161	12,36,161
c. Investment Property		-	-
d. Goodwill		-	-
e. Other Intangible assets		-	-
f. Intangible assets under development		-	-
g. Biological Assets other than bearer plants		-	-
h. Financial Assets			
(i) Investments	3	3,79,69,700	3,79,69,700
(ii) Trade Receivables		-	-
(iii) Loans	4	-	2,04,95,831
(iv) Others (to be specified)	5	85,25,253	87,25,253
i. Deferred tax assets (net)		-	-
j. Other non-current assets		-	-
2. Current assets			
(a) Inventories	6	6,06,94,171	7,34,30,590
(b) Financial Assets			
(i) Investments	7	-	-
(ii) Trade Receivables	8	9,39,28,942	6,82,33,366
(iii) Cash and cash equivalents	9	1,08,900	4,00,962
(iv) Bank balances other than (iii) above	10	8,96,329	60,37,669
(v) Loans		-	-
(vi) Others (to be specified)	11	9,01,19,461	1,27,51,785
(c) Current Tax Assets (Net)		-	-
(d) Other current assets		-	-
Total Assets		86,03,19,517	87,12,34,262
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	12	20,14,56,950	20,14,56,950
(b) Other Equity	13	46,55,56,518	44,89,01,748
LIABILITIES			
1. Non -current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	5,04,83,349	6,13,70,411
(ii) Trade payables		-	-
(iii) Other financial liabilities [other than those specified in item (b)]	15	3,01,76,303	3,01,76,303
(b) Provisions			
(c) Deferred tax liabilities (Net)	16	4,58,31,921	6,12,12,688
(d) Other non-current liabilities		-	-
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	1,29,12,022	1,79,44,787
(ii) Trade payables	18	2,77,80,249	1,76,77,136
(iii) Other financial liabilities [other than those specified in item(c)]	19	2,10,75,625	2,80,88,403
(b) Other current liabilities		-	-
(c) Provisions			
(d) Current Tax Liabilities (Net)		50,46,580	44,05,836
Total Equity and Liabilities		86,03,19,517	87,12,34,262
Significant Accounting Policies and other Information	1		

Notes 1 to 27 form integral part of financial statements

As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN No.00278S

For and on behalf of Board of Directors

sd/-
N.Kishan Reddy
Managing Director

sd/-
N.Srinath Reddy
Whole Time Director

sd/-
Ayyadevara Srinivas
Proprietor
ICAI Memb No.028803
 Secunderabad, May 27,2019.

sd/-
Company Secretary

sd/-
N.Siddha Reddy
CFO

SRI KPR INDUSTRIES LIMITED
Statement of Profit and Loss for the period ended March 31, 2018

Rupees

Particulars	Note No.	For the Period ended March 31, 2019	For the Period ended March 31, 2018
I Revenue from operations	20	10,38,76,922	17,27,88,245
II Other income	21	4,88,92,228	2,29,82,937
III Total Income (I+II)		15,27,69,150	19,57,71,182
IV EXPENSES			
Cost of Material Consumed	22	85,09,458	6,61,57,297
Changes in inventories of finished goods and work-in-progress	23	1,04,73,678	(6,571,080)
Other manufacturing expenses	24	86,68,669	1,87,72,552
Employee benefits expense	25	1,13,93,235	1,40,61,007
Finance costs	26	91,40,535	1,20,66,807
Depreciation and amortization expense	2	2,14,54,181	2,55,61,668
Other expenses	27	5,39,96,858	3,43,67,116
Total Expenses (IV)		12,36,36,614	16,44,15,368
V Profit/(loss) before exceptional items and tax (III - IV)		2,91,32,537	3,13,55,815
VI Exceptional items			14,75,811
VII Profit/(Loss) before tax (V - VI)		2,91,32,537	3,28,31,626
VIII Tax Expenses:			
1. Current Tax		(5,046,580)	(4,405,836)
2. Deferred Tax	16	15,380,767	6,00,104
IX Profit (Loss) for the period from continuing operations (VII-VIII)		3,94,66,724	2,90,25,894
X Profit/loss from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from discontinued operations (after tax)(X-XI)		-	-
XIII Profit /Loss for the period (IX + XII)		3,94,66,724	2,90,25,894
XIV Other Comprehensive Income			
A (i) items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII + XIV) (Comprising profit/loss and other Comprehensive Income for the period)		3,94,66,724	2,90,25,894
XVI Earning per equity share (for continuing operation):			
(1) Basic		1.96	1.44
(2) Diluted		1.96	1.44
XVII Earning per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earning per equity share (for discontinued & continuing operations)			
(1) Basic		1.96	1.44
(2) Diluted		1.96	1.44
Significant Accounting Policies and other Information	1		

Notes 1 to 27 form integral part of financial statements

As per our report of even date

For Ayyadevara & Co.,

Chartered Accountants

FRN No.00278S

For and on behalf of Board of Directors

sd/-
N.Kishan Reddy
Managing Director

sd/-
N.Srinath Reddy
Whole Time Director

sd/-
Company Secretary

sd/-
N.Siddha Reddy
CFO

sd/-
Ayyadevara Srinivas
Proprietor
ICAI Memb No.028803
Secunderabad, May 27,2019.

SRI KPR INDUSTRIES LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Rupees in lakhs

Particulars	Current Year 31.03.2019	Previous Year 31.03.2018
A. Cash Flow from Operating Activities		
Profit before Depreciation, Interest and Tax	597.25	689.85
Less : Other Income considered separately	(488.92)	(229.83)
Net	108.33	460.02
(Increase) / Decrease in Inventories	127.36	(47.28)
(Increase) / Decrease in Receivables	(256.96)	(106.80)
(Increase) / Decrease in Loans & Advances	211.87	39.43
(Increase) / Decrease in Others	(766.73)	
Increase / (Decrease) in Current Liabilities	(19.43)	(268.67)
Income Tax Paid (including Dividend Distribution Tax)	(70.82)	(84.30)
Total A	(666.37)	(7.60)
B. Cash Flow from Investing Activities		
(Increase)/Decrease in Fixed Assets	536.58	16.11
(Increase)/Decrease in Non Current Assets		25.00
Other Income	488.92	229.83
Total B	1025.50	270.94
C. Cash Flow from Financing Activities		
Increase/(Decrease) in Long Term Borrowings	(108.87)	(133.37)
Increase/(Decrease) in Long Term Advances	2.00	196.11
Interest Paid	(91.40)	(120.67)
Dividend Paid	(201.35)	(201.46)
Total C	(399.62)	(259.39)
D. Net Increase/(Decrease) in cash and cash equivalents [A+B+C]	(40.49)	3.95
Cash and cash equivalents at the beginning of the year	64.38	60.43
Cash and cash equivalents at the end of the year	23.89	64.38
Increase/(-)Decrease	(40.49)	3.95

As per our report of even date

For Ayyadevara & Co.,
Chartered Accountants
FRN No.00278S

For and on behalf of Board of Directors

sd/-
Ayyadevara Srinivas
Proprietor
ICAI Memb No.028803
Secunderabad, May 27,2019.

sd/-
N.Kishan Reddy
Managing Director

sd/-
Company Secretary

sd/-
N.Srinath Reddy
Whole Time Director

sd/-
N.Siddha Reddy
CFO

Sri KPR Industries Limited**Year ended March 31, 2018.****Notes forming part of standalone financial statements****Note 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER INFORMATION****I. GENERAL CORPORATE INFORMATION.**

Sri KPR Industries Limited ('Sri KPR') is a Public Limited company incorporated and Domiciled in India, having its registered office at Secunderabad, Telangana, India. Sri KPR has its primary listing on the Bombay Stock Exchange (BSE) in India.

Sri KPR is engaged in the business of manufacture and sale of AC Pressure Pipes and Couplings. Sri KPR has primarily two segments viz., Pipes Division and Wind Power Division. AC Pressure Pipes are manufactured at it's facility located at Gundlapochampally (V), Medchal, Telangana State. Wind Power is generated through own Wind Mills located in the states of Andhra Pradesh, Tamil Nadu and Madhya Pradesh. Sri KPR has a wholly owned subsidiary by name Sri KPR Infra & Projects Limited engaged in the business of Civil Contracts.

II. Compliance with Indian Accounting Standards

- a. The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standard) Rules 2015. The company has uniformly applied all the applicable accounting policies during the periods presented.
- b. The company has adopted Ind. AS for the first time during the year ended March 31, 2018.

III. Overall Considerations

The financial statements have been prepared using significant accounting policies that are in effect as at March 31, 2019 as presented in detail hereunder.

IV. SIGNIFICANT ACCOUNTING POLICIES**A. 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 Indian Accounting Standards (Ind AS) prescribed under the provisions of the Companies Act, 2013.
- iii. Financial statements are prepared on historical cost basis and as a going concern.

B. Revenue Recognition:

- i. Sale of goods is recognized at the point of dispatch of goods to customers and Gross Sales are inclusive of duties and taxes. On commencement of GST, sales are net of GST.
- ii. Income from Sale of Wind Power is recognized on the basis of units measured and certified by the concerned State Authorities.
- iii. Dividends are recognized as income of the year in which the same are received.

C. Property, Plant & Equipment and Depreciation

- i. Property, Plant & Equipment 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 in accordance with Schedule II of the Companies Act, 2013 in respect of the remaining useful life of the asset as far as the existing assets are concerned. In respect of additions, depreciation is provided on the basis of the useful life of the assets as prescribed by Schedule II of Companies Act, 2013.

D. Revaluation of Land

The difference between the cost of the land (hitherto reported) and the Fair Market Value determined in revaluation is classified as "Revaluation Reserve" and reported under the head "Other Equity" / Reserves & Surplus. Freehold Land being a non-depreciable asset no transfers are effected to statement of Profit and Loss from the revaluation reserve.

E. Investments

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

F. 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.

G. Staff Benefits

Provident Fund Contributions and other staff benefits are accounted on accrual basis. The company is in the process of ascertaining appropriate Group Gratuity Scheme for subscription and the premium / contributions towards the same will be charged to revenue as and when paid. Pending the finalization of the scheme gratuity payments if any, made to the employees is charged to revenue as and when paid.

H. Borrowing Costs:

Costs in respect of borrowings for acquiring / constructing fixed investments, relating to the period they are operational, are capitalized to such investments. Borrowing costs relating to period after the commencement of operations of the project are charged to revenue.

I. Current and Deferred Tax

Accounting treatment in respect of current and deferred tax is in accordance with Indian Accounting Standard 12 (Ind AS 12): "Income Taxes".

J. Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. In carrying

out such exercise, due effect is given to the requirements of Schedule II of the Companies Act, 2013.

K. Earnings Per Share (EPS):

This is calculated by dividing the net profit after tax (PAT) for the period attributable to equity shareholders, by number of shares outstanding at the end of the year. In case there are any changes in the equity during the year, EPS would be calculated on the weighted average number of shares outstanding during the period including adjustments of bonus issue, if any.

V. Foreign exchange earnings & outgo

Particulars	Current Year	Previous Year
Earning	-	-
Outgo – Towards import of raw material	-	-
In US \$	-	-
In Indian Rupees	-	-

VI. Included in Other Current assets and correspondingly in Other Current Liabilities is Rs.6.92 lakhs being unclaimed dividend of earlier years. This amount remaining in a separate bank account does not belong to the company.

VII. Related Party Transactions

Rupees in Lacs

Name of the Related Party (Relation)	Nature of Transaction	Transaction Value	Maximum Balance	Year-end balance (+) Receivable / (-) Payable	Amount written-off returned back
Sri KPR Infra & Projects Ltd (A 100% Subsidiary)	Sale of Pipes	16.98	86.20	86.20	-
- Do -	Advances	-	(-) 6.26	(-)6.26	-
Sri. N. Kishan Reddy	Director's remuneration	24.00	--	-	-
Sri. N. Srinath Reddy	Director's remuneration	12.00	--	-	-
Sri. G. Raja Reddy	Director's remuneration	12.00	--	-	-
Sri. A. Bhoopal Reddy	Director's remuneration	12.00	--	-	-

VIII. Segment Particulars

Rupees in Lacs

Particulars	Current Year		Previous Year	
Nature of the Segment	Wind Power	Pipes	Wind Power	Pipes
Revenues	645.02	876.67	610.27	1347.44
Identifiable Operating Expenses				
a. Maintenance and Other	103.27	670.29	122.08	1131.23

Expenses				
b. Interest	56.48	34.92	71.08	49.39
c. Depreciation	150.12	64.42	186.00	69.61
Segment Operating Income	335.15	101.04	231.11	97.21
Loss on Sale of Wind Mill	(150.85)			
Net Profit	184.30	107.04	231.11	97.21
Segment Assets	2474.23	6128.96	3180.05	5532.29
Segment Liabilities	445.96	1487.10	549.76	2208.76

- IX.** The details with respect to the dues under MSME Act are not being furnished as the details are not available with the company, in spite of the company having written to its creditors seeking details of their status under the MSME Act. However, there are no dues to the creditors that are more than one year old.
- X.** Previous year's figures are regrouped and reclassified wherever considered necessary to conform with the current year grouping / classifications. This includes the reclassification necessitated by conversion into Ind AS and amalgamation of the subsidiaries.
- XI.** The Financial statements are presented in Indian Rupees which is also the functional and presentation currency of the company and all amounts are rounded off to nearest rupee.

SRI KPR INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019

Equity Share Capital	Rupees
Balance as on 01.04.2018	20,14,56,950
Changes During the year	-
Balance as on 31.03.2019	20,14,56,950

II Other Equity

Rupees

		Reserves and Surplus			
		State Subsidy	General Reserve	Other Capital Surplus	Retained Earnings
1	Balance as on 31.03.2018	47,02,036	1,17,91,496		14,75,77,250
	Being increase in value			28,48,30,966	
	Add : Transfer from Profit & Loss				3,94,66,724
	Add: Profit for the year				(20,135,194)
	Less: Dividend for the year paid				(2,676,760)
	Less DDT paid for the year				
	Less: Transfer to General Reserve				
2	Balance as on 31.03.2019	4,702,036	11,791,496	28,48,30,966	16,42,32,020

Particulars	Rupees	
	As at 31st March, 2019	As at 31st March, 2018
Note 3 : Non current investments		
1,39,463 equity shares of Rs.2/- each in Balaji Amines Limited including bonus shares (Quoted value as 31.03.2019 - 5.67 crores)	29,44,000	2,944,000
In Subsidiaries	-	-
35,00,000 equity shares of Rs.10/- each in Sri Kpr Infra & Projects Ltd. (100% subsidiary)	3,50,00,000	35,000,000
Indira Vikas Patra (to be encashed)	200	200
National Savings Certificate (to be encashed)	25,500	25,500
Total	37,969,700.00	37,969,700
Note 4 : Loans		
Loans to related party (100% subsidiary)	-	20,495,831
Total	-	20,495,831
Note 5 : Others		
Deposits	8,525,253	8,725,253
Total	8,525,253	8,725,253
Note 6 : Inventories		
(As verified, valued and certified by the management)		
Raw materials	2,51,409	2,514,150
Finished goods	5,11,42,104	59,573,528
Work - in - progress	87,11,428	10,753,682
Traded shares	5,89,230	589,230
Total	60,694,171.00	73,430,590
Note 8 : Trade receivables		
(Unsecured and considered good)		
Others	9,39,28,942	68,233,366
Total	93,928,942	68,233,366
Note 9 : Cash & cash equivalents		
Cash in hand	1,08,900	400,962
Total	1,08,900	400,962
Note 10 : Bank balances		
Balance with scheduled banks		
In current accounts	8,96,329	6,037,669
Total	896,329	6,037,669
Note 11 : Others		
Balance with Revenue Authorities	15,643	15,643
Income Tax & TDS	4,103,922	3,536,418
Advances recoverable in cash or in kind	8,520,721	8,532,772
Investment in Prperties	71,314,502	-
Others	6,164,673	666,952
Total	90,119,461	12,751,785

Particulars	As at 31st March, 2019	As at 31st March, 2018
Note 12 : Equity share capital		
a. Authorised		
2,10,00,000 Equity Shares of Rs. 10/- each.	21,00,00,000	21,00,00,000
	21,00,00,000	21,00,00,000
b. Issued, subscribed & paid up		
20145695 Equity Shares of Rs. 10/- each fully paid up	20,14,56,950	20,14,56,950
	20,14,56,950	20,14,56,950
c. Par value of shares	Rs.10/-	Rs.10/-
d. Number of shares outstanding at beginning of the year	2,01,45,695	2,01,45,695
Changes during the year		-
Number of shares outstanding at end of the year	2,01,45,695	2,01,45,695

e. Restriction on disbursement of Dividend: As part of the general terms & conditions in respect of borrowings from Banks, prior permission should be taken from the lending Banks before distribution of dividend. Similarly, the term lenders have imposed a condition that, no dividend shall be declared in the event of default in the scheduled repayment of instalment.

f. Particulars of each shareholder holding more than 5% of share capital:

	No. of shares	%	No. of shares	%
1.N.Kishan Reddy	1958285	9.72	1947089	9.67
2.N.Vinil Reddy	1899554	9.43	1895354	9.41
3.N.Vijaya	1733085	8.60	1733085	8.60
4..N.Vinitha	1699062	8.43	1699062	8.43
5.G.Raja Reddy	1483802	7.37	1483802	7.37
6.NBOS technologies Private Limited	1105600	5.49	1105600	5.49

g. During the five years immediately preceding the current financial year , the company has not issued any shares without payment being received in cash, nor issued any bonus shares. The company did not buy back any shares during the said period.

h. The company has only one class of shares i.e. Equity Shares.

Note 13 : Other Equity - Reserves & Surplus		
State Subsidy	47,02,036	47,02,036
General Reserve	11,791,496	11,791,496
Revaluation Reserve	28,48,30,966	28,48,30,966
Retained Earnings	16,42,32,020	14,75,77,250
Total	46,55,56,518	44,89,01,748
Note 14 : Borrowings Non- Current		
a. Secured		
Term loans		
(i) The borrowings from IREDA	2,94,15,979	3,97,95,979
(Secured by first charge on wind electric generator at Madhya Pradesh and further guaranteed by the Directors of the company Sri.A.Bhoopal Reddy, Sri.N.K.Sudershan Reddy, Sri.N.Kishan Reddy and Sri.N.Raja Reddy. The extent of guarantee provided by all Directors is Rs.10.38 crores. the term loan is payable in 40 quarterly instalments)		
(ii) Loan from ICICI	68,21,133	
b. Un Secured loans from		
Others	-	10,00,000
c. Deferred Sales Tax	1,42,46,237	2,05,74,432
Total	5,04,83,349	6,13,70,411

Particulars	As at 31st March, 2019	As at 31st March, 2018
Note 15 : Other finance obligations		
Performance retention monies	3,01,76,303	3,01,76,303
Total	3,01,76,303	3,01,76,303
Note 16 : Deferred tax liability		
On account of timing difference brought forward	6,12,12,688	6,18,12,792
Add/Less : Timing difference originating during the year	1,53,80,767	6,00,104
Total	4,58,31,921	6,12,12,688
Note 17 : Borrowings - Current Financial Liabilities		
a. Secured		
Towards working capital - Repayable on demand		
State Bank of India	1,29,12,022	1,79,44,787
Total	1,29,12,022	1,79,44,787
(The borrowings from SBI, Commercial branch, Saifabad, Hyderabad towards working capital limits, are secured by way of hypothecation of stocks and debtors and second charge on all fixed assets of the company both the present and future and are further guaranteed by the Directors of the company Sr.A.Bhoopal Reddy, Sri.N.Kishan Reddy and Sri.G.Raja Reddy. The extent of guarantee provided by all the Directors are as under :		
Name of the bank / Name of facility	Aggregate amount of guarantee as per sanction letter	On-demand
State Bank of India, Commercial branch, Saifabad, Hyderabad - Working capital fund based Rs.4.00 crores and non fund based Rs. 1.00 crore	Rs.5.00crores	Rs.5.00crores
In addition to the guarantee above Sri N.Kishan Reddy provided collateral security by way of deposit of title deeds of his house property valued at	Rs.8.29 crores	Rs.8.29 crores
Note 18 : Trade payables		
Sundry creditors		-
Dues to small scale industries	11,29,721	24,51,867
Sundry creditors - Raw materials	4,25,545	10,02,945
Sundry creditors - Expenses	1,30,73,831	98,47,418
Sundry creditors - Others	1,31,51,152	43,74,906
Total	2,77,80,249	1,76,77,136
Note 19 : Other financial liabilities		
Instalment of secured loans due within an year	1,51,80,000	1,51,80,000
Creditors for expenses	58,95,625	1,29,08,403
Total	2,10,75,625	2,80,88,403

Particulars	For the Period ended March 31, 2019	For the Period ended March 31, 2018
Note 20 : Revenue From Operations		
Sale of asbetos cement pressure pipes	5,40,68,888	13,45,33,565
Less : GST	1,27,39,247	1,79,59,923
Net sales	4,13,29,641	11,65,73,642
Sale of traded items	-	5,76,401
Sale of wind electric power	6,25,47,281	5,56,38,202
Total	10,38,76,922	17,27,88,245
Note 21 : Other Income		
Dividend	77,38,208	1,08,12,319
Interest	-	1,09,311
Profit on sale of vehicles	-	-
Profit on sale of long term investment being shares	10,63,623	-
Profit on sale of long term investments being mutual funds	-	9,84,465
Proceeds from insurance maturity	-	56,87,500
Incentives from IREDA	19,55,013	5,389,342
Misc.credits	-	-
Works contracts	3,81,35,384	-
Total	4,88,92,228	2,29,82,937
Note 22 : Cost of material consumed		
Opening Stock	25,14,150	43,57,011
Add: Purchase of material	62,46,717	6,43,14,436
Sub- Total	87,60,867	6,86,71,447
Less : Closing stock	2,51,409	25,14,150
Material consumed	85,09,458	6,61,57,297
Note 23 : Changes in inventory of finshed goods & work in - progress		
Stock at close - Work-in-progress	87,11,428	1,07,53,682
Finished goods	5,11,42,104	5,95,73,528
Sub - Total	5,98,53,532	7,03,27,210
Stock at opening - Work-in-progress	1,07,53,682	1,69,16,737
Finished goods	5,95,73,528	4,68,39,393
Sub - Total	7,03,27,210	6,37,56,130
Difference of (a) and (b) Increase (-) / Decrease(+)	(10,473,678)	6,571,080
Note 24: Other manufacturing expenses		
Repairs & Mainatinace - Plant & Machinery	40,000	3,91,900
Repairs & Mainatinace - Building & Others	7,55,870	14,33,584
Power & Fuel	40,97,068	6943863
Stores & Spares consuked	11,12,593	21,81,995
Loading & Unloading expenes	25,03,400	72,56,103
Other expenes	159738	5,65,107
Total	86,68,669	1,87,72,552
Note 25 : Employee benfit expenses		
Salaries, wages and bonus	93,10,732	1,05,04,616
Contribution to PF	8,88,658	984872
Contribution to ESI	3,52,198	3,88,222
Gratuity	1,62,500	13,71,644
Staff welfare expenses	1,69,519	302139
Security services	4,84,628	4,87,014
Professional tax	25,000	22,500
Total	1,13,93,235	1,40,61,007

Particulars	For the Period ended March 31, 2019	For the Period ended March 31, 2018
Note 26 : Finance cost		
Interest on term loan	5647859	71,27,656
Interest on cash credit	21,61,994	40,30,274
Interest on unsecured loans & others	10,77,065	1,83,996
Bank charges	2,53,617	7,24,881
Total	91,40,535	1,20,66,807
Note 27 : Other expenses		
Rent	2,07,000	2,00,250
Trading items	56,17,773	45,17,106
Auditors remuneration	5,00,000	5,00,000
Insurance	25,46,484	28,36,764
VAT/GST	-	7,37,392
Directors remuneration	60,00,000	60,00,000
Wind mill expenses	1,03,26,908	1,22,08,314
Loss on sale assets	1,50,85,280	-
Other expenses	1,37,13,413	73,67,290
Total	5,39,96,858	3,43,67,116

SRI KPR INDUSTRIES LIMITED
Standalone Balance Sheet As at March 31, 2019

Note 2: Property, Plant & Equipment

Rupees

Particulars	Land	Furnitures & Fixtures	Office equipment	Vehicles	Factory Building	Non - Factory Building	Plant & Machinery	Disel Generator	Misc Fixed assets	Pollution Control Equipment	Office Equipment	Wind Mills	Total
Year ended 31 March 2018													
Gross carrying amount													
As on April 01, 2018	29,26,20,525	12,85,634	25,68,249	63,74,292	4,54,63,369	24,02,597	5,88,99,008	20,63,318	67,65,028	60,80,237	30,993	426,546,478	85,10,99,728
Additions	-	-	-	-	-	-	-	-	-	-	-	427,119	4,27,119
Disposals	1,911,000	-	-	-	-	-	-	-	-	-	-	88,079,145	8,99,90,145
Closing gross carrying amount													
31.03.2019	29,07,09,525	12,85,634	25,68,249	63,74,292	4,54,63,369	24,02,597	5,88,99,008	20,63,318	67,65,028	60,80,237	30,993	33,88,94,452	76,15,36,702
Accumulated depreciation													
As on April 01, 2018	-	1,285,634	2,251,154	2,946,904	24,716,140	2,381,049	50,319,001	1,959,261	4,829,657	6,065,186	29,443	112,363,357	20,91,46,786
Depreciation charge during the year	-	-	190,108	386,030	1,886,094	-	3,592,707	-	387,086	-	-	15,012,156	2,14,54,181
Disposals	-	-	-	-	-	-	-	-	-	-	-	35,904,865	35,904,865
Closing accumulated depreciation													
31.03.2018	-	12,85,634	24,41,262	33,32,934	2,66,02,234	23,81,049	5,39,11,708	19,59,261	52,16,743	60,65,186	29,443	9,14,70,648	19,46,96,102
Net carrying amount 31.03.2018	292,620,525	-	317,095	3,427,388	20,747,229	21,548	8,580,007	104,057	1,935,371	15,051	1,550	314,183,121	64,19,52,942
Net carrying amount 31.03.2019	290,709,525	-	126,987	3,041,358	18,861,135	21,548	4,987,300	104,057	1,548,285	15,051	1,550	247,423,804	56,840,600

INDEPENDENT AUDITOR'S REPORT

To the Members of Sri KPR Industries Limited

Report on the Audit of the Consolidated Financial Statements**Opinion**

We have audited the accompanying consolidated financial statements of Sri KPR Industries Limited (hereinafter referred to as the 'Holding Company') and its subsidiary Sri KPR Infra & Projects Limited Limited (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2019, of consolidated profit, and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not determined any key audit matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other Matters

We did not audit the financial statements / financial information of Sri KPR Infra & Projects Limited and its associate company Sri Pavan Energy Private Limited (which has been consolidated into Sri KPR Infra & Projects Limited) whose financial statements / financial information reflect total assets of Rs.8838.22 Lakhs (including associate's assets of Rs.3371.96 Lakhs) as at 31st March, 2019, total revenues of Rs.2606.89 lakhs (including associate's revenues of Rs. Nil) and net cash flows amounting to Rs.79.58 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the

relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities.
 - (ii) The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Ayyadevara & Co
Chartered Accountants
FRN: 000278S

Sd/-
Ayyadevara Srinivas
Proprietor
Membership No.028803

Secunderabad, May 27, 2019.

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sri KPR Industries Limited, of even date, on the Consolidated Financial Statements)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Sri KPR Industries Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ayyadevara & Co.,
Chartered Accountants
FRN: 000278S

Sd/-
Ayyadevara Srinivas
Proprietor
ICAI Membership No. 028803
Secunderabad. May 27, 2019.

SRI KPR INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

Rupees

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	10	20,14,56,950	20,14,56,950
(b) Other Equity	11	73,97,53,410	69,04,47,854
LIABILITIES			
1. Non -current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	29,37,00,653	19,54,00,618
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	13	14,75,56,598	3,01,76,303
(b) Provisions			
(c) Deferred tax liabilities (Net)	14	7,23,84,025	10,94,60,035
(d) Other non-current liabilities		-	-
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,00,27,486	7,20,45,539
(ii) Trade payables	16	15,71,60,153	17,85,22,527
(iii) Other financial liabilities (other than those specified in item (c))			
(b) Other current liabilities	17	5,61,09,569	5,31,65,151
(c) Provisions		-	-
(d) Current Tax Liabilities (Net)		1,17,45,301	1,32,60,831
Total Equity and Liabilities		169,98,94,145	154,39,35,808

Notes 1 to 25 form integral part of financial statements

As per our report of even date

For and on behalf of Board of Directors

For Ayyadevara & Co.,

Chartered Accountants

FRN No.00278S

Sd/

N.Kishan Reddy
Managing Director

Sd/-

N.Srinath Reddy
Wholtime Director

Sd/-

Ayyadevara Srinivas
Proprietor
ICAI Memb No.028803
Secunderabad, May 27,2019.

Sd/-

Company Secretary

Sd/-

N.Siddha Reddy
CFO

SRI KPR INDUSTRIES LIMITED

Consolidated Statement of Profit and Loss for the period ended March 31, 2019

		Rupees	
Particulars	Note No.	For the Period ended March 31, 2019	For the Period ended March 31, 2018
I Revenue from operations	18	35,85,91,408	58,41,05,460
II Other income	19	80,31,663	2,10,57,666
III Total Income (I+II)		36,66,23,071	60,51,63,126
IV EXPENSES			
Cost of Material Consumed	20	2,55,33,397	12,60,32,206
Changes in inventories of finished goods and work-in-progress	21	15,471,007	(2,142,353)
Manufacturing & Contract Expenses	22	9,70,43,320	24,41,16,002
Employee benefits expense	23	1,52,83,906	1,97,86,997
Finance costs	24	2,43,58,787	3,28,40,720
Depreciation and amortization expense	2	4,23,02,327	4,15,03,814
Other expenses	25	9,23,91,099	5,71,52,807
Total Expenses (IV)		31,23,83,843	51,92,90,193
V Profit/(loss) before exceptional items and tax (III - IV)		5,42,39,228	8,58,72,933
VI Exceptional items {(Short)/Excess provision of IT}		12,35,900	14,75,881
VII Profit/(loss) before tax (V - VI)		53003328	8,73,48,814
VIII Tax Expenses:			
1. Current Tax		(11,745,301)	(17,264,132)
2. Deferred Tax		37,076,011	(7,080,059)
IX Profit (Loss) for the period from continuing operations (VII-VIII)		78,334,038	63,004,623
X Profit/loss from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from discontinued operations (after tax)(X-XI)		-	-
XIII Profit /Loss for the period (IX + XII)		78334038	6,30,04,623
XIV Other Comprehensive Income			
A (i) items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII + XIV) (Comprising profit/loss and other Comprehensive Income for the period)		7,83,34,038	6,30,04,623
XVI Earning per equity share (for continuing operation):			
(1) Basic		3.89	3.13
(2) Diluted		3.89	3.13
XVII Earning per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earning per equity share (for discontinued & continuing operations)			
(1) Basic		-	-
(2) Diluted		-	-

Accompanying notes to the financial statements

Notes 1 to 25 form integral part of financial statements

As per our report of even date

For Ayyadevara & Co.,

Chartered Accountants

FRN No.00278S

Sd/-

Ayyadevara Srinivas

Proprietor

ICAI Memb No.028803

Secunderabad, May 27,2019.

For and on behalf of Board of Directors

Sd/-

N.Kishan Reddy
Managing Director

Sd/-

Company Secretary

Sd/-

N.Srinath Reddy
Wholetime Director

Sd/-

N.Siddha Reddy
CFO

SRI KPR INDUSTRIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Rupees in lakhs

Particulars	Current Period 31.03.2019	Previous Year 31.03.2018
A. Cash Flow from Operating Activities		
Profit before Depreciation, Interest and Tax	1196.64	1602.17
Less : Other Income considered separately	(80.32)	(210.58)
Net	1116.32	1391.59
(Increase) / Decrease in Inventories	177.84	-2.99
(Increase) / Decrease in Receivables	456.46	(1257.71)
Increase / (Decrease) in Current Liabilities	(704.36)	(348.03)
Increase / (Decrease) in Current Investments		50.00
Increase / (Decrease) in Other Current assets	(218.64)	(695.11)
Excess Provision written back		(14.75)
Income Tax Paid (including Dividend distribution tax paid)	(221.42)	(233.66)
Total A	606.19	(1110.66)
B. Cash Flow from Investing Activities		
(Increase)/Decrease in Fixed Assets	(2351.53)	(94.88)
(Increase)/Decrease in Non Current Assets	2.00	0.17
Other Income	80.32	210.58
Total B	(2269.21)	115.87
C. Cash Flow from Financing Activities		
Increase/(Decrease) in Long term borrowings	2156.80	659.77
Interest Paid	(243.59)	(328.41)
Dividend paid	(201.35)	(306.46)
Total C	1711.86	24.90
D. Net Increase/(Decrease) in cash and cash equivalents [A+B+C]	48.84	(969.89)
Cash and cash equivalents at the beginning of the year	307.26	1277.15
Cash and cash equivalents at the end of the Period	356.10	307.26
Increase/(-)Decrease	48.84	(969.89)

As per our report of even date
For Ayyadevara & Co.,
Chartered Accountants
FRN No.00278S

sd/-
Ayyadevara Srinivas
Proprietor
ICAI Memb No.028803
Secunderabad, May 27,2019.

Sd/-
N Kishan Reddy
Managing Director

sd/-
Company Secretary

sd/-
N Srinath Reddy
Wholtime Director

sd/-
N Sidda Reddy
CFO

Sri KPR Industries Limited
Year ended March 31, 2019.

Notes forming part of consolidated financial statements

1. SIGNIFICANT ACCOUNTING POLICIES & OTHER INFORMATION

A. 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 Indian Accounting Standard 110, Ind AS – 110 “Consolidated Financial Statements”, and are presented to the extent possible in the same manner as the Company’s separate financial statements. The consolidated statements of the subsidiary, include consolidation in respect of the associate company Sri Pavan Energy Private Limited in which the subsidiary holds 49% equity.
- ii. Both the holding company and the subsidiary follow same set of accounting policies in the preparation and presentation of the financial statements.
- iii. **Minority Interest:** As the subsidiary is wholly owned, no minority arises.

B. GENERAL CORPORATE INFORMATION.

The holding company is engaged in the business of manufacture of A C Pressure Pipes and Couplings. The wholly owned subsidiary which is engaged in the business of civil contracts. Both the companies generate Wind Power through the Wind Power Units respectively owned by them.

C. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015. Up to the financial year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Section 133 of the Companies Act, 2013. These are the Companies’ first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

D. 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 under the Companies Act, 2013.
- iii. Financial statements are prepared on historical cost basis and as a going concern.

E. 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 received.
- 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 Indian Accounting Standard 115, (Ind AS 115) Revenue from Contracts with Customers 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.

F. PROPERTY, PLANT & EQUIPMENT AND DEPRECIATION:

- i. Property, Plant & Equipment 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 in accordance with Schedule II of the Companies Act, 2013 in respect of the remaining useful life of the asset as far as the existing assets are concerned. In respect of additions, depreciation is provided on the basis of the useful life of the assets as prescribed by Schedule II of Companies Act, 2013.

G. INVESTMENTS:

Non-current investments are stated at cost. Traded shares are stated at cost or market value whichever is lower. Investment in Mutual Funds are stated at lower of cost or fair value.

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. BORROWING COSTS:

Costs in respect of borrowings for acquiring / constructing fixed investments, relating to the period they are operational, are capitalized to such investments. Borrowing costs relating to period after the commencement of operations of the project are charged to revenue.

K. CURRENT TAX AND DEFERRED TAX:

Accounting treatment in respect of current tax and deferred taxation is in accordance with Indian Accounting Standard 12: "Income Taxes".

L. SEGMENT PARTICULARS

Particulars	Civil Contracts for Government		Wind Power	
	Rupees in Lacs		Rupees in Lacs	
Nature of the Segment	Current Year	Previous Year	Current Year	Previous Year
Revenues	2057.18	3483.75	1194.96	1013.59
Identifiable Operating Expenses	1813.36	3021.73	569.88	649.04

Allocated Expenses	--	--	--	--
Unallocable Expenses	--	--	--	--
Segment Operating Income	243.82	462.02	625.08	364.55
Loss on sale of wind mill			326.51	
Net Profit	243.82	462.02	298.57	364.55
Net Assets (Segment Assets – Segment Liabilities)	1727.39	887.26	3529.01	4708.26

M. FOREIGN EXCHANGE EARNINGS & OUTGO

Particulars	Current Year 31.03.2019	Previous Year 31.03.2018
Earnings	Nil	Nil
Outgo – Towards import of raw material		
In US \$	Nil	Nil
In Indian Rupees	Nil	Nil

N. Additional Information pursuant to Schedule III of Companies Act, 2013

Sl.No.	Particulars	Particulars
1.	Name of the entity in the group	Sri KPR Infra & Projects Limited
2.	Nature of Subsidiary	Indian Subsidiary
3.	Net Assets i.e. total assets minus total liabilities	
	a. As % of Consolidated net assets	34.30
	b. Amount – Rs In lakhs	3228.13
4.	Share in profit or loss	
	a. As % of consolidated profit or loss	69.89
	b. Amount – Rs. in Lakhs	547.51
5.	Share in other comprehensive income	
	a. As % of consolidated other comprehensive income	Nil
	b. Amount	Nil
6.	Share in total comprehensive income	
	a. As % of consolidated total comprehensive income	Nil
	b. Amount	Nil
7.	Foreign Subsidiaries	Nil
8.	Associates	Nil
9.	Joint Ventures	Nil

O. The above notes are the disclosures relevant to consolidated financial statements only. The completed disclosures, as required are made in the standalone and the financial statements of the holding and subsidiary companies respectively. Material items however are disclosed as part of notes to consolidated financial statements.

P. Previous year's figures are regrouped and reclassified wherever considered necessary.

SRI KPR INDUSTRIES LIMITED
Consolidated Balance Sheet as at March 31, 2019
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019

Sl.No. Particulars

I		Rupees
Equity Share Capital		
	Balance as on 31.03.2018	20,14,56,950
	Changes During the year	-
	Balance as on 31.03.2019	20,14,56,950

II		State Subsidy	General Reserve	Capital Reserve	Retained Earnings
3	Balance as on 01.04.2018	47,02,036	18,084,951	284830966	382829901
	Adjustment for Interim Dividend				
	Add: Profit for the year				78334038
	Add: Capital Surplus on Revaluation of Land				20135194
	Less : Dividend for the year paid				2676760
	Less : Dividend Distribution Tax Paid				438351985
4	Balance as on 31.03.2019	4,702,036	18084951	284830966	438351985

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31 March, 2019	As at 31st March, 2018
Indian Renewable Energy Development Agency Limited	29,415,979	39,795,979
(Secured by first charge on wind electric generator at Madhya Pradesh and further guaranteed by the Directors of the company Sri.A.Bhoopal reddy, Sri.A.Narasimha Reddy, Sri.N.K.Sudershan Reddy, Sri.N.Kishan Reddy and Sri.N.Raja Reddy. The extent of guarantee provided by all Directors is Rs.10.38 crores. the term loan is payable in 40 quarterly instalments)		
(iii) Bajaj Finance	200,000,000	80,000,000
(II) SBI car loan	318,745	680,629
(iii) Kotak Mahindra car loan	4,982,047	6,266,801
(iv) ICICI Loan	6,821,133	-
Unsecured		
Others	-	1,000,000
Deferred Sales Tax	14,246,237	20,574,432
Total	293,700,653	195,400,618
NOTE 13 : Other finance obligations		
Performance Retention Monies	30,176,303	30,176,303
Other long term creditors	112,352,295	-
Loan subsidiary concern	5,028,000	-
Total	147,556,598	30,176,303
NOTE 14 : Defferred Tax Liability		
Beginning of the year	109,460,036	102,379,976
Add : Defferred tax liability/aseet arising on account of fiscal allowance on fixed as	#REF!	7,080,059
Net Defferred Tax Liability as on 31/03/2019	#REF!	109,460,035
Note 15 : Borrowings		
Cash credit facility - State Bank of India, Commercial Branch, Koti, Hyderabad	20,027,486	72,045,539
Total	20,027,486	72,045,539
Note 16: Trade payables		
Dues to Small Scale Industries	1,129,721	-
Raw materials	425,545	2,451,867
Expenses	13,073,831	1,002,945
Suppliers	10,134,100	23,549,005
Contracts	118,987,737	145,026,781
Others	13,409,219	6,491,929
Total	157,160,153	178,522,527
Note 17 : Other Current liabilities		
Installment for secured term Loans due within one year	24,300,338	24,300,338
Others	31,809,231	28,864,813
Total	56,109,569	53,165,151

Particulars	Rupees	
	For the Period ended March 31, 2019	For the Period ended March 31, 2018
Note 18 : Revenue From Operations		
Sale of Asbestos Cement Pressure Pipes	5,23,68,649	12,43,29,321
Less : Duties and taxes	1,27,39,247	1,79,59,923
	3,96,29,402	10,63,69,398
Sale of traded goods	-	5,76,401
Gross Contract Receipts	20,33,18,176	37,58,00,591
Sale of Wind Electric Power	11,56,43,830	10,13,59,070
Total	35,85,91,408	58,41,05,460
Note 19 : Other Income		
Interest income	13,20,519	15,91,078
Dividend Income	7,38,208	3,12,319
Work Contract Income	-	-
Profit on sale of shares	10,63,823	19,68,930
Proceeds of Insurance Maturity	-	71,92,965
Incentive from IREDA	38,53,391	53,89,342
Discount Received		3,90,242
Company supervision charges	6,61,182	40,37,790
Chit dividend	3,94,540	1,75,000
Total	80,31,663	2,10,57,666
Note 20 : Cost of material consumed		
Opening Stock	25,14,150	43,57,011
Add: Purchases	2,32,70,656	12,41,89,345
	2,57,84,806	12,85,46,356
Less : Closing stock	2,51,409	25,14,150
Total	2,55,33,397	12,60,32,206
Note 21: Changes in Inventories of Finished Goods & Work in Process		
(a) Opening Stock		
Finished Goods	5,95,73,528	4,68,39,393
Work-in -process	8,72,84,366	9,79,35,972
Sub- Total (a)	14,68,57,894	14,47,75,365
(b) Closing Stock		
Finished Goods	5,11,42,104	5,96,33,352
Work-in -process	8,02,44,783	8,72,84,366
Sub- Total (b)	13,13,86,887	14,69,17,718
Difference of (a) and (b) Increase (-) / Decrease(+)	15,471,007	(2,142,353)

Note 22: Manufacturing and civil work expense Expenses		
Repairs & Maintenance - Plant & Machinery	40,000	391,900
Building & Others	7,55,870	1,433,584
Power & Fuel	40,97,068	6,943,863
Stores & Spares Consumed	11,12,593	2,181,995
Loading & Unloading Expenses	25,03,400	7,256,103
Other Expenses	1,59,738	565,107
Direct Civil Work Expenses	8,76,70,478	224,434,840
Duties and Taxes	4,70,515	728,090
Insurance premium on contracts	2,33,658	180,520
Total	9,70,43,320	24,41,16,002
Note 23 : Employee benefits		
Salaries,Wages and other allowances	1,16,93,828	1,28,28,617
Contribution to Provident Fund	11,33,319	12,24,768
Contribution to ESI	4,28,937	4,63,451
Staff Welfare Expenses	3,18,110	4,14,261
Conveyance	10,37,584	21,39,526
Security Services	4,84,628	4,87,014
Gratuity	1,62,500	22,06,860
Professional Tax	25,000	22,500
Total	1,52,83,906	1,97,86,997
Note 24 : Finance Cost		
Interest on Term Loan	1,20,15,202	1,48,82,202
Interest on Cash Credit	71,10,659	88,54,396
Interest on Unsecured Loans & Others	36,93,624	20,00,291
Bank Charges	15,39,302	71,03,831
Total	2,43,58,787	3,28,40,720
Note 25 : Other Expenses		
Rent	4,14,000	4,00,500
Insurance	70,53,373	33,98,716
Trading Items	-	45,17,106
Auditors Remuneration	8,50,000	8,50,000
VAT/CST	-	7,37,392
Directors Remuneration	1,49,00,000	1,69,00,000
Windmill Expenses	1,03,26,908	1,22,08,314
Loss on sale of Assets	3,26,51,434	-
Other Expenses	2,61,95,384	1,81,40,779
Total	9,23,91,099	5,71,52,807

Notes 1 to 25 form integral part of financial statements

As per our report of even date

For Ayyadevara & Co.,

Chartered Accountants

FRN No.00278S

Sd/-

Ayyadevara Srinivas

Proprietor

ICAI Memb No.028803

Secunderabad, May 27,2019.

Sd/-

N Kishan Reddy
Managing Director

Sd/-

Company Secretary

Sd/-

N Srinath Reddy
Wholtime Director

Sd/-

N.Siddha Reddy
CFO

SRI KPR INDUSTRIES LIMITED
Notes to consolidated financial statements for year ended March 31, 2019

Note 2: Property, Plant & Equipment														Rupee
Land	Furnitures & Fixtures	Office equipment	Vehicles	Factory Building	Non - Factory Building	Plant & Machinery	Diesel Generator	Misc Fixed assets	Pollution Control Equipment	Testing Equipment	Computers	Wind Mill	Wind Mill Land Lease	Total
29,45,31,525	14,95,456	27,18,243	1,61,44,423	4,54,63,169	24,02,597	6,21,22,395	20,87,470	67,65,028	60,80,237	95,772	3,12,750	74,92,66,026	35,88,498	119,30,73,589
-	-	84,279	50,892	-	-	-	-	-	-	-	-	345,704,237	-	34,58,39,408
3,822,000			50,040									177,098,209	-	18,09,70,249
29,45,31,525	14,95,456	28,02,522	1,61,45,275	4,54,63,169	24,02,597	6,21,22,395	20,87,470	67,65,028	60,80,237	95,772	3,12,750	109,49,70,263	35,88,498	135,79,42,748
	1,373,882	2,301,626	5,252,469	24,716,140	2,381,049	50,319,001	1,962,129	4,829,657	6,065,186	92,155	256,646	175,988,470	592,890	27,61,31,300
-	4,618	197,987	1,851,763	1,886,094	-	3,592,707	2,868	387,086	-	-	4,416	34,175,158	199,630	4,23,02,327
-	-	-	-	47,538	-	-	-	-	-	-	-	70,236,212	-	7,02,83,750
	1,378,500	2,499,613	7,104,232	26,554,696	2,381,049	53,911,708	1,964,997	5,216,743	6,065,186	92,155	261,062	139,927,416	792,520	24,81,49,877
29,45,31,525	1,16,956	3,02,909	90,41,043	1,89,08,473	21,548	82,10,687	1,22,473	15,48,285	15,051	3,617	51,688	95,50,42,847	27,95,978	110,97,92,871

FORM MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013
and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

SRI KPR INDUSTRIES LIMITED

CIN: L20200TG1988PLC009157

5th Floor, KPR House, Near Anand Theatre, Sardar Patel Road, Secunderabad – 500 003

Phone: +91 40 27847121, Fax: +91 40 27892076

E-mail: bwpl9@yahoo.com

Name of the member:	_____
Registered Address:	_____ _____ _____
E-mail Id:	_____
Folio No/ Client Id*:	_____
DP ID*:	_____

*Applicable for investors holding shares in electronic form.

I/ We, being the member(s) of the above named Company, hereby appoint

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____

Or failing him

2. Name: _____
Address: _____
E-mail Id: _____
Signature: _____

Or failing him

3. Name: _____
Address: _____
E-mail Id: _____
Signature: _____

as my proxy to attend and vote (on a poll) for me and on my behalf at the Annual General Meeting to be held on Monday, the 30th day of September, 2019 at 10.00 A.M at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda, (Backside of Chermas Showroom), Ameerpet, Hyderabad-500073, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Rsl. No.	RESOLUTION	VOTE (Pls mention no of shares)		
ORDINARY BUSINESS		FOR	AGAINST	ABSTAIN
1.	Adoption of Standalone & Consolidated Financial Statements.			
2.	Re-appointment of Sri. Vineel Reddy Nalla as Director liable to retire by rotation.			
3.	Re-appointment of Smt. Vinitha Reddy Nalla as Director liable to retire by rotation.			
4.	Ratification of Appointment of Statutory Auditors of the Company.			
SPECIAL BUSINESS				
5.	Appointment of Sri. G. Indrasena Reddy as Independent Director of the Company.			

Signed this _____ day of _____, 2019.

Signature of the member

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting (on or before September 27, 2019 at 10.00 A.M. IST)
2. Member/ Proxy holder should bring his/ her copy of the Annual Report for reference at the Meeting.

SRI KPR INDUSTRIES LIMITED
ANNUAL REPORT 2018-19

SRI KPR INDUSTRIES LIMITED

CIN: L20200TG1988PLC009157

5th Floor, KPR House, Near Anand Theatre, Sardar Patel Road, Secunderabad – 500 003

Phone: +91 40 27847121, Fax: +91 40 27892076

E-mail: bwpl9@yahoo.com

ATTENDANCE SLIP

(To be presented at the entrance)

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in electronic form.

I certify that I am a member/ proxy/ authorized representative for the member of the Company.

I hereby record my presence at the 31st Annual General Meeting of the Company to be held at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda, (Behind Chermas Showroom), Ameerpet, Hyderabad - 500073 on Monday, the 30th day of September, 2019 at 10.00 A.M.

Member's/ Proxy's Signature

Note: Please fill up the attendance slip and hand it over at the entrance of the meeting hall.

PRINTED MATTER
BOOK-POST

If undelivered please return to :

SRI KPR INDUSTRIES LIMITED

5th Floor, KPR House,

S.P. Road, Secunderabad- 500 003.

Telangana, INDIA.