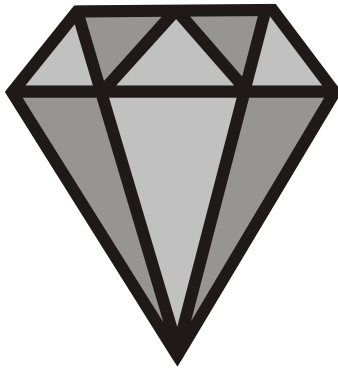


# **Sri Vajra Granites Limited**



**23rd Annual Report 2011-12**



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# Sri Vajra Granites Limited

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## **BOARD OF DIRECTORS :**

Sri K.S.Kameswara Sarma  
Sri. A. Srinivas Reddy  
Sri C. Saya Reddy  
Sri M.Ranga Reddy  
Sri Mathesh Reddy Kami Reddy  
Smt. A.Leela

Chairman  
Managing Director  
Director  
Director  
Director  
Director

## **REGISTERED OFFICE :**

Sri Vajra Granites Limited,  
6-3-347/22/10/2; Flat No: 202,  
2nd Floor, Sai Villa Apartment,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad – 500 082.  
Tel : +91-40-23355695  
Fax : +91-40-23352830  
Email: [svrvgl@sify.com](mailto:svrvgl@sify.com) &  
[svgl\\_complaints@sify.com](mailto:svgl_complaints@sify.com)  
Website: [www.srivajragranites.com](http://www.srivajragranites.com)

## **SECRETARY & COMPLIANCE OFFICER:**

S.Suryanarayana  
Company Secretary  
6-3-347/22/10/2, Flat No: 202, 2nd Floor,  
Sai Villa Apartment,Dwarakapuri Colony,  
Punjagutta, Hyderabad - 500 082.  
Tel : +91-40-23355695

## **WORKS:**

Basvapur Village,  
Bhikanoor Mandal,  
Kamareddy Taluq,  
Nizamabad District,  
Andhra Pradesh

## **STATUTORY AUDITORS:**

I. Sudhaker & Co.,  
Chartered Accountants,  
Flat No. 115, Amrutha Ville,  
6-3-1091/13 to 15, Somajiguda,  
Rajbhavan Road,  
Hyderabad - 500 082  
Tel : +91-40-23311017

## **BANKERS:**

Andhra Bank,  
Kamareddy Branch,  
Kamareddy.

## **SHARE TRANSFER AGENTS:**

Bigshare Services Pvt. Ltd.  
306, 3rd Floor, Right Wing,  
Amrutha Ville, Opp. Yashoda Hospital,  
Rajbhavan Road, Somajiguda,  
HYDERABAD - 500 082.  
BP Id : IN200117  
Tel : +91-40-23374967



## NOTICE

Dear members,

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting (AGM) of Sri Vajra Granites Limited will be held on 26<sup>th</sup> day of September, 2012, at 11.00 A.M at Sundarayya Vignana Kendram, 1-8-1/B/25/A, Baghlingampally, Hyderabad to transact the following:

### ORDINARY BUSINESS:

1. To receive, consider and approve the Audited Balance Sheet as on 31<sup>st</sup> March, 2012 and the Statement of Profit & Loss Account for the year ended 31<sup>st</sup> March, 2012, together with the Directors' and Auditor's Reports thereon:
2. To appoint a Director in place of Sri C.Saya Reddy, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Smt. A.Leela, who retires by rotation and being eligible offers herself for reappointment.
4. To appoint the Statutory Auditors of the Company, from the conclusion of the 23<sup>rd</sup> AGM till the conclusion of the 24<sup>th</sup> AGM and to authorize the Board of Directors / the Audit Committee to fix the remuneration of the Statutory Auditors.

### NOTES: FOR MEMBERS ATTENTION:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. APPOINTING A PROXY DOES NOT PREVENT A MEMBER FROM ATTENDING THE MEETING IN PERSON IF HE / SHE SO DESIRES.**
2. Members are requested to send their queries if any, on the accounts under your approval, to the Company's Registered Office at least a fortnight before the date of the 23<sup>rd</sup> AGM.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 16.09.2012 to 26.09.2012 (bdi).
4. Members are requested to notify immediately the change, if any, in their address, quoting their Registered Folio Number, to the Company's Registrars and Transfer Agents (RTAs).
5. Pursuant to Section 109A of the Companies Act, 1956, the Members can make nominations in respect of shares held by them, by sending such nominations, either to the company or its RTAs in duplicate, in Form 2B (which can be obtained from the company's RTAs).
6. Members are requested to bring without fail their copies of the 23<sup>rd</sup> Annual Report (AR) to the Meeting.
7. Members/Proxy Holders/Authorised Representatives are requested to fill in and affix their signatures at the space provided in the enclosed attendance slip and to handover the same at the venue of the AGM. They should state on the attendance slips whether they are 'Proxy' or Authorised Representative' as the case may be.
8. Members who hold shares in electronic form are requested to write out the Client Id & DP Id allotted to them. Similarly those who hold shares in physical form are requested to write their Folio Number in the attendance slip.
9. All documents referred to in this Notice are open for inspection at the Registered Office of the company on all working days between 11.00 A.M. to 1.00 P.M., from 16.09.2012 to 25.09.2012.

for and on behalf of the Board of Directors  
of SRI VAJRA GRANITES LIMITED

Sd/-

K.S.Kameswara Sarma  
Chairman

Place: Hyderabad  
Date: 28.05.2012



## DIRECTORS' REPORT

To  
The Shareholders,  
Sri Vajra Granites Ltd.

Your Board of Directors present hereunder their 23<sup>rd</sup> Annual Report, accompanied by all the documents as required under the Companies Act, 1956 and the Listing Agreement with the Stock Exchange.

OPERATIONAL AND FINANCIAL REVIEW PARTICULARS	Rs. in Lakhs	
	31.03.2012	31.03.2011
1. Net Sales	1262.36	963.01
2. Operating Expenditure	-1318.85	-1100.03
3. Total operating Loss (1-2)	-56.49	-137.02
4. Non-operative income/expenditure net	+3.26	+0.50
5. Net Loss before Tax (3-4)	-53.23	-136.52
6. Tax Expenditure	Nil	Nil
7. Net Loss	-53.23	-136.52
8. Previous Balance of Income b/f	63.97	200.49
9. Balance of Loss / Profit carried to Balance Sheet (7+8)	10.74	63.97
10. Capital Reserve	24.98	24.98
11. Share Capital	726.28	726.28
12. Net worth (9+10+11)	762.00	815.23

On a glance at the above given table, we notice the emergence of 3 positive factors viz

- i. The increase in operating expenses by Rs 218.82 lakhs (19.89%).
- ii. Increase in sales by Rs. 299.35 lakhs (31.08%) and
- iii. Decrease in the loss to Rs. 56.49 lakhs.

If these factors are of continuing nature, it is no mean a performance. For, we know how strong the strangle-hold of the current Global Recession. The Recession crashed the Economies of several Countries. Added to it our Rupee in the international exchange market breached and plummeted to Rs. 56 vis a vis the US Dollar as on 24.05.2012. If our importers (the USA and China) insist on payment in Rupees, we will be hit hard.

**Dividends:** Your Directors are not in a position to recommend any dividend for the FY 2011-12.

**PUBLIC DEPOSITS:** The Company did not accept any Fixed Deposits falling under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules 1975 during the year 2011-2012.

**DIRECTORS:** Sri C.Saya Reddy and Smt. A.Leela, the Directors of the Company, retire by rotation at the ensuing Annual General Meeting. Being eligible offer themselves for re-appointment.

**PARTICULARS OF EMPLOYEES:** There were no employees whose particulars are to be furnished U/s 217 (2A) of the Companies Act, 1956 read with Companies Act (Particulars of employees) Rules 1988 as the remuneration of none of the employees had crossed the limits specified therein.



**DIRECTORS' RESPONSIBILITY STATEMENT:** Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm:

- that in the preparation of the Annual Accounts for the year ended March 31, 2012 the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- that the Directors had 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 at the end of the Financial year 31.03.2012 and of the Statement of Profit and Loss of the Company for that period.
- that the Directors had 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.
- that the Directors had prepared the Annual Accounts on a going concern basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:** Disclosure of the information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Directors) Rules, 1988 is enclosed to this report.

**AUDITORS:** M/s I. Sudhaker & Co Chartered Accountants Hyderabad retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment for the financial year 2012-13. As required the Company is in receipt of certificate from the said auditors confirming that in the event of their re-appointment as Statutory Auditors of the Company at the ensuing AGM such appointment shall be in accordance with the limits specified in Section 224 (1B) of the Companies Act, 1956.

The Board recommends their re-appointment.

**CORPORATE GOVERNANCE:**

- a) Management Discussion & Analysis Report: Management Discussion and Analysis is enclosed to this report.
- b) Report on Corporate Governance: A separate report on Corporate Governance along with Auditor's Certificate on its compliance is enclosed to this report.

**COMPLIANCE WITH THE ACCOUNTING STANDARDS:** Pursuant to Clause 32 of the Listing Agreement with the Stock Exchange and the Accounting Standard (AS-22) in terms of Section 211 (3A) of the Companies Act, 1956, a statement on Deferred Tax Assets and Liabilities and a Cash Flow Statement prepared as per AS-3 are annexed to the Accounts for the year 2011-12. There are no 'Related Party Transactions' to be reported under AS -18.

**CAUTIONARY STATEMENT:** Statements in this Report, particularly those relating to the Outlook, Management Discussion and Analysis, the Company's objectives, projections, estimates, expectations etc are mere assessments. They may at best constitute 'forward looking statements' within the meaning of applicable laws and regulations, if any. As such the actual results might differ materially from those either expressed or implied.

**ACKNOWLEDGEMENT:** We thank the Central and State Government authorities; the Andhra Bank; our sister units in the Industry and all the customers and suppliers for their kind co-operation and support. We also place on record our appreciation to all the employees for their dedicated services during the previous year.

for and on behalf of the Board of Directors  
of SRI VAJRA GRANITES LIMITED

Sd/-

K.S. KAMESWARA SARMA  
Chairman

Place: Hyderabad  
Date: 28.05.2012



## ANNEXURE TO DIRECTORS' REPORT:

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956.

Information in accordance with clause (e) of Sub-section (1) of Section 217 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and form part of the Directors Report for the year ended 31<sup>st</sup> March, 2012 is follows:

### A. CONSERVATION OF ENERGY:

Conservation of energy is a continuous activity. Every effort is constantly being made for conservation of energy.

### B. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION:

Being a 100% Export Oriented Unit, the Company emphasizes on the maintenance and improvement of quality. The company keeps itself abreast of the technical developments and the changes occurring in the Granite Industry.

### C. FOREIGN EXCHANGE EARNINGS AND OUT GO: (Amount in Rs.)

#### EARNINGS

	<u>2011-12</u>	<u>2010-11</u>
FOB Value of Exports	<b>11,28,92,185</b>	9,27,94,474

#### OUTGO

a) CIF Value of Imported Capital goods	Nil	Nil
b) CIF Value of Imported Consumables & Spares	<b>2,03,66,824</b>	1,47,48,682
c) CIF Value of Imported Raw Material	Nil	Nil
d) Overseas Travel	Nil	Nil

for and on behalf of the Board of Directors  
of SRI VAJRA GRANITES LIMITED

Sd/-

Place: Hyderabad  
Date: 28.05.2012.

K.S.KAMESWARA SARMA  
Chairman

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### DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 (1D) (ii) OF THE LISTING AGREEMENT.

I hereby declare that all the Board members and senior management personnel, the Company Secretary and the General Manager (F&A) included, have duly affirmed their compliance, during the period 01.04.2011 to 31.03.2012, with the Code of Conduct earlier adopted by the Board of Directors.

for SRI VAJRA GRANITES LIMITED

Sd/-

Place: Hyderabad  
Date: 28.05.2012

A.Srinivas Reddy  
Managing Director



## MANAGEMENT DISCUSSION AND ANALYSIS

(As required under sub-clause IV F of Clause 49 of the Listing Agreement)

### The Indian Granite Industry - Its structure and Developments

India is endowed with vast Granite Deposits. Its granite Industry is spread over 16 States. The Industry offers an estimated 160 varieties of colours and textures. It is essentially Export oriented.

As to its line of activity. Primarily for International Market, it processes the Granite Rough Blocks into slabs of standard sizes, and or as per the specifications of the importers. The product is an important Foreign - Exchange (FE) earner.

As to its usage. Granite products, especially slabs, are widely used in the USA in its building activities-for wall-paneling, Flooring, Kitchen-tops, Table-tops, Tomb Stones, kerb-stones etc.

The demand for Granite products is generally Semi-luxury in nature. Its consumption can be postponed, indefinitely when circumstances are adverse, as is in present times of persistent Global Recession .

### Granite Industry in the Andhra Pradesh State

The Industry is mainly spread over the districts of Prakasam, Karimnagar, Warangal, Guntur, Srikakulam, Khammam, Vijayanagaram, Chittoore, in Tadipatri of Anantapur. Each district is noted for the variety or varieties it offers.

However Chimakurty of Ongole, is world-famous for the Black Galaxy it offers.

The Black Granite from Khammam; Tan Brown, Maple red and coffee red from Karimnagar are also noted to some extent. Although 1000 Quarries are there in Andhra Pradesh, 500 quarries only are presently being excavated.

Viewed from the quantum of Rough Blocks effectively available to the 100% Export Oriented Units (EOUs), it appears that far too many EOUs were setup in the State, including your own plant, in the late eighties. When India's foreign exchange position was critical and acute.

Maximization of the earning of the FE is the basic objective of both the Government and the EOUs. For that they should have put in allout efforts. But in actual practice it was largely ignored. Now the already installed EOUs, are not getting the required quantum of Granite Rough Blocks. The EOUs are literally facing closure. The few fortunate quarry- owners are directly exporting the Rough Blocks, unprocessed. This is a suicidal practice viewed from any angle.

Consequently many plants are burdened with idle capacity costs.-like the under; utilization of the machinery (imported and worth several crores of foreign exchange); the under-employed permanent labour with no adequate work; administrative costs; interest burden etc.

Coming to the Government's Foreign-Exchange earnings. Government could now get the FE only on that part of the value of the unprocessed Rough Blocks exported, but not on the full value of the processed slabs which they should have normally earned, had the processed slabs only are exported.

Further, the cost of the inputs of the industry has gone up almost 5 times, during the past one decade. However the prices of the Industry's output remained more or less constant. To add to the woes and worries of the industry the exchange value of the Rupee is steeply falling. As on 23<sup>rd</sup> May, 2012 the Indian Rupee breached the mark of Rs. 56. It is an all time low against the US dollar. It is afraid that it may not stop at that. Our FE reserves are fast depleting.

The prices of the Industry's inputs to be imported from the European Countries are also going up. Further the Euro Countries are presently lacking in cohesion in their Economy. Additionally, there is the ever- hanging threat from China to ease out India from the Export market of Granite products and monopolize itself.





It is to be noted that the Chinese Granite Industry could rise to such an envious position as its Government has been providing all possible assistance to its Granite units by treating them as a cottage Industry.

At the same time the granite quarry licensing system in India leaves much to be desired.

## **THREATS:**

The productivity of Chinese labour is higher than that of ours. As to their expertise, China could buy the Granite Blocks from India, transport them to China and process them there and export to USA and still make the whole process cheaper and profitable. Further China is ensuring that its Granite Reserves are intact, by importing the Granite Blocks from India and other Countries so as to preserve its own Granites reserves at the same time.

Coming to the very nature of the Rough Blocks, our main input. As they come from the Nature, they are easily prone to get damaged at any stage-; from their procurement till they reach the foreign buyers.

It may be noted that there exists scope in all the other industries for recycling the damaged finished stock at a nominal expenditure. However in the case of Granite products they are to be necessarily condemned as scrap or at the most it is to be disposed of at throwaway prices.

The wages payable to the labour force are almost statutory or semi-statutory in nature. Irrespective of the productivity. They are regulated by the Wage-Laws like the Minimum Wages Act, the Bonus Act, Wage Agreement with the trade unions etc from time to time. Thus Wage Law Makers view that in turn they have nothing to do with the need for simultaneous increase in the productivity of the labour.

There is also a threat from the Ceramic Industry to encroach into the Granite Industry.

## **Opportunities**

Opportunities may be there both to the existing and the new ones, provided the plant & machinery, vehicles and other assets etc., are self-financed.

### **iii) Segment-wise or product-wise performance:**

Your company is predominantly engaged in the manufacture of polished slabs only. It is a 100% Export Oriented Unit. Its domestic sales are negligible and its operations constitute only one primary segment i.e. export-sales of 'polished slabs'. Hence no segment-wise reporting is done.

### **iv) Out look.**

Presently the out look is nebulous and hazy. To save the Industry it is necessary to initiate some urgent remedial measures.

As to the measure which does not involve any financial burden to the Government, it is necessary to impose ban on the direct export of Rough Blocks. Incidentally such a measure also saves our National High Ways from getting damaged.

The recent hike in the fuel costs, transport charges, power charges, imposition of restrictions in the weight which each vehicle can carry at a time etc are in the nature of restrictive happenings. Such steps do not augur well for the Industry.

Severely hit by the Recession in the Building Industry and followed by the general Global Recession in the Country, the USA stopped all the imports from China. It in turn stopped all its purchase of Granite Rough Blocks. It may be noted that 90% of Andhra Pradesh output is supplied to China alone.



## v) Risks and Concerns

- The product is at once subject to local, national and international competition.
- Any adverse change in the import policies of the Government, Recession etc may further adversely affect the profitability.

## vi) Internal Control Systems and their Adequacy:

A duly qualified and experienced Chartered Accountant is engaged as the Internal Auditor. He is independent. He evolves adequate internal control procedures, which are commensurate with the size of the company and the nature of its business. The internal control system extends to the purchase of stores, raw materials, plant and machinery, equipment and other assets and for the sale of goods as well.

## vii. Discussion on the Financial Performance with respect to the Company's operational performance:

		Rs. in lakhs	
S.No	Particulars	2011-12	2010-11
1	Net sales	1262.36	963.01
2	Variable Expenses (including stock adjustment)	1083.14	877.53
3	Actual contribution (1-2)	179.22	85.48
4	Over heads	-235.71	-137.02
5	Uncovered over heads / Loss	-56.49	-137.02
6	Other income net	3.26	+0.50
7	Net loss	-53.23	-136.52
8	Average sale price(ASP) per Sq.M. in Rs.	2048.25	1806.93
9	Increase in ASP in Rs.	241.32	98.41
10	Quantity sold in SQ.M	62197	53295

From the above table it is clear that there is an increase (a) in the ASP by Rs.241.32 i.e. 25.06% and (b) in the total sales by Rs. 299.35 lakhs i.e. 31.09%. Of this, Rs. 153.74 lakhs is due to increase in the quantity and Rs. 145.62 lakhs is due to the increase in the price.

## viii. Material Developments in Human Resources/Industrial Relations:

Directly/indirectly your company provides employment to around 130 individuals at various levels at its Factory, Head office and quarries. Its industrial relations continue to remain cordial.

## ix. Disclosure of relationship between Directors inter se in terms of Clause 49 (G) (ia) of the Listing Agreement:

Smt A.Leela, Director of the Company, is the mother of Sri A.Srinivas Reddy, the Managing Director.

By order of the Board  
for SRI VAJRA GRANITES LIMITED

Place: Hyderabad  
Date: 28.05.2012

Sd/-  
K.S.KAMESWARA SARMA  
Chairman



## Certificate under clause 49 (V) of the Listing Agreement.

- (a) Certified that we have reviewed the financial statements and the cash flow statement of Sri Vajra Granites Ltd for the year 2011-12 and that to the best of our knowledge and belief;
- (i) these statements do not contain any materially untrue statement or omit any material facts 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 the existing accounting standards, applicable laws and regulations.
- (b) 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 opposed to the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee.
- (i) That there are no significant changes in internal control systems during the year;
- (ii) That there are no significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) That there are no instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Sd/-

**G.SRINIVASA REDDY**

General Manager (Fin & Admn)

Sd/-

**A. SRINIVAS REDDY**

Managing Director

Place: Hyderabad

Date: 28/05/2012



## REPORT ON CORPORATE GOVERNANCE: (Pursuant to clause 49 (VI) and Annexure 1C thereto)

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's activities are conducted in keeping with the well-established good corporate practices. The Company constantly endeavors to better them. It is committed to ensure an effective independent Board and its various committees; separation of the Board's supervisory role from the executive management to usher in transparency in its management systems; prompt compliance with the regulatory provisions of all the Corporate Laws, Stock Exchanges, SEBI etc.

### Board of Directors, Composition and Category of Directors:

The present strength of the Board of Directors consists of 6 Directors, including a Non-Executive Chairman. Of these Six, Two including the Managing Director, are Promoter Directors. The rest Four are independent Non-Executive Directors. Thus the composition and the categories of the Directors on your Board are in line with the requirements under Clause 49 of the Listing Agreement.

No Director of the Company is a member in more than 10 committees or acts as Chairman of more than 5 committees across all companies, in which he/she is a director. Necessary disclosures, in this regard as on 31.03.2012 were made by the Directors.

None of them is disqualified from acting as Director under Section 274 of the Companies Act, 1956. During the financial year 2011-12, **five** meetings of the Board of Directors were held on the following dates:

21.05.2011	02.07.2011	11.08.2011	29.10.2011	18.01.2012
------------	------------	------------	------------	------------

Attendance of each Director at the Board meeting and last Annual General Meeting (AGM) and the number of Companies and Committees where he is a Director / Member (as on the date of Directors Report)

Composition, Meeting and Attendance of the Board as at 31<sup>st</sup> March, 2012

Name	Category	No. of Board Meetings held and attended during 2011-12		Attendance at the last AGM	No. of outside Directorships (Indian)	No. of outside Committee positions held as	
		Held	Attended			Member	Chairman
Sri K.S. Kameswara Sarma	Independent & Non Executive Chairman	5	5	Yes	Nil	Nil	Nil
Sri Mathesh Reddy Karni Reddy	Independent & Non Executive Director	5	5	Yes	Nil	Nil	Nil
Sri C. Saya Reddy	do	5	5	Yes	Nil	Nil	Nil
Sri M.Ranga Reddy	do	5	5	No	Nil	Nil	Nil
Smt A.Leela	Director (Promoter Group)	5	5	Yes	Nil	Nil	Nil
Sri A Srinivas Reddy	Managing Director (Promoter group)	5	5	Yes	Nil	Nil	Nil

None of the Directors has any material pecuniary relationships or transactions with the Company.



## Data concerning the new Directors / reappointment of Directors

(pursuant to para IV G(1) of Clause 49 of the Listing Agreement)

Particulars	Sri C. Saya Reddy	Smt. A. Leela
Date of Birth	03.02.1947	01.01.1957
Date of appointment	24.09.2008	09.02.2009
Qualifications	B.Sc., LLB	
Expertise in Specific functional areas	Well versed in Administrative matters	Granite Industry
Chairmanship / Directorship in other companies	Nil	Nil
No of shares held in the Company	Nil	726893 fully paid up equity shares of Rs 10 each (10.01%)

### Audit Committee:

The Audit Committee is in place, in consonance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The terms of reference and the scope of the Committee, inter alia, include

- Review of the Company's financial reporting process, financial statements and financial/ management policies.
- Review of the adequacy of the internal control systems of the Company.
- Review of the internal audit reports forwarded by the internal auditors.
- Discussions with the management and the external and internal auditors on the audit plans for the financial year followed by joint post-audit review of the same.

### Composition, Meeting and Attendance during the year

Audit Committee comprises of 3 Non-Executive Independent Directors. The head of Finance & Admin, representatives of the Statutory Auditors are the permanent invitees to the Audit Committee. Two Members present constitutes the quorum.

Name of the Director	Category	Remarks	No. of Meetings held and attended	
			Held	Attended
Sri K.S. Kameswara Sarma	Chairman	Chartered Accountant	5	5
Sri Mathesh Reddy Kami Reddy	Member	Chartered Accountant	5	5
Sri C.Saya Reddy	Member	A Retired Govt. Sr. Official	5	5

The Company Secretary acts as its Secretary.

The Audit Committee met five times during the financial year 2011-12 on:

21.05.2011      02.07.2011      11.08.2011      29.10.2011      18.01.2012

### Remuneration Committee

#### Terms of Reference

Broad terms of reference to the Remuneration Committee include selection of the officials of senior level, approval / review of the remuneration payable to them and the Managing Director/ Executive Director and examination and offer of opinion on such other matters as the Board may request from time to time.



## Composition

Remuneration Committee of the Company consists of following non-executive Independent Directors, which is as follows:

Name of the Director	Category	Remarks
Sri K.S Kameswara Sarma	Chairman	Chartered Accountant
Sri Mathesh Reddy Kami Reddy	Member	Chartered Accountant
Sri C.Saya Reddy	Member	A Retired Govt. Senior Official

Two Members present constitute the quorum. Company Secretary is its Secretary.

## Details of Managerial person's Appointment and Remuneration:

Sri A.Srinivas Reddy is the Managing Director of the Company, since 09.04.2009. His term of contract is 5 years. His remuneration details are as under:

Salary	Perquisites	Total
Rs	Rs	Rs
6,38,100/-	3,83,220/-	10,21,320/-

Details of Sitting Fees paid to the Non-Executive Directors during 2011-12 for attending the Board and or the Audit Committee meetings:

Name of the Director	Sitting Fees Amount in Rs.
Sri K.S. Kameswara Sarma	30,000
Sri Mathesh Reddy Kami Reddy	30,000
Sri C. Saya Reddy	30,000
Sri M.Ranga Reddy	15,000
Smt A. Leela	15,000
Total	1,20,000

## SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE:

Brief description of terms of reference :

To specifically look into and redress the investors' grievances received by the Company. The committee looks after the services of the Registrars and Share Transfer Agents and recommends measures for providing efficient services to investors.

Two Members present constitute the quorum. Company Secretary is the Compliance Officer.

Name of the Director	Office
Sri C. Saya Reddy	Non Executive Director
Sri M. Ranga Reddy	do
Sri A. Srinivas Reddy	Managing Director

## Composition

(a) Name and designation of the Compliance Officer: S.Suryanarayana  
Company Secretary

## (b) Details of complaints received and redressed.

Opening Balance	Received During the year	Resolved during the year	Closing Balance
1	16	17	Nil



## General Body Meetings:

### i. Location and time of the General Meetings held in the last 3 years:

Year	Date	Venue	Time
2008-2009	29.09.2009	Sri Sundarayya Kala Nilayam, 1-8-1/B/25/A, Baghlingampally, Hyderabad – 500 044.	11.00 AM
2009-2010	30.09.2010	Sri Sundarayya Kala Nilayam, 1-8-1/B/25/A, Baghlingampally, Hyderabad – 500 044.	11.30 AM
2010-2011	29.09.2011	Sri Sundarayya Kala Nilayam, 1-8-1/B/25/A, Baghlingampally, Hyderabad – 500 044.	11.30 AM

### ii. Following Special Resolutions were passed by the members during the last 3 Annual General Meetings:

At the 20<sup>th</sup> AGM appointing Sri A.Srinivas Reddy as the Managing Director. For, his mother Smt. A.Leela, officiated as Additional Director during the year 2008-09.

No special resolution passed through postal ballot, so far

## DISCLOSURES :

### CEO and CFO Certification:

The Managing Director has given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

### Related Party Transactions:

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management or relatives etc, that may have potential conflict with the interests of Company at large:

Transactions with related parties were disclosed elsewhere in the Directors' Report in the Annual Report.

### Details of Non-Compliance and Penalties:

There was no non-compliance by the Company during the last 3 years of any matter relating to capital markets and there were no penalties, strictures imposed on the Company by the Stock Exchange or the SEBI or any statutory authority.

### Means of Communication :

Quarterly results and Annual Results of the Company are normally published in the Hyderabad edition of the Andhra Prabha (Telugu daily - local vernacular) and Business standard (English daily) Newspapers. Further the material information, if any, which will have a bearing on the operation of the Company is sent to stock exchanges concerned.

### Management Discussion and Analysis Report:

As required by Clause 49 of the Listing Agreement, Management Discussion and Analysis report forms part of the Annual Report.

### Details of compliance with Non-mandatory requirements:

Excepting the Remuneration Committee and Audit qualifications aspects, the Company at present has not adopted the other non-mandatory requirements.



## Secretarial Audit:

A qualified practicing Company Secretary carried out Secretarial Audit and reconciled the total admitted capital of the Company with the National Securities Depository Ltd (NSDL) and the Central Depository Services (INDIA) Ltd (CDSL). The total issued / paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**Whistle blower policy** and affirmation that no personnel has been denied access to the Audit Committee: None is denied access to the Audit Committee. Whistle blower policy is not adopted.

## General Shareholders' information:

- i) Annual General Meeting Date and time : Wednesday 26th September, 2012 at 11.00 A.M  
& Venue : Sundarayya Vignana Kendram (Kala Nilayam)  
1-8-1/B/25/A, Baghlingampally, Hyderabad

Financial Year : 01.04.2011 to 31.03.2012

## Financial Calendar

First Quarter Results	Before 15 <sup>th</sup> August
Second Quarter Results	Before 15 <sup>th</sup> November
Third Quarter Results	Before 15 <sup>th</sup> February
Fourth Quarter Results	Before 31 <sup>st</sup> May

- ii) Date of Book Closure : 16.09.2012 to 26.09.2012 (bdi)  
iii) Dividend Payment Date : Nil

## iv) Listing:

The Company's shares are listed on Bombay Stock Exchange Limited, Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

Your Company has paid the Annual Listing Fee to Bombay Stock Exchange Limited.

\* Listing on the Hyderabad Stock Exchange is not considered in view of its derecognition by the SEBI.

## v) Stock Code:

Bombay Stock Exchange Limited Mumbai : 515081

**vi) Market Price Data :** Market price data high, low during each month in the last financial year:

Bombay Stock Exchange Limited

Month	High	Low
May -11	5.16	4.91
Jul -11	4.67	4.22
Aug -11	4.01	1.57
Sep -11	1.50	1.21
Oct - 11	1.36	1.24
Nov - 11	1.49	1.42
Jan - 12	1.56	1.56
Feb - 12	1.79	1.63
Mar - 12	2.36	1.87





## viii) Performance in comparison to BSE Sensex :

Index Comparison

**ix) Registrars and Transfer Agents :** Bigshare Services Pvt Ltd  
306, 3<sup>rd</sup> Floor, Right Wing, Amrutha Ville,  
Opp. Yashoda Hospital,  
Rajbhavan Road, Somajiguda,  
HYDERABAD – 500 082.  
BPI:IN200117, Ph.: 040-23374967

## x) Share Transfer System

The Transfer Agents will prepare and submit to the Share Transfer Committee of the Company (STCC) the lists of valid transfers and other proposals. Thereupon the STCC meets at very short and frequent intervals. And it approves the same and completes the transactions within the time stipulated under the Companies Act/Listing Agreement.

## xi)a) Shareholding Pattern as on 31-03-2012:

Category	No. of Shares	%
Promoters Holding	38,84,420	53.49
Indian Public & Others	32,78,280	45.14
Mutual Fund & UTI	26,900	0.37
Corporate Bodies	67,600	0.93
Banks / FIs	4,400	0.06
NRI's	600	0.01
<b>TOTAL</b>	<b>72,62,200</b>	<b>100.00</b>

## b) Distribution of Shareholding as on 31-03-2012:

Range in Rs.	No. of Shareholders	% of Total Holders	Total holding In Rupees	% of Total Capital
Up to 5000	14,650	96.97	19728400	27.17
5001 -10000	294	1.95	2406000	3.31
10001 – 20000	77	0.51	1162800	1.60
20001 – 30000	29	0.19	742600	1.02
30001 – 40000	13	0.08	469000	0.65
40001 – 50000	7	0.05	332000	0.46
50001 – 100000	16	0.11	1142000	1.57
100001 & above	21	0.14	46639200	64.22
<b>Total</b>	<b>15,107</b>	<b>100.00</b>	<b>72622000</b>	<b>100.00</b>



## xii) Dematerialisation of shares and liquidity

Company's equity shares of Rs. 10/- each fully paid up (issued capital Rs. 7,26,22,000/-) are admitted into CDSL (Issuer ID No. 5111) and NSDL (Issuer Code No. 047H) with ISIN Code - INE047H01018.

The shareholders have the option to dematerialize their shares. The dematerialisation request forms along with the physical certificates can be sent to the National Securities Depository Limited (NSDL) or to the Central Securities Depository Limited (CDSL) as the case may be, through any of the Depository Participants.

It may be noted that the Company's name was changed from Vajra Granites Limited to Sri Vajra Granites Limited, effective from 21.07.2000.

Not with standing the same, in terms of the National Securities Depository Limited's circular No NSDL/PI/2005/1164 dated June 29, 2005, the Company's share certificates bearing former name i.e Vajra Granites Limited are accepted for dematerialization.

The details of the dematerialisation of the company's shares with NSDL and CDSL and shares held in physical form are as under as on 31.03.2012:

Category	No. of Shares	%
NSDL	4495424	61.89
CDSL	550789	07.58
PHYSICAL	2215987	30.51
<b>TOTAL</b>	<b>72,62,200</b>	<b>99.98*</b>

\* 1300 shares of Rs. 5/- each paid-up were forfeited.

Outstanding CDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity : Nil

## xiv) Plant Location:

Basvapuri Village,  
Bhikanoor Mandal,  
Kamareddy Tq,  
Nizamabad District,  
Andhra Pradesh.

## xv) Address for correspondence :

Sri Vajra Granites Limited,  
6-3-347/22/10/2, Flat No: 202,  
2nd Floor, Sai Villa Apartment,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad - 500 082.  
Tel. : +91-40-23355695,  
Fax : +91-40-23352830  
Email : [svrvg@sfy.com](mailto:svrvg@sfy.com)  
[svgl\\_complaints@sfy.com](mailto:svgl_complaints@sfy.com),  
Website : [www.srivajragranites.com](http://www.srivajragranites.com)

## Clause 49 Annexure 1D: Non-Mandatory requirements:

Excepting the Remuneration Committee and Audit qualifications aspects, the Company at present has not adopted the other non-mandatory requirements.

for and on behalf of the Board of Directors  
of SRI VAJRA GRANITES LIMITED

Place: Hyderabad  
Date: 28.05.2012

Sd/-  
K.S.Kameswara Sarma  
Chairman



## CERTIFICATE OF CORPORATE GOVERNANCE

*(Under Clause 49 of Listing Agreement)*

To  
The Members,  
**Sri Vajra Granites Limited**

We have examined the compliance of conditions of Corporate Governance by Sri Vajra Granites Limited for the financial year ended 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of Listing Agreement of the said company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations were limited to the review of procedures and implementation thereof, adopted by the company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by Directors and Management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

None of the investor grievance/complaint received during the financial year ended 31<sup>st</sup> March, 2012 were pending for a period exceeding one month against the Company as per the records maintained by the Shareholders'/Investors' Grievances Committee.

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

**Place : Hyderabad**

**Date : 28.05.2012**

**For V K Bajaj & Associates  
Company Secretaries**

**Sd/-  
Vasanth Kumar Bajaj  
Company Secretary  
C P No. 5827**



## AUDITORS' REPORT

To

The Shareholders of **SRI VAJRA GRANITES LIMITED**

1. We have audited the attached Balance Sheet of **Sri Vajra Granites Limited**, Hyderabad, A.P as at 31-03-2012 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of The Companies Act, 1956 we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (iii) The Balance Sheet, The Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of Account.
  - (iv) In our opinion, the Balance Sheet, The Statement of Profit & Loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of Companies Act, 1956.
  - (v) On the basis of the written representations received from the directors taken on record by the Board of Directors, we report that none of them is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - (vi) In our opinion, and to the best of our information and according to the explanations given to us the accounts read in conjunction with the notes thereon give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i) In the case of Balance Sheet, of the State of Affairs as at 31<sup>st</sup> March, 2012.
    - (ii) In the case of The Statement of Profit and Loss, of the loss for the year ended on that date.
    - (ii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

for I. SUDHAKER & CO.,  
CHARTERED ACCOUNTANTS,  
FR No. 006271S

PLACE: HYDERABAD,  
DATE : 28<sup>th</sup> May, 2012

Sd/-  
**I. SUDHAKER,**  
(PROPRIETOR)  
Membership No. 023904



## ANNEXURE TO AUDITORS' REPORT

### Re: SRI VAJRA GRANITES LIMITED

Referred to in paragraph 3 of our report of even date,

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) As explained to us, The fixed assets have been physically verified by the management at reasonable intervals of time and no discrepancy was noticed on such verification.  
(c) In our opinion, the company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
(b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and book records were not material and have been properly dealt with in the books of account.
- iii) The company has not granted or taken any loans to/from any party covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion and according to the information and explanations given to us, there are no transactions during the year with the parties whose names are entered in the register maintained under Section 301 of the Companies Act, 1956 for an amount exceeding the value of rupees five lakhs in respect of any party.
- vi) The company has not accepted any deposits from the public.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other Material statutory dues applicable to it.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31.03.2012 for a period of more than six months from the date they became payable.



- (c) According to the information and explanation given to us, there are no dues of sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- x) The company does not have accumulated losses as at 31.03.2012. The company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks during the year.
- xii) The company has not granted loans and advances on the basis of security.
- xiii) In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv) In our opinion, the company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi) In my opinion the Term loans taken by the company have been applied for the purpose for which they were obtained.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital.
- xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties covered in register maintained under section 301 of the Act during the year.
- xix) The company did not issue debentures.
- xx) The company did not raise any money by way of public issue during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For I. SUDHAKER & CO,  
Chartered Accountants  
FR No 006271S

Sd/-  
**I. SUDHAKER**  
(Proprietor)  
Membership No. 023904

Place: Hyderabad  
Date: 28<sup>th</sup> May, 2012



# Sri Vajra Granites Limited

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2012

(AMOUNT IN Rs.)

PARTICULARS	NOTE	AS AT	AS AT
		31.03.2012	31.03.2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	72628500	72628500
(b) Reserves and Surplus	4	3571336	8895098
(c) Money received against share warrants		0	0
<b>(2) Share application money pending allotment</b>		0	0
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	12569	49625
(b) Deferred tax liabilities (Net)		0	0
(c) Other Long term liabilities		0	0
(d) Long term provisions	6	3046561	3600714
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	7	29981997	26671211
(b) Trade payables		17697403	22019948
(c) Other current liabilities	8	4450919	6826389
(d) Short-term provisions	9	5342960	4455441
<b>Total</b>		<u>136732245</u>	<u>145146926</u>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
<i>(a) Fixed assets</i>			
(i) Tangible assets	10	38245561	41154556
(ii) Intangible assets		0	0
(iii) Capital work-in-progress		0	2408480
(iv) Intangible assets under development		0	0
(b) Non-current investments		0	0
(c) Deferred tax assets (net)		0	0
(d) Long term loans and advances	11	1720766	1720766
(e) Other non-current assets		0	0
<b>(2) Current assets</b>			
(a) Current investments		0	0
(b) Inventories	12	57120369	61435886
(c) Trade receivables	13	23063867	26608056
(d) Cash and cash equivalents	14	3405227	1585242
(e) Short-term loans and advances	15	13083587	10152252
(f) Other current assets	16	92868	81688
<b>Total</b>		<u>136732245</u>	<u>145146926</u>

As per our report of even date

For I. SUDHAKER & CO,  
Chartered Accountants  
FR No 006271S

for and on behalf of the Board of Directors  
of SRI VAJRA GRANITES LIMITED

Sd/-

**I. SUDHAKER**

Proprietor

Membership No. 023904

Sd/-  
**A.SRINIVAS REDDY**  
Managing Director

Sd/-  
**G.SRINIVASA REDDY**  
General Manager F & A

Sd/-

Place: Hyderabad

Date: 28-05-2012

Sd/-  
**K.S.KAMESWARA SARMA**  
Chairman

Sd/-  
**S.SURYANARAYANA**  
Company Secretary



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(AMOUNT IN Rs.)

PARTICULARS	NOTE	FOR THE	FOR THE
		YEAR ENDED 31-03-2012	YEAR ENDED 31-03-2011
I. Revenue from operations	17	126236029	96300525
II. Other Income	18	534314	121183
<b>III. Total Revenue (I +II)</b>		<b>126770343</b>	<b>96421708</b>
<i>IV. Expenses:</i>			
Cost of materials consumed	19	66498229	43750073
Purchase of Stock-in-Trade		527614	0
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	-9988318	4092365
Employee benefit expense	21	9942974	7924970
Finance costs	22	3924092	3305273
Depreciation and amortization expense	10	5254154	5270468
Other expenses	23	55726674	45659362
<b>Total Expenses</b>		<b>131885419</b>	<b>110002511</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	-5115076	-13580803
VI. Exceptional Items		208686	71208
VII. Profit before extraordinary items and tax	(V - VI)	-5323762	-13652011
VIII. Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		-5323762	-13652011
X. Tax expense:			
(1) Current tax		0	0
(2) Deferred tax		0	0
		0	0
XI. Profit(Loss) from the period from continuing operations	(IX-X)	-5323762	-13652011
XII. Profit/(Loss) from discontinuing operations		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit/(Loss) from Discontinuing operations	(XII - XIII)	0	0
XV. Profit/(Loss) for the period	(XI + XIV)	-5323762	-13652011
XVI. Earning per equity share:			
(1) Basic		0	0
(2) Diluted		0	0

As per our report of even date

For I. SUDHAKER & CO,  
Chartered Accountants  
FR No 006271S

for and on behalf of the Board of Directors  
of SRI VAJRA GRANITES LIMITED

Sd/-

**I. SUDHAKER**

Proprietor

Membership No. 023904

Sd/-  
**A.SRINIVAS REDDY**  
Managing Director

Sd/-  
**G.SRINIVASA REDDY**  
General Manager F & A

Place: Hyderabad

Date: 28-05-2012

Sd/-  
**K.S.KAMESWARA SARMA**  
Chairman

Sd/-  
**S.SURYANARAYANA**  
Company Secretary





## NOTES TO FINANCIAL STATEMENT :

### 1. CONTINGENT LIABILITIES AND COMMITMENTS:

- a) Counter guarantees given to the Banks in respect of guarantees given by them amount to **Rs. Nil** (Previous year Rs. Nil)
- b) Estimated amounts of contracts to be executed on capital account and not provided for (Net of advance) come to Rs. **6.00 lakhs** (Previous year Rs. Nil)

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### a) Accounting Assumptions:

The accounts have been prepared under the historical cost convention on the basis of a going concern, with revenues recognized and expenses accounted on their accrual, including provisions/adjustments for committed obligations and amounts determined as payables or receivables during the year.

#### b) Fixed Assets:

Fixed assets are stated at historical costs, which include freight, installation cost, duties, taxes and other direct / incidental expenses.

#### c) Depreciation:

- i) On the fixed assets, other than quarries, put to use depreciation has been provided on quarterly basis on straight line method as per amended Schedule XIV of the Companies Act-1956.
- ii) Depreciation on quarries, owing to depletion, is charged taking the life of each quarry estimated at 30 years.

#### d) Inventories:

- i) Raw materials, stores, consumables, spares, tools and packing materials are valued at weighted average cost.
- ii) Finished and Processed goods are valued at total cost (excluding selling expenses, interest & finance charges) or net realizable value whichever is lower.

#### e) Foreign Currency transactions:

- i) Export sales are accounted at the exchange rates prevailing as on the dates of sale. Gain/loss arising out of fluctuations in the exchange rates has been treated as income/ expenditure, on realization.
- ii) Imports of consumables, spares etc., are accounted at the rates actually paid for.

#### f) Gratuity

Gratuity is accounted for based on the assumption that it becomes payable only at the end of accounting year to all the entitled employees.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2012 (Amount in Rs)

### NOTE - 3: SHARE CAPITAL AS AT 31.03.2012 AS AT 31.03.2011

#### Authorised:

1,00,00,000 Equity Shares of Rs. 10/- Each	100000000	100000000
Issued & Subscribed :	72635000	72635000
72,63,500 (Previous year 72,63,500) Equity Shares of Rs. 10/- each		

#### Paid up Capital:

72,62,200 (Previous year 72,62,200) Equity Shares of Rs. 10/- each fully paidup:	72622000	72622000
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#### Add: Forfeited Shares amount

(on 1300 Shares at Rs. 5/- per share paidup)	6500	72628500	6500	72628500
		<u>72628500</u>		<u>72628500</u>

### NOTE - 3a: RECONCILIATION OF SHARES AS AT 31.03.2012 AS AT 31.03.2011

Particulars	AS AT 31.03.2012		AS AT 31.03.2011	
	No.of shares	Rs.	No.of shares	Rs.
<b>Equity shares:</b>				
Share outstanding at the beginning of the year	7262200	72622000	7262200	72622000
Shares issued during the year	0.00	0.00	0.00	0.00
Shares bought back during the year	0.00	0.00	0.00	0.00
Share outstanding at the end of the year	<u>7262200</u>	<u>72622000</u>	<u>7262200</u>	<u>72622000</u>

#### Rights attached to equity shares:

The Company has only one class of equity shares having a face value of Rs 10/- per share with one vote per each equity share.

The Company declares and pays dividends in indian rupees as and when proposed by the Board of Directors which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

### NOTE - 3b: Details of shares held by shareholders holding more than 5% of aggregate shares in the company

PARTICULARS	AS AT 31.03.2012		AS AT 31.03.2011	
	No.of shares held	% of holding	No.of shares held	% of holding
1) A. Srinivas Reddy	1546972	21.30	1546972	21.30
2) A. Sudhakar Reddy	921573	12.69	921573	12.69
3) A. Leela	726893	10.00	726893	10.00
4) Elete Hanumath Reddy	438900	6.04	438900	6.04

### NOTE - 4: RESERVES & SURPLUS AS AT 31.03.2012 AS AT 31.03.2011

Capital Reserve - State subsidy		2498051	2498051
Surplus (Profit & Loss Account)	6397047	20049058	
Less/Add: Net Loss/ (Profit) for the year	5323762	1073285	13652011
		<u>3571336</u>	<u>8895098</u>



# Sri Vajra Granites Limited

(Amount in Rupees)

<b>Note 5: LONG TERM BORROWINGS</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

## **SECURED LOANS :**

Term Loan from Tata Motors Finance Ltd & ICICI Bank for purchase of cars

12569	49625
<u>12569</u>	<u>49625</u>

Term loan from the Tata Motors Finance Ltd & ICICI Bank secured by Hypothecation of the car and the personal guarantee of Mr.A.Srinivas Reddy, Managing Director.

Term loans are repayable in 36 monthly instalments of Rs. 9215/- each and bear interest of 14% per annum. The number of instalments to be paid as on Balance Sheet date is 25 and the amount of instalments payable for a period of 11 months from the date of Balance Sheet date is shown under "Other Current Liabilities" under note 8.

<b>Note 6: LONG TERM PROVISIONS</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

Provision for Gratuity	3046561	3600714
	<u>3046561</u>	<u>3600714</u>

<b>Note 7: SHORT TERM BORROWINGS</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

## **SECURED LOANS :**

1. Export Packing Credit/Cash Credit - Andhra Bank	29981997	26671211
	<u>29981997</u>	<u>26671211</u>

Secured by Hypothecation of stocks of raw materials, consumables, stock-in-process, finished goods, stores & spares and other current assets; First charge on fixed assets and personal guarantees of Mr.A.Srinivas Reddy, Managing Director.

<b>Note 8: OTHER CURRENT LIABILITIES</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

a) Advance Against Share Capital	1078800	1078800
b) Other Liabilities	1464345	1229104
c) Advance Against Sales	1824839	4407905
d) Term Loan from Tata Motors Finance Ltd & ICICI Bank for purchase of cars	82935	110580
	<u>4450919</u>	<u>6826389</u>

Term loan from the Tata Motors Finance Ltd & ICICI Bank secured by the Hypothecation of the car and the personal guarantee of Mr.A.Srinivas Reddy, Managing Director.

<b>Note 9: SHORT TERM PROVISIONS</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

a) Liability for Expenses	5342960	4455441
b) Provision for Income Tax (MAT)	0	0
	<u>5342960</u>	<u>4455441</u>



<b>NOTE - 10: FIXED ASSETS</b>											
<b>(Amount in Rupees)</b>											
	<b>GROSS BLOCK</b>				<b>DEPRECIATION</b>				<b>NET BLOCK</b>		
	As on 31.03.2011	Additions During Year	Deductions Discarded During the Year	As on 31.03.2012	Upto 31.03.11	For the Year 31.03.2012	Adjustment	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011	As on 31.03.2012
1. Land & Site Development	2218061			2218061	0			0	2218061		2218061
2. Quarry Land	669846			669846	518405	22328		540733	129113	151441	151441
3. Buildings	20857350			20857350	7579161	536566		8115727	12741623	13278189	13278189
4. Plant & Machinery	134980014	2733033		137713047	112970557	42586653		117229210	20483837	22009457	22009457
5. Electrical Installation	6353895			6353895	4043655	301810		4345465	2008430	2310240	2310240
6. Furniture & Fixtures	78027			78027	48006	4543		52549	25478	30021	30021
7. Electronic & Office Equipment	525906	38875		564781	297658	23864		321522	243259	228248	228248
8. Vehicles	1234950		701320	533630	306051	106390	274571	137870	395760	928899	928899
<b>Total</b>	166918049	2771908	701320	168988637	125763493	5254154	274571	130743076	38245561	41154556	41154556
Previous Year	166842919	75130	0	166918049	120493025	5270468	0	125763493	41154556	46349894	46349894



# Sri Vajra Granites Limited

(Amount in Rupees)

<b>Note 11: LONG TERM LOANS AND ADVANCES</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

(Unsecured and Considered good recoverable in cash or in kind for value to be received)

a) Advance for Capital work in progress		
b) Deposit Recoverable	1720766	1720766
	<u>1720766</u>	<u>1720766</u>

<b>Note 12: INVENTORIES</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
<b>(At Cost or Net Realisable Value whichever is lower)</b>	<b>Rs.</b>	<b>Rs.</b>

(As Certified by the Management)

a) Raw Materials	8207187	5652489
b) Stock of Processed Goods	39667197	29679672
c) Stock of Finished Goods	159566	158773
d) Stock at Quarry	0	15259048
e) Stores & Spares	2449500	3747599
f) Loose Tools (Consumables)	6636919	6938305
	<u>57120369</u>	<u>61435886</u>

<b>Note 13: TRADE RECEIVABLES</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

**Sundry Debtors : (Unsecured)**

a) Over Six Months		
i) Considered Good	22096495	21632405
ii) Considered doubtful	0	0
b) Others	967372	4975651
	<u>23063867</u>	<u>26608056</u>

<b>Note 14: CASH AND CASH EQUIVALENTS</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>

a) Bank Balances with scheduled Banks		
i) In Current Accounts	953631	388535
ii) Fixed Deposit Account for Margin Money	1496500	1011000
b) Cash on Hand	955096	185707
	<u>3405227</u>	<u>1585242</u>



(Amount in Rupees)

<b>Note 15 : SHORT TERM LOANS &amp; ADVANCES</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Loans and Advances to Others</b>		
(Unsecured and Considered good recoverable in cash or in kind for value to be received)		
Advance for Expenses	318077	2253742
Advance for Purchases	4261534	3092280
Other Advances/VAT Refundable	8503976	4806230
	<u><b>13083587</b></u>	<u><b>10152252</b></u>
<hr/>		
<b>Note 16 : OTHER CURRENT ASSETS</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>
Interest Receivable :	92868	81688
	<u>92868</u>	<u>81688</u>
<hr/>		
<b>Note 17: REVENUE FROM OPERATIONS</b>	<b>FOR THE YEAR ENDED 31.03.2012</b>	<b>FOR THE YEAR ENDED 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Revenue from Sale of Products:</b>		
Sale of Polished Slabs / Tiles / Blocks less returns	128168402	96934779
Less : Sales returns	<u>772198</u>	<u>0</u>
Less: Excise Duty	127396204	96934779
	<u>1160175</u>	<u>634254</u>
	<u><b>126236029</b></u>	<u><b>96300525</b></u>
<hr/>		
<b>Note 18: OTHER INCOME</b>	<b>FOR THE YEAR ENDED 31.03.2012</b>	<b>FOR THE YEAR ENDED 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>
Interest Received/Earned	150281	121183
Foreign Exchange fluctuations	<u>384033</u>	<u>0</u>
	<u><b>534314</b></u>	<u><b>121183</b></u>
<hr/>		
<b>19: COST OF MATERIAL CONSUMED</b>	<b>FOR THE YEAR ENDED 31.03.2012</b>	<b>FOR THE YEAR ENDED 31.03.2011</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Raw Material Consumed :</b>		
(i) Opening Stock of Raw Material	5652489	2838868
(ii) Purchase of Raw Material/Transferred from Quarries	<u>69052927</u>	<u>46563694</u>
	74705416	49402562
Less: Closing Stock of Raw Material	<u>8207187</u>	<u>5652489</u>
	<u><b>66498229</b></u>	<u><b>43750073</b></u>



# Sri Vajra Granites Limited

(Amount in Rupees)

## 19(a) Value of imported and indigenous Raw Materials & Stores & Spares Consumed

Particulars	FOR THE YEAR ENDED 31.03.2012		FOR THE YEAR ENDED 31.03.2011	
	Rs.	%	Rs.	%
	<b>Raw Materials</b>		<b>Raw Materials</b>	
Imported	0.00	0.00	0.00	0.00
Indigenous	66498229	100	43750073	100
	<b>66498229</b>	<b>100</b>	<b>43750073</b>	<b>100</b>
	<b>Stores &amp; Spares Consumed</b>		<b>Stores &amp; Spares Consumed</b>	
Imported	20342236	69	15066649	68
Indigenous	9028456	31	7082426	32
	<b>29370692</b>	<b>100</b>	<b>22149075</b>	<b>100</b>

## Note 20: CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE

	FOR THE YEAR ENDED 31.03.2012		FOR THE YEAR ENDED 31.03.2011	
	Rs.		Rs.	
<b>1. Opening Stock:</b>				
a. Sawn Slabs	29679672		33763462	
b. Polished Slabs/Tiles	158773	29838445	167348	33930810
<b>2. Closing Stock:</b>				
a. Sawn Slabs	39667197		29679672	
b. Polished Slabs/Tiles	159566	39826763	158773	29838445
		<b>-9988318</b>		<b>4092365</b>

## Note 21: EMPLOYEE BENEFIT EXPENSES

	FOR THE YEAR ENDED 31.03.2012		FOR THE YEAR ENDED 31.03.2011	
	Rs.		Rs.	
Salaries, Wages & Other Allowances	7724743		6001886	
Staff Welfare	467460		452451	
Contribution to Provident Fund	745801		605321	
Gratuity	362817		543785	
Bonus	642153		321527	
	<b>9942974</b>		<b>7924970</b>	

## Note 22: FINANCE COST

	FOR THE YEAR ENDED 31.03.2012		FOR THE YEAR ENDED 31.03.2011	
	Rs.		Rs.	
Interest on Working Capital & Finance Charges	3533161		2917704	
Bank Charges & Commission	390931		387569	
	<b>3924092</b>		<b>3305273</b>	



(Amount in Rupees)

Note 23: OTHER EXPENSES	FOR THE YEAR ENDED 31.03.2012 Rs.	FOR THE YEAR ENDED 31.03.2011 Rs.
<b>(A) Manufacturing Expenses:</b>		
(a) Stores & Spares Consumed	29370692	22149075
(b) Power & Fuel	9447860	7267692
(c) Repairs to Machinery	2514624	2568827
	<u>41333176</u>	<u>31985594</u>
<b>(B) Administrative Expenses :</b>		
(a) Rent	486600	460500
(b) Rates & Taxes	29739	50408
(c) Insurance	183312	212084
(d) Loss on sale of Fixed Assets	83249	0
	<u>782900</u>	<u>722992</u>
<b>(C) Other Miscellaneous expenses</b>		
	<u>5037406</u>	<u>5704376</u>
	<u>5037406</u>	<u>5704376</u>
<b>(D) Auditors Remuneration :</b>		
(a) As Auditor	66180	66180
(b) For Tax Audit	27575	27575
(c) For Certification	33090	41363
	<u>126845</u>	<u>135118</u>
<b>(D) Selling Expenses :</b>		
(a) Transport & Freight	112124	55973
(b) Sales Promotion	12349	9000
(c) Packing Material consumed	3583401	3182500
(d) Other Selling Expenses & Forwarding Charges	3618067	3266615
(e) VAT/Sales Tax	891200	375754
(f) ECGC Premium	226486	221440
(g) Service Tax and MOT charges	2720	0
	<u>8446347</u>	<u>7111282</u>
	<u>55726674</u>	<u>45659362</u>





# Sri Vajra Granites Limited

<b>24. Expenditure incurred in Foreign Currency:</b>	<b>2011-12</b>	<b>2010-11</b>
a) CIF Value of Imported Capital Goods	<b>NIL</b>	NIL
b) CIF Value of Imported Consumables and Spares	<b>20,366,824.00</b>	14,748,682.00
c) CIF Value of Imported Raw Material	<b>Nil</b>	Nil
d) On Overseas Travel	<b>Nil</b>	Nil

## 25. Foreign Exchange Earnings

FOB Value of Exports in Rupees	<b>112,892,185.00</b>	92,794,474.00
--------------------------------	-----------------------	---------------

26. Pursuant to Accounting Standard 22 (AS-22) i.e Accounting for Taxes on Income Issued by the Institute of Chartered Accountants of India, the deferred tax assets (net) as on 31.03.2011 works out to Rs.116.16 lakhs. As a measure of prudence and as recommended under AS-22, the same has not been currently recognized in the accounts. Similarly, the deferred tax assets (net) of Rs 121.59 Lakhs as on 31st March 2012 has not been recognized in the profit and loss Account for the year ended 31st March 2012.

Break-up of Deferred Tax Assets and (Liabilities) into major components of the respective balances is as under:

	(Rs. In Lakhs)	
	As on 31/03/2012	As on 31/03/2011
Tax Impact of unabsorbed depreciation as per I.T.Act.	<b>32.14</b>	26.81
Tax Impact of Unabsorbed Losses as per I.T Act	<b>97.04</b>	97.03
Tax impact due to difference between tax depreciation and book depreciation	<b>(7.59)</b>	(7.68)

## 27. BUSINESS SEGMENTS:

The Company is predominantly engaged in the export of polished slabs. Its domestic sales are negligible/not material. So in terms of the accounting standard 17 on Segment reporting issued by the Institute of Chartered Accountants of India (ICAI), this is considered to constitute one single primary segment. In view of the above there is no reportable segment for the year.

28. Previous year's figures have been regrouped, re-classified and re-cast wherever necessary so as to make them correspond with the Current year's figures and are rounded off to the nearest Rupee.

As per our report of even date	for and on behalf of the Board of Directors of SRI VAJRA GRANITES LIMITED
Sd/- <b>A. SRINIVAS REDDY</b> Managing Director	Sd/- <b>G.SRINIVASA REDDY</b> General Manager(Admn & Finance)

For **I. SUDHAKER & CO**,  
Chartered Accountants  
FR No 006271S

Sd/- <b>I. SUDHAKER</b> PROPRIETOR	Sd/- <b>S. SURYANARAYANA</b> Company Secretary	Sd/- <b>K.S. KAMESWARA SARMA</b> Chairman
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Membership No. 023904

Place: Hyderabad  
Date: 28.05.2012



## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31/03/2012

Item No.	PARTICULARS	Amount Rs. 31.03.2012	Amount Rs. 31.03.2011
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit/(Loss) before Tax after & Extraordinary items	(5323762.00)	(13652011.00)
	<b>Adjustments for:</b>		
	Interest Received /Eamed	(150281.00)	(121183.00)
	Profit/Loss on Sale of Fixed Assets	83249.00	0.00
	Unsecured Loans Writtenoff	0.00	0.00
	Depreciation and Amortization	5254154.00	5270468.00
	Finance Cost	3533161.00	2917704.00
	Operating Profit/(Loss) before Working Capital changes	3396521.00	(5585022.00)
	<b>Adjustments for:</b>		
	Increase/Decrease in inventories	4315517.00	939760.00
	Increase/Decrease in Trade Receivables	3544189.00	3510586.00
	Increase/Decrease in Other Current Assets	(11180.00)	12901.00
	Increase/Decrease in Long Term Lones & Advances	0.00	105526.00
	Increase/Decrease in Short Term Loans & Advances	(2931335.00)	7591362.00
	Increase/Decrease in Capital Work-in-Progress	2408480.00	(2408480.00)
	Increase/Decrease in other Current Liabilities	(2347825.00)	(1080679.00)
	Increase/Decrease in Long Term Provisions	(554153.00)	543785.00
	Increase/Decrease in Short Term Provisions	887519.00	(546876.00)
	Increase/Decrease in Trade Payables	(4322545.00)	(1671052.00)
	Increase/Decrease in Export Packing Credit/BD	3310786.00	(3325134.00)
	Cash generatred from operations	7695974.00	-1913323.00
	Interest & Finance Charges paid	(3533161.00)	(2917704.00)
	Interest Received	150281.00	121183.00
	Net Cash Flow from operating Activities	4313094.00	(4709844.00)
<b>B.</b>	<b>Cash Flow from Investing Activities:</b>		
	Purchase/Additions of Fixed Assets	(2771908.00)	(75130.00)
	Sale of Fixed Assets	343500.00	0.00
	Net Cash used in Investing Activites	(2428408.00)	(75130.00)
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from secured loans	0.00	0.00
	Allotment of Shares	0.00	0.00
	State Subsidy	0.00	0.00
	Repayment of Loans/Advance for Shares/Un Secured Loans	(64701.00)	(310956.00)
	Net Cash used in Financing Activities	(64701.00)	(310956.00)
	Net increase in Cash & Cash Equivalents	1819985.00	5095930.00
	Opening Balance of Cash and Cash Equivalents	1585242.00	6681172.00
	Closing Balance of Cash and Cash Equivalents	<b>3405227.00</b>	<b>1585242.00</b>

Notes: i) Cash and Cash equivalents include Cash on hand and in bank accounts, Margin Money Deposits etc.

ii) Figures in brackets represent Cash outflow.

As per our report of even date

For I. SUDHAKER & CO,  
Chartered Accountants  
FR No 006271S

for and on behalf of the Board of Directors  
of SRI VAJRA GRANITES LIMITED

Sd/-  
**I. SUDHAKER**  
Proprietor  
Membership No. 023904

Sd/-  
**A.SRINIVAS REDDY**  
Managing Director

Sd/-  
**G.SRINIVASA REDDY**  
General Manager Finance & Admn

Place: Hyderabad  
Date: 28-05-2012

Sd/-  
**K.S.KAMESWARA SARMA**  
Chairman

Sd/-  
**S.SURYANARAYANA**  
Company Secretary



# Sri Vajra Granites Limited

## SRI VAJRA GRANITES LIMITED

6-3-347/22/10/2, Flat No.202, 2nd Floor, Sai Villa Apartment, Dwarakapuri Colony, Punjagutta, Hyderabad - 500 082. A.P.

### Twenty Third Annual General Meeting

### ATTENDANCE SLIP-CUM-ENTRY PASS

(To be handed over at the entrance of the meeting hall)

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company. I hereby record my presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company being held on Wednesday, the 26<sup>th</sup> day of September, 2012 at 11.00 a.m. at Sundarayya Vignana Kendram (Kala Nilayam), 1-8-1/B/25/A, Baghlingampally, Hyderabad-44.

Full Name of the Member (in Block Letters) \_\_\_\_\_

Signature \_\_\_\_\_

Folio No \_\_\_\_\_ DP ID No\* \_\_\_\_\_ Client ID No\* \_\_\_\_\_

\*Applicable for Member holding shares in dematerialized / electronic form.

Full Name of the Proxy (in Block Letters) \_\_\_\_\_

Signature \_\_\_\_\_

**Note:** 1) Members are requested to advise the change if any in thier address quoting their Folio No.(s) to M/s. Bigshare Services Pvt. Ltd., 306, 3<sup>rd</sup> Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Rajbhavan Road, Somajiguda, HYDERABAD - 500 082.



## SRI VAJRA GRANITES LIMITED

6-3-347/22/10/2, Flat No.202, 2nd Floor, Sai Villa Apartment, Dwarakapuri Colony, Punjagutta, Hyderabad - 500 082. A.P.

### FORM OF PROXY

I/We \_\_\_\_\_  
of (Address) \_\_\_\_\_

being a Member / Members of SRI VAJRA GRANITES LIMITED hereby appoint \_\_\_\_\_  
of (Address) \_\_\_\_\_

\_\_\_\_\_ or failing him/her \_\_\_\_\_

of (Address) \_\_\_\_\_

\_\_\_\_\_ or failing him/her \_\_\_\_\_

of (Address) \_\_\_\_\_

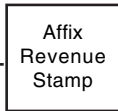
as my/our Proxy to attend and vote for me/us and on my/our behalf at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company to be held on Wednesday, the 26<sup>th</sup> day of September 2012, at 11.00 am. at Sundarayya Vignana Kendram (Kala Nilayam), 1-8-1/B/25/A, Baghlingampally, Hyderabad - 500 044 and at any adjournment thereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Folio No. \_\_\_\_\_ DP ID No\* \_\_\_\_\_ Client ID No\* \_\_\_\_\_

\*Applicable for Member holding shares in dematerialized / electronic form.

Signature \_\_\_\_\_



No. of Shares held:

This form can be used in \*favour of/ \*against the resolution. Unless otherwise instructed, the Proxy will act as he/she thinks fit.

\*Strike out whichever in not desired.

#### Note:

- A Proxy need not be a Member of the Company
- The Proxy Form should be signed, across the Revenue Stamp, as per the specimen signature(s) registered with the Company.
- The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the stipulated time for holding the Meeting.

**BOOK POST**



*If undelivered please return to :*

**Sri Vajra Granites Limited**

6-3-347/22/10/2, Flat No.202,  
2nd Floor, Sai Villa Apartment,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad – 82. A.P