





**FORM-A**

**Format of Covering Letter of the Annual Report to be filed with the Stock Exchange**

1.	Name of the company	<b>Grandeur Products Limited</b>
2.	Annual financial statements for the year ended	<b>31<sup>st</sup> March, 2015</b>
3.	Type of Audit qualification	<b>Un-Qualified</b>
4.	Frequency of qualification	<b>Not Applicable</b>
5.	Signatures-  • Whole Time Director  • Chief Financial Officer  • Auditor of the company  • Audit Committee Chairman	 <b>(Vijay Kumar Deekonda)</b>   <b>(Munnangi Jayaramaprasad)</b>   <b>( C V Koteswara Rao)</b>   <b>(Poppoppu Lenin Babu)</b>

**GRANDEUR PRODUCTS LIMITED**

**Annual Report**  
**2014 - 2015**

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### Company Information

S. No.	Board of Directors	Designation
1	Vijay Kumar Deekonda	Whole Time Director
2	Poppoppu Lenin Babu	Independent Director
3	Majeti Venkatesha Sridhar Kumar	Independent Director
4	Munnangi Jayaramaprasad	Executive Director and Chief Financial Officer
5	Jonnada Vaghira Kumari	Independent Director
6	Sujani Vasireddi	Company Secretary

Audit Committee	Designation
Poppoppu Lenin Babu	Chairman
Jonnada Vaghira Kumari	Member
Munnangi Jayaramaprasad	Member & CFO

Stakeholders Relationship Committee	Designation
Majeti Venkatesha Sridhar Kumar	Chairman
Munnangi Jayaramaprasad	Member & CFO
Poppoppu Lenin Babu	Member

Nomination and Remuneration Committee	Designation
Poppoppu Lenin Babu	Chairman
Jonnada Vaghira Kumari	Member
Majeti Venkatesha Sridhar Kumar	Member

Registered Office	Corporate Office
26/4A, Armenian Street, Jhagra	Flat No. 103, First Floor,
Kothi, 3rd Floor, Cal	7-1-24/2/D, Greendale,
Kolkata, West Bengal.	Ameerpet, Hyderabad- 500 016
CIN: L15500WB1983PLC035627	

<b>Auditors</b>	<b>M/s. Ramasamy Koteswara Rao &amp; Co . ,</b> Chartered Accountants Plot No 238/A, MLA's Colony, Road No 12, Banjara Hills, Hyderabad-034
<b>Internal Auditor</b>	<b>M/s SVP&amp; Co.,</b> Chartered Accountants Flat No. G-2 (102) at H.No. 6-3-1104, Priya Apartments, Somajiguda, Hyderabad - 500 082.
<b>Listed At:</b>	BSE Limited Calcutta Stock Exchange Limited

**NOTICE**

Notice is hereby given that the 32nd Annual General Meeting of the Members of **GRANDEUR PRODUCTS LIMITED** will be held on Saturday, the 12th day of September 2015 at 11.00 AM at its Registered Office at 26/4A, Armenian Street, JhagraKothi, 3rd Floor, Cal Kolkata, West Bengal.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2015 and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a director in place of Munnangi Jayaramaprasad (DIN: 06519699), who retires by rotation and being eligible, seek re-appointment.
3. To appoint Statutory Auditors of the Company and fix remuneration.

"RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013, the appointment of M/s Ramasamy Koteswara Rao & Co, Chartered Accountants, (Firm Registration Number 010396S), who were appointed as the Statutory Auditors of the Company till the conclusion of 36th Annual General Meeting, be and are hereby ratified and confirmed, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending 31st March, 2016."

**SPECIAL BUSINESS:**

4. Appointment of **Jonnada Vaghira Kumari (DIN 06962857)**, as an Independent Director

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Jonnada Vaghira Kumari (DIN 06962857)**, who was appointed as an Additional Director of the Company by the Board of Directors as per Section 161(1) of the Companies Act, 2013 and who holds office only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing that her term as an Independent Director be for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

5. **To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:**

"Resolved that pursuant to the provisions of section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) consent of the Company be and is hereby accorded to the board of directors of the Company for borrowing, from time to time, as they may consider fit, any sums of money, on such terms and conditions as the board may deem fit notwithstanding that the monies to be borrowed together with the monies already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up share capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose so that the total amounts of monies so borrowed for the purpose of the company at any time shall not exceed the sum of Rs. 15 Crores/- (Rupees Fifteen Crores only)".

6. **To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:**

“**Resolved that** pursuant to the provisions of section 180 (1) (a) and other applicable provisions, if any, of the companies act, 2013, (including any amendment thereto or re-enactment thereof) consent of members be and is hereby accorded to the board of directors for creating mortgage, charge on all or any of the immovable and movable properties of the company, as security for any borrowings made by the company”.

7. **To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

“**RESOLVED THAT** Pursuant to the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Sections 197, 198 Section II of Part II of Schedule V, and other applicable provisions, if any, of the Companies Act, 2013, approval of the Company and Shareholders be and is hereby accorded for appointment of Mr. Vijay Kumar Deekonda (DIN-06991267) as Whole Time Director of the Company for a period of 3 years w.e.f. 1st October, 2014 on a remuneration and such other terms and conditions as set out in the Explanatory Statement annexed hereto.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company may revise the remuneration payable to the Whole Time Director, in any financial year during the currency of the present tenure of office, in such manner as agreed to between the Board of Directors and the Managing Director subject to the conditions that the remuneration by way of salary, perquisites and other allowances, shall not exceed such Percentage of net profits of the Company as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013”.

“**RESOLVED FURTHER THAT** where in any financial year, during the tenure of Vijay Kumar Deekonda (DIN-06991267) the Company incurs Loss or its profits are inadequate, the Company shall pay to Vijay Kumar Deekonda(DIN-06991267), the above remuneration by way of salary and other allowances as a minimum remuneration subject to the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration”.

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution”

For and on behalf of the Board  
For **Grandeur Products Limited**

**Sujani Vasireddi**  
Company Secretary and Compliance Officer

Place:Hyderabad  
Date: August 12th, 2015

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Corporate Office of the Company not less than forty-eight hours before the scheduled time of commencement of the meeting.
3. The register of members and Share Transfer Books of the Company will remain closed during the period from 05.09.2015 to 12.09.2015 (both days inclusive).
4. M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad-50001 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
5. Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
6. Members/Proxies are requested to bring their copies of the Annual Report to the AGM and the Attendance slip duly filled in for attending AGM. Copies of Annual Report will not be provided at the AGM.
7. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent enclosing their share certificates to enable consolidation of their shareholdings in one folio.
8. Members holding Shares in physical form may write to the Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.
9. As part of the "Green Initiative", the Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participants unless the members have registered their request for a hard copy of the same.
10. Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

- (i) The voting period begins on 9th September, 2015 at 9.00 A.M. and ends on 11th September, 2015 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "Grandeur Products Limited" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)</p> <ol style="list-style-type: none"> <li>1. Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field</li> <li>2. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is Ramesh Kumar with Sequence number 1 then enter RA00000001 in the PAN field</li> </ol>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (xii) Click on the EVSN for the relevant < Grandeur Products Limited > on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders



1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  3. After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  4. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  5. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
11. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
  12. The Board of Directors have appointed Mrs. N.Vanitha, a Practicing Company Secretary (CP No. 10573) as a Scrutinizer to process the e-voting and submit a report to the Chairman.
  13. Sujani Vasireddi, Company Secretary and Compliance Officer of the Company will address all the grievances in relation to this annual general meeting including e-voting. Her contact details are Email: [cs@grandeurproducts.com](mailto:cs@grandeurproducts.com) Phone Nos. 040-66513251.
  14. The members may download a copy of the notice of this meeting and the results declared along with the Scrutinizer's Report from the website of the Company ([www.grandeurproducts.com](http://www.grandeurproducts.com)) or from [www.evotingindia.com](http://www.evotingindia.com).

**EXPLANATORY STATEMENT**

(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

**Item No.4**

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that **Jonnada Vaghira Kumari**, be appointed as an Independent Director of the Company

The appointment of **Jonnada Vaghira Kumari** shall be effective upon approval by the members in the Meeting

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of **Jonnada Vaghira Kumari** for the office of Director of the Company. **Jonnada Vaghira Kumari** is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from **Jonnada Vaghira Kumari** that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, **Jonnada Vaghira Kumari** fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. **Jonnada Vaghira Kumari** is independent of the management and possesses appropriate skills, experience and knowledge.

**Brief Resume:** Jonnada Vaghira Kumari

Jonnada Vaghira Kumari has done her Graduation and is also a Company Secretary by profession. Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Jonnada Vaghira Kumari is appointed as an Independent Director of the Company.

Jonnada Vaghira Kumari was appointed as an Additional Director by the Board in their meeting held on 30th March, 2015.

Details of her other directorships are given in Directors' Report. Jonnada Vaghira Kumari does not hold by herself or for any other person on a beneficial basis, any shares in the Company. The Board consider that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Jonnada Vaghira Kumari as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Jonnada Vaghira Kumari as an Independent Director, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Jonnada Vaghira Kumari as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Except Jonnada Vaghira Kumari being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

**Item no.5 and 6:**

The Board of Directors of your Company is planning for expansion of Company's operations and for this purpose additional funds are required to be infused to meet the financial requirements of the expansion plans. Hence, your Directors feel that such additional funds shall be infused by borrowings from Financial Institutions / Banks etc.

However, keeping in view, the present Paid-up share capital and free reserves of your Company and the provisions of the Companies Act, 2013, the Board of Directors of your Company ought to be authorized by the shareholders in their General Meeting, to borrow the funds in excess of the aggregate of Paid-up share capital and free reserves of the Company.

Further, as you are aware, it has become a regular commercial practice with the Banks and Financial Institutions, who lend financial assistance to the Companies to insist on creating a charge on the assets of the Company, which serves as a security for their loans.

In this backdrop, if your Company avail any financial assistance from the institutional sources, it ought to create a charge on its assets in favor of the lenders.

As per the provisions of Section 180(1) (a) of the Companies Act, 2013, the Board should be authorized by the shareholders in their General Meeting by passing a Special Resolution, to create any charge on the assets or mortgage the properties of the Company or such assets and/or properties as they may deem fit at the appropriate time of action.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 and 6 except to the extent of shares held by them in the Company.

#### **Item No. 7**

Vijay Kumar Deekonda has been appointed as Whole Time Director of the Company with effect from 01.10.2014. Considering his knowledge, business skills, managerial experience and expertise and for smooth and efficient running of the administrative affairs of the Company, the Nomination and Remuneration Committee and the Board of Directors are of the opinion that it is apt to fix remuneration of Whole Time Director of the company for a period of 3 years w.e.f. 01.10.2014. The Board of Directors have at their meeting held on 30th September, 2014, recommended the appointment on the following terms and conditions as mentioned below:

#### **I. Remuneration:**

**1) Basic Salary:** Rs. 40,000/- (Rupees forty thousand) per month.

**2) House rent allowance:** House rent allowance at the rate of FIFTY percent of Basic salary.

**Perquisites:** In addition to the basic salary, he shall be entitled to the following perquisites and facilities:

- a. The company's contributions to provident fund, superannuation fund or annuity fund shall be payable in accordance with the rules and regulations of the company.
  - b. Gratuity shall be payable in accordance with the rules and regulations of the company.
  - c. He is eligible for Leave Encashment.
- 3.** Such Contributions/Gratuity/ Encashment shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are exempt under the Income Tax act, 1961
- 4.** Reimbursement of expenses: Reimbursement of reasonable entertainment and other expenses actually and properly incurred in connection with the business of the company.
- 5.** He will be provided chauffeur driven car, mobile and telephone at residence to carry out his responsibilities. All personal long distance calls on the telephone shall be recovered by the company. The provisions of car and telephone will not be considered as perquisites.

#### **II. Other Conditions:**

- a. As long as Vijay Kumar Deekonda, functions as the Whole Time Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committees thereof.
- b. Vijay Kumar Deekonda, will exercise the management control over the whole of the affairs of the Company to carry out day to day affairs of the Company to regulate all business activities.

- c. The Whole Time Director shall devote his time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and direction of the Board in connection with and in the best interest of the business of the Company and the business of any one or more of its subsidiaries and / or promoter / associate companies, including performing duties as assigned by the Board from time to time by serving as an employee or on the boards of such companies or any other executive body or any committee of such a company.
- d. The appointment may be terminated by either party (the Company or the Whole Time Director) by giving to other party three calendar month's prior notice in writing of such termination or the Company paying three month's remuneration in lieu of the notice.
- e. Vijay Kumar Deekonda, is not related to any other Director of the Company. He is concerned or interested in the resolution proposed as item No.7 of the accompanying Notice.
- f. The Board considers it desirable that the Company should avail his services as Whole Time Director, in terms of Item No.7 of the accompanying Notice, and recommends the same for acceptance by the Members of the Company.

The re-appointment requires the approval of the members of the Company by way of an Ordinary Resolution in terms of the applicable provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

Copy of the draft of the Agreement referred herein above is available for inspection by any member of the Company at the Registered Office of the Company between 11.00 a.m. to 4.00 p.m. on all working days up to the date of the ensuing Annual General Meeting and will also be available for inspection at the venue of the said Meeting.

A brief resume and the profile of Vijay Kumar Deekonda, is provided at Annexure-A of this notice:

The statement containing information as required under Section II of Part II of Schedule V of the Companies Act, 2013, to the extent applicable, is given here under:

#### **A. General Information:**

- 1) Nature of Industry – Trading of Tea & Coffee.
- 2) Date of Commencement of Commercial Production – 15/01/1983.
- 3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – N.A
- 4) Financial Performance based on given indicators – the operating revenue of the Company for the year ended 31st March, 2015 is Rs. 169,631,535 against Rs 4,001,290 for the previous year ended 31st March, 2014. The net profit achieved for the year is Rs 564,268 against Rs.153,879 in the previous year.
- 5) Foreign Investments or Collaborators, if any- NIL.

#### **B. Information about the Appointee:**

##### **(1) Background details –**

Vijay Kumar Deekonda aged about 51 years is a Commerce graduate with Honour's and Law Graduate from Osmania University .He has a wide experience of more than two decades in the field of Finance and Accounts. He was head of F & A Departments in various manufacturing companies and also Retail.

(2) Past remuneration- NIL

(3) Recognition or Awards:- NIL

(4) Job profile and his suitability

Vijay Kumar Deekonda is entrusted with substantial powers of the management of the Company subject to the superintendence, control and direction of the Board of Directors, the provisions of Memorandum and Articles of Association, regulations made by the Company in Annual General Meeting and the restrictions imposed by the Companies Act, 2013, and shall do all in his power to promote, develop and extend the business of the Company.

His experience of the past years will help the company to grow and prosper. He is well suited as he is not only experienced but he is also well versed of entire operations of the Company. The challenging business environment requires review of operations, monitoring and decision making on day-to-day basis besides strategic guidance and advice on ongoing basis for modernization, technological up-gradation and expansion/diversification activities in which the Company would be immensely benefited by his matured and timely advice.

**(5) Remuneration Proposed-**

Please refer to details given herein above and forming a part of explanatory statement to the proposed resolution.

**(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person –**

The Remuneration Committee constituted by the Board perused remuneration of managerial personnel in the industry and other companies comparable with the size of the Company, industry benchmark in general, and accorded due cognizance to all these factors before approving the remuneration as proposed hereinabove. Considering professional qualifications, background, experience and competence of Vijay Kumar Deekonda and the responsibility shouldered by him, the terms of remuneration are considered to be fair, just and reasonable.

**(7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any – N.A.**

**C. Other Information:**

**1. Reasons of Loss –N.A**

The Company is still facing liquidity constraints and bearing the effect of slump in the market.

**2. Steps taken for improvement –**

The Company has initiated several steps for restoring profitability by new products offerings and concentrating more on export market for which the necessary platform and credentials have already been established. The Company is trying to diversify into more profitable verticals

**3. Expected increase in productivity and profits in measurable terms –**

In addition to steps proposed to be taken for improvement as detailed above, key focus areas would be profit maximization, conservation of cash, operational efficiencies, cost and working capital containment. Barring unforeseen circumstances, the overall outlook for the current financial year 2015-16 seems to be positive and the management is optimistic of achieving improvements in the Company's performance. However, it is extremely difficult in present scenario to predict profits in measurable terms but the above initiatives are expected to improve productivity and profitability.

Keeping in view the professional qualifications, rich & varied experience and managerial skills of Vijay Kumar Deekonda, the Board of Directors recommends the passing of the proposed resolution as a Special Resolution in compliance with the applicable provisions of the Companies Act, 2013.

Save and except Vijay Kumar Deekonda none of the other Directors of the Company is, in any way, concerned or interested in the said resolution.

This explanatory statement together with the accompanying Notice is to be treated as an abstract of the terms of the contract / Agreement and Memorandum of concern or interest between the Company and Vijay Kumar Deekonda pursuant to Section 196 of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013 it requires the consent of the members by way of Special Resolution for re-appointing Vijay Kumar Deekonda as a Whole Time Director of the company, Therefore the Board commends your approval for the said resolution.

None of the Director(s) and Key Managerial Persons of the Company or their relatives is/are, in any way concerned or interested in the said resolution except Vijay Kumar Deekonda being appointee.

For and on behalf of the Board  
For **Grandeur Products Limited**

**Sujani Vasireddi**  
Company Secretary and Compliance Officer

Place:Hyderabad  
Date: August 12th, 2015

**DIRECTORS' REPORT**

To the Shareholders,

Your Directors have pleasure in presenting the 32nd Annual Report of Grandeur Products Limited (the Company) together with the Audited accounts for the financial year ended 31st March 2015.

**FINANCIAL RESULTS**

The performance of your company for the year under review is summarized below:

(₹)

Particulars	31.03.2015	31.3.2014
Gross revenue and other income	169,631,535	4,001,290
Profit before interest, depreciation & Taxes	1,075,727	222,690
Interest	0	0
Depreciation & Amortization	0	0
Exceptional item (Income)	0	0
Profit before tax	1,075,727	222,690
Tax Expense adj		
a) Current Tax	511,459	68,811
b) Deferred Tax	0	0
<b>Profit after Tax</b>	<b>564,268</b>	<b>153,879</b>

**OPERATIONS:**

During the financial year 2014-15, your Company has achieved Rs. 169,200,850 revenue from operations. Rs.169,631,535 during the financial year 2014-15 compared to 4001290 in 2013-14 registering a growth of 41.28 times.

The operating profit (earnings before interest, tax, depreciation and other income) operating profit stood at Rs.1,075,727 during financial year 2014-15 compared to Rs.222,690 during the financial year 2013-14, registering a growth of 3.8 times.

**DIVIDEND:**

The Board of directors does not recommend any dividend for the year as at 31st March 2015.

**STATUTORY AUDITORS:**

The shareholders in their meeting held on 19th June 2014 approved the appointment of M/s Ramasamy Koteswara Rao & Co, Chartered Accountants, (Firm Registration Number 010396S) as the Statutory Auditors of the Company to hold office till the conclusion of 36th Annual General Meeting subject to ratification of shareholders in every Annual General Meeting. Accordingly, a resolution seeking Members' ratification on appointment of M/s Ramasamy Koteswara Rao & Co, as the Statutory Auditors of the Company for the financial year 2015-16 is included at Item No.3 of the Notice convening the Annual General Meeting.

The Audit Report issued by the Statutory Auditors for the financial year ended 31st March, 2015 forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors which requires explanation or comments from the Board.

**SECRETARIAL AUDITOR:**

M/s. P.S.Rao & Associates, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules there-under. The secretarial audit report for FY 2014-15, forms part of the Annual Report as Annexure I to the Board's report. The Board has appointed M/s. P.S.Rao & Associates, Practicing Company Secretaries, as secretarial auditors of the Company for the financial year 2015-16. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor which requires explanation or comments from the Board.

**INTERNAL AUDITORS**

The Board of Directors based on the recommendation of the Audit Committee have appointed M/s. SVP & Co., Chartered Accountants, Hyderabad, as the Internal Auditors of your company. The Internal Auditors are submitting their reports on quarterly basis.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure II" to this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are set out in an "Annexure-III" to this Report.

**DIRECTORS:**

The Board of Directors have appointed **Jonnada Vaghira Kumari (DIN 06962857)** as an Additional Director of the Company who holds office till the ensuing Annual General Meeting. The Board, based on the recommendation of Nomination and Remuneration Committee considered the appointment of **Jonnada Vaghira Kumari (DIN 06962857)** as an Independent Director subject to approval of shareholders. Accordingly a resolution seeking approval of shareholders for his appointment as an Independent Director for a period of five years is included at Item No.4 of the Notice convening the Annual General Meeting.

Munnangi Jayaramaprasad (DIN: 06519699), who retires by rotation and being eligible, seeks re-appointment.

Pursuant to the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of Sections 197, 198 Section II of Part II of Schedule V, and other applicable provisions, if any, of the Companies Act, 2013, approval of the Company and Shareholders be and is hereby accorded for appointment of Mr. Vijay Kumar Deekonda (DIN-06991267) as Whole Time Director of the Company for a period of 3 years w.e.f. 1st October, 2014.

Every Independent Director, 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, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013.

A Brief Profile of the Directors of the Company is annexed herewith as "Annexure IV" to this report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS: N.A.****RELATED PARTY TRANSACTIONS**

During the Financial Year 2014-15 Company has not entered any significant related party transaction.



**FIXED DEPOSITS:**

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

**DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

During the financial year 2014-15, the Corporate Social Responsibility not applicable to Company.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company i.e is <http://grandeurproducts.com/index.html>

**RISK MANAGEMENT:**

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. <http://grandeurproducts.com/index.html>

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the directors hereby confirm that:

- i. in the preparation of the annual accounts for the financial year 2014-15, the applicable accounting standards have been followed and there are no material departures;
- ii. They 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 at the end of the financial year and of the profit of the Company for the financial year;
- iii. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**BOARD EVALUATION:**

The performance evaluation of the Board, its Committees and individual directors was conducted and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

Directors, who were designated, held separate discussions with each of the Directors of the Company and obtained their feedback on overall Board effectiveness as well as each of the other Directors.

Based on the questionnaire and feedback, the performance of every director was evaluated in the meeting of the Nomination and Remuneration Committee (NRC). The meeting of NRC also reviewed performance of the Whole Time Director on goals (quantitative and qualitative) set at the beginning of the year in April 2015. Jonnada Vaghira Kumari (DIN 06962857), additional director, being appointed on 30th March, 2015, was excluded from the process of evaluation.

A separate meeting of the independent directors ("Annual ID meeting") was convened, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman. Post the Annual ID meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the NRC with the Board's Chairman covering performance of the Board as a whole performance of the non-independent directors and performance of the Board Chairman.

Some of the key criteria for performance evaluation are as follows –

**Performance evaluation of Directors:**

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Guidance/Support to management outside Board or Committee meetings.

**Performance evaluation of Board and Committees:**

- Degree of fulfillment of key responsibilities.
- Board structure and composition.
- Establishment and delineation of responsibilities to Committees.
- Effectiveness of Board processes, Information and functioning.
- Board culture and dynamics.
- Quality of relationship between Board and Management.
- Efficiency of Communication with external stakeholders.

**MANAGEMENT DISCUSSION & ANALYSIS:**

Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on Management Discussion & Analysis is herewith annexed as 'Annexure V' to this report.

**CORPORATE GOVERNANCE:**

The Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of the Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance for the year 2014-15 and a Certificate from the Practicing Company Secretaries of the Company are furnished which form part of this Annual Report.

**PARTICULARS OF EMPLOYEES:**

pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2015, there is no employee in the Company who is drawing the remuneration worth Rs. 5 lacs per month or Rs. 60 lacs per annum during the financial year.

**HUMAN RESOURCES:**

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**Particulars of Employees:**

The information required under section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

Executive Directors	Ratio to median remuneration
<b>Vijay Kumar Deekonda</b>	<b>50%</b>

***“The Company has not paid any remuneration to the non-executive directors of the Company for the Financial Year 2014-15.”***

- b. The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year: N.A.

***“During the Financial Year 2014-15, there is no increase in the remuneration of each director, chief executive officer, chief financial officer, company secretary of the Company.”***

- c. **The Percentage increase in the median remuneration of employees in the Financial Year: N.A.**
- d. **The number of permanent employees on the rolls of Company:** Other than Whole Time Director and Company secretary, no permanent Employees working in the Company and Company does doing business on contractual basis.
- e. **The explanation on the relationship between average increase in remuneration and Company Performance: N.A.**
- f. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

Aggregate remuneration of Key managerial personnel (KMP) in FY 2015	380000
Total Revenue	169,631,535
Remuneration of KMP's ( as % of Revenue)	0.22
Profit Before Tax ( PBT)	1075727
Remuneration of KMP ( as % of PBT)	35.32

- g. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalization		Not Applicable	
Price Earnings Ratio	0.12	0.03	25%

- h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: N.A.
- i. 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: N.A.
- j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

Particulars	Vijay Kumar Deekonda*	Sujani Vasireddi**
Remuneration in FY 2015	Rs. 2,40,000	Rs.1,40,000
Revenue (Rs.)	Rs. 169631535	
Remuneration as % of revenue	0.14	0.08
Profit Before Tax (PBT)	Rs. 1075727	
Remuneration ( as % of PBT)	22.3	13.0

\*Mr. Vijay Kumar Deekonda appointed w.e.f. 01.10.2014

\*\* Ms. Sujani Vasireddi appointed w.e.f 01.09.2014

- k. The Key parameters for any variable component of remuneration availed by the directors: N.A.
- l. The Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A.
- m. Affirmation that the remuneration is as per the remuneration policy of the Company:  
The Company affirms remuneration is as per the remuneration policy of the Company.
- n. The Statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies ( Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company.

#### ACKNOWLEDGEMENTS:

Your Directors wish to express their gratitude to the central and state government, investors, analysts, financial institutions, banks, business associates and customers, the medical profession, distributors and suppliers for their whole-hearted support. Your directors commend all the employees of your company for their continued dedication, significant contributions, hard work and commitment.

For and on behalf of the board

Date: 12.08.2015  
Place: Hyderabad

Sd/-  
Whole Time Director

Sd/-  
Director

**SECRETARIAL AUDIT REPORT**

For the Financial year ended 31st March, 2015

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration Personnel))

To,  
The Members,  
Grandeur Products Limited  
26/4A, Armenian Street, Jhagra  
Kothi, 3rd Floor, Cal  
Kolkata, West Bengal.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Grandeur Products Limited** (herein after 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 my opinion thereon.

Based on our verification of the **Grandeur Products Limited** books, papers, minute books, forms and 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, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board process 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 return field and other records maintained by **Grandeur Products Limited** for the Financial Year ended on **31st March, 2015** according to the provisions of:

- i. The Companies Act, 2013 ( the Act) and the rules made thereunder;
- ii. The Securities Contract ( Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and Regulations and Bye Laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial ( Company has not raised External Commercial Borrowings)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ( SEBI Act)
  - a. The Securities and Exchange Board of India ( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India ( Prohibition of Insider Trading) Regulations, 1992.
  - c. The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009 ( Not applicable to the Company during the audit period)
  - d. The Securities and Exchange Board of India ( Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ( Not Applicable to the Company during the audit period)
  - e. The Securities and Exchange Board of India ( issue and Listing of Debt Securities) Regulations, 2008; ( Not Applicable to the Company during the audit period)
  - f. The Securities and Exchange Board of India ( Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ( Not Applicable to the Company during the audit period)
  - g. The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009 ( Not Applicable to the Company during the audit period); and

- h. The Securities and Exchange Board of India ( Buyback of Securities) Regulations, 1998 ( Not applicable to the Company during the audit period);
- vi. Other specifically applicable laws to the Company:

\* Food Safety and Standard Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Business) Regulations, 2011;

We have also examined compliance with the applicable clauses of the following:

- a. Listing Agreements entered into by the Company with Stock Exchanges(s) and
- b. Secretarial Standards issued by the Institute of Company Secretaries of India ( not notified during the audit period and hence not applicable)

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

**We further report that**

- The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.
- All the decisions at the board meetings and committee meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that**

- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations etc. having a major bearing on the Company's affairs.

For P.S. Rao & Associates

Sd/-  
**N. Vanitha**  
M.No. 26859  
C.P. No.10573

Place: Hyderabad  
Date: 12/08/2015

## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management &amp; Administration) Rules, 2014.]

## I. REGISTRATION &amp; OTHER DETAILS:

1. CIN	L15500WB1983PLC035627
2. Registration Date	03/01/1983
3. Name of the Company	Grandeur Products Limited
4. Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company.
5. Address of the Registered office & contact details	26/4A, Armenian Street, Jhagra Kothi, 3rd Floor, Cal Kolkata, West Bengal.
6. Whether listed company	Yes. Listed at Calcutta Stock Exchange Limited BSE Limited.
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Grandeur Products Limited 26/4A, Armenian Street, Jhagra Kothi, 3rd Floor, Cal Kolkata, West Bengal

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the products / services	% to total turnover of the company
1	Wholesale trade services on a fee or contract basis	99612270	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Company is not having any Holding, Subsidiary and Associate Companies.

**VI. SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)**A. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	0	1178100	1178100	25.95	1089250	88850	1178100	25.95	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>0</b>	<b>1178100</b>	<b>1178100</b>	<b>25.95</b>	<b>1089250</b>	<b>88850</b>	<b>1178100</b>	<b>25.95</b>	<b>0</b>
(2) Foreign									
(a) Individuals ( Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
(a) Bodies Corporate	0	0	0	0	0	0	0	0	0
(b) Institutions	0	0	0	0	0	0	0	0	0
(c) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2).</b>	<b>0</b>	<b>1178100</b>	<b>1178100</b>	<b>25.95</b>	<b>1089250</b>	<b>88850</b>	<b>1178100</b>	<b>25.95</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1750</b>	<b>0</b>	<b>1750</b>	<b>0.01</b>	<b>0.01</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	3361900	3361900	74.05	0	6000	6000	0.13	0.17
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	3355900	3355900	73.92	73.92



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>c) Others (specify)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
i. Non Resident Indians	0	0	0	0	0	0	0	0	0
ii. Directors	0	0	0	0	0	0	0	0	0
iii. Clearing Members	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	3361900	3361900	74.05	0	3361900	3361900	74.05	74.09
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	0	3361900	3361900	74.05	0	3361900	3361900	74.05	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0		0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>4540000</b>	<b>4540000</b>	<b>100</b>	<b>1089250</b>	<b>3450750</b>	<b>4540000</b>	<b>100.00</b>	<b>74.09</b>

**B) Shareholding of Promoter**

Sl No.	Shareholders Name	Shares held at the beginning of the year As on 31-March-2014			Shares held at the end of the year As on 31-March-2015			% Change 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 Pledge/ encumbered to total shares	
1	Visweswara Rao	2600	0.06	0	88850	1.96	0	3.06
2	Jayaram Munnangi	1089250	23.99	0	1089250	23.99	0	0
3	Raghuvveer Adusumelli	86250	1.90	0				1.90
	Total	1178100	25.95	0	1178100	25.95	0	4.96

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year 31.03.2014		Cumulative Shareholding during the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	<b><i>"No change in promoter's holding"</i></b>			
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/ sweat equity etc.):				
3	At the end of the year				

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding End of the year 31.03.2015	
		No. of shares	% of total shares of the	No. of shares	% of total company of the company
1	B.Mohan Krishna	1000000	22.0	1000000	22.0
2	T.Satish	500000	11.0	500000	11.0
3	Ch.D.V.V.Prasad	214450	4.7	214450	4.7
4	Sai Kiran Kotakonda	204300	4.5	204300	4.5
5	N.V.V.Lakshmi	200000	4.4	200000	4.4
6	Jayaram Prasad M	1089250	2.0	1089250	2.0
7	K.Visweswar Rao	88850	2.0	88850	2.0
8	S Narasimha Prasad	42300	0.9	42300	0.9
9	B. Srinivas	42000	0.9	42000	0.9
10	K Radhakrishnan	41400	0.9	41400	0.9

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Name of the	Date	Reason	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding End of the year 31.03.2015	
				No. of shares	% of total shares of the company	No. of shares	% of total company of the company
1	Jayaram Prasad M	N.A.	N.A.	1089250	23.00	0	0
		N.A.	N.A.	1089250	23.00	1089250	23.00

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	0	0	0	0
Net Change	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Whole Time Director	Total Amount
		Vijay Kumar Deekonda	
1	<b>Gross salary</b>	<b>240000</b>	<b>240000</b>
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others, please specify	0	0
	<b>Total (A)</b>	<b>240000</b>	<b>240000</b>
	Ceiling as per the Act		

## B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Poppoppu Lenin Babu	Majeti Venkatesha Sridhar Kumar	Jonnada Vaghira Kumari	
1	Independent Directors	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Managerial</b>				
	Remuneration	0	0	0	0
	Overall Ceiling as per the Act				Total Amount

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Whole time Company Secretary	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	140000*	140000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	others, specify...	0	0
5	Others, please specify	0	0
	<b>Total</b>	<b>140000</b>	<b>140000</b>

Gross Salary mentioned above is only for Half Year.

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

**Conservation of energy, research and development, technology absorption,  
foreign exchange earnings and outgo  
(Particulars pursuant to the Companies (Accounts) Rules, 2014)**

**A. Conservation of Energy:**

Energy Conservation measure taken – “NIL”

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods - “NIL”

**B. Technology Absorption:**

1. Efforts, in brief, made towards technology absorption, adoption and innovation : **Nil**
2. Benefits derived as a result of the above efforts, Ex; product improvement, cost reduction, product development, import substitution etc. : **Nil**
3. Import of technology : **Nil**

**C. Research and Development:**

1. Specific areas in which R& D carried out by the Company : Nil
2. Benefits derived as a result of the above R& D : Nil
3. Future plan of action : Nil
4. Expenditure on R & D
- a) Capital : Nil
- b) Recurring : Nil
- c) Total : Nil
- d) Total Expenditure on R & D as a percentage of total turnover : Nil

**D. Foreign Exchange Earnings and out go.**

Total Foreign Exchange	Rs.
Used	9,91,14,404
Earned	13,94,70,923

For and on behalf of the board

Date: 12.08.2015  
Place: Hyderabad

Sd/-  
Whole Time Director

Sd/-  
Director

## DIRECTORS PROFILE

**a. D. Vijay Kumar (DIN-06991267):**

Mr.Vijay Kumar Deekonda, aged about 51 years, is a Commerce graduate with Honour's and Law Graduate from Osmania University. He has a wide experience of more than two decades in the field of Finance and Accounts. He was head of F & A Departments in various manufacturing companies and also Retail.

He is not a director in any other Company and also not having any shares in Grandeur Products Limited as on 31.03.2015

**b. Poppoppu Lenin Babu (DIN-01661785):**

Poppoppu Lenin Babu aged 35 years is a Graduate in Commerce from Andhra University and a Law Graduate from Osmania University. He has an experience of more than 10 years in the field of finance. He has been associated with various companies as Finance Consultant providing expert advice and guidance on financial and other allied matters.

He is chairman of Audit Committee and Nomination and Remuneration Committee and member of Stakeholders Relationship Committee. He is not holding any shares in the Company as on 31.03.2015. He is not director in any Company

**c. Munnangi Jayaramaprasad (DIN-03034183):**

Jayaram Prasad Munnangi aged 28 years old Engineering Graduate in Electronics and Instrumentation from JNTU, Kukatpally. He also studied Business Administration in Marketing from Cardiff University, United Kingdom.

He is member of Audit Committee, Stakeholders Relationship Committee and he is the Chief Financial Officer of the Company.

He is a director of Jayasree Industries Private Limited. He is a promoter of the Company and holds 1089250 of the Company in his name as on 31.03.2015.

**d. Majeti Venkatesha Sridhar Kumar (DIN-06519699):**

He has done his LLB and is also a commerce graduate. He has an experience of about a decade in the field of secretarial and legal matters.

He is a director of SSK Lifestyles Limited and he is chairman of Stakeholders Relationship Committee and member of Nomination and Remuneration Committee and he is not holding any shares in Grandeur Products Limited as on 31.03.2015

**e. Jonnada Vaghira Kumari (DIN-06962857):**

She has done her Graduation and is also a Company Secretary by profession.

She is member of Audit Committee and Nomination and Remuneration Committee she is not holding any shares in Grandeur Products Limited as on 31.03.2015.

She is Director of the following Companies:

- i. Ssk Lifestyles Limited
- ii. Ashoka Gvr Mudhol Nipani Roads Limited
- iii. Gvr Ashoka Chennai Orr Limited

**MANAGEMENT DISCUSSION AND ANALYSIS**

(Forming part of Directors' Report)

**Industry Structure and Development :**

Your Company has already established its long standing presence in the domestic market. Now, it is focusing to make a mark in the Indian domestic market which is very encouraging.

China took a conversion and emerging into coffee drinking from traditional tea drinking population. According to the Euromonitor analyst, China now ranks as the fourth-largest global market for RTD coffee in terms of volume, and fifth in terms of value, and its growth is largely a result of the attributes it shares with instant coffee, convenience and a malleable flavour profile.

Vietnam's instant coffee market is expected to continue to grow steadily in coming years due to a number of market trends. The growth of instant coffee stemmed from rising demand among adolescent consumers, who seek convenient and time saving methods for consuming hot drinks in tune with their busy lifestyle.

**Internal Control :**

The Company has proper and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The internal control system provides for well documented policies, guidelines, authorizations approvals and procedures. The observations arising out of audit are subject to periodic review, compliance and monitoring. The significant observations, made in internal audit reports, along with the status of action thereon are reviewed by the Audit Committee of the Board of Directors on a regular basis for future appropriate action, if deemed necessary.

**Performance Review**

Discussion on Financial Performance with respect to Operational Performance:

**1. Total Income:**

During the year under review Grandeur Products Limited has achieved a gross total income of Rs.169,631,535/-

**2. Share Capital:**

The paid up share capital as on 31st March, 2015 is 45,400,000/- divided into 4540000 fully paid-up equity shares of Rs.10/- each.

**3. Net Profit:**

The Company's operating profit during the year under review has resulted in a net profit of Rs. 564,268.

**4. Earnings Per Share (EPS):**

The Earning Per Share for the Financial Year 2014-15 is Rs.0.12 per share (Face Value: Rs.10/- each). Your directors are putting continuously efforts to increase the performance of Company and are hopeful that the performance in coming year will improve in faster way.

**Human Resource:**

Your company recognizes that the human resources are the most crucial factor for achieving sustained growth over the years. The management considers it's highly motivated and passion driven work force as it ' s partner in the growth of the company

## CORPORATE GOVERNANCE REPORT

In Compliance with Clause 49 of Listing Agreement with Stock Exchanges, the Company Submits the report on the matters mentioned in said clause and lists the practices followed by the company.

## CORPORATE GOVERNANCE PHILOSOPHY:

The Company's philosophy on Corporate Governance is very well practice fair and transparent governance to the benefit of its stakeholders at large. The Company relies on the strong Corporate Governance systems and policies of business for healthy growth, accountability and transparency.

## 1. BOARD OF DIRECTORS:

The Board comprises of the following Directors:

Name of the Director	Category	No of Board Meetings during the Year 2014-2015 and attendance		Last AGM	No. of other Directorships	As on date	
		B.M.				Committee positions	
		Held	Attended			Member	Chairman
Vijay Kumar Deekonda!	Whole Time Director	11	5	No	0	0	0
Poppoppu Lenin Babu	Independent Director	11	11	Yes	0	1	2
Majeti Venkateshesha Sridhar Kumar	Independent Director	11	11	Yes	1	1	1
Munnangi Jayaramaprasad	Director Independent	11	11	Yes	0	3	0
Jonnada Vaghira Kumari@	Director	11	1	No	3	1	0
Raghuveer Adusumilli#	Director	11	8	Yes	0	0	0
Pithani Veera Venkata Subrahmanyam\$	Director	11	8	Yes	0	0	0
Venkata Appa Rao%	Director	11	8	Yes	0	0	0

! Co-opted as an Director of the Company w.e.f 01/10/2014

@ Co-opted as an Additional Director of the Company w.e.f 30/03/2015

# Ceased to be a Director of the Company w.e.f 06.01.2015

\$ Ceased to be a Director of the Company w.e.f 06.01.2015

% Ceased to be a Director of the Company w.e.f 06.01.2015

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

In accordance with Clause 49 of the Listing Agreement, memberships/chairmanships of Audit Committees and Stakeholders Relationship Committees in all public Limited companies (Grandeur Products Limited) have been considered.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are Directors.



None of the Directors serve as an Independent Director in more than seven listed companies.

During the year under review, Eleven (11) Board meetings were held on 14th May, 2014, 15th May, 2014, 27th May, 2014, 13th August, 2014, 1st September, 2014, 30th September, 2014, 12th November, 2014, 06.01.2015, 14th February, 2015, 13th March, 2015 and 30th March, 2015.

Your Company holds minimum of four board meetings in each year with maximum time gap of 120 days between any two meetings and Additional Board Meetings were convened by giving appropriate notice to address the urgent needs of the Company. The Board may also approve permitted matters by passing resolutions by circulation

## 2. Audit Committee:

The audit committee of the Company is constituted in the line with the provisions of Clause 49 of Listing Agreement entered into with the stock exchanges read with section 177 of the Companies Act, 2013.

The committee acts in accordance with the terms of reference specified in writing by the Board which shall include provisions of sub-section (4) of section 177 of the Companies Act, 2013. The Audit Committee has adequate powers to play effective role as required under Clause 49 of the Listing Agreement entered into with Stock Exchanges. The audit Committee invites executives, as it considers appropriate, representatives of the Statutory Auditors and representatives of the internal auditors to be present at its meeting, as per provision of Sub-section (5) of section 177 of the Companies Act, 2013.

The composition of the Audit Committee as on date and the attendance of each Member of the Committee at the meetings were as follows:

Audit Committee	Designation
Poppoppu Lenin Babu	Chairman
Jonnada Vaghira Kumari	Member
Munnangi Jayaramaprasad	Member
Raghuveer Adusumilli#	Member
Pithani Veera Venkata Subrahmanyam\$	Member

\$ Ceased to be a Director of the Company w.e.f 06.01.2015

# ceased to be a Director of the Company w.e.f 06.01.2015

Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

Members of Audit Committee met four times with maximum time gap of Four Months between any two Committee meetings.

Audit Committee meetings were held during the year under review, Five (5) meetings were held on 14th May, 2014, 27th May, 2014, 13th August, 2014, 12th November, 2014 and 14th February, 2015.

All members of the Audit committee are financially literate and have expertise in accounting/Financial management.

### Terms of reference

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement entered into with Stock Exchanges read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

i) Powers of the Audit Committee include:

- To investigate any activity within its terms of reference.
- To seek information from any employee.

- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- ii) Role of the Audit Committee includes:
  - Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
  - Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
  - Approval of payment to statutory auditors for any other services rendered by them.
  - Reviewing, with the management, the annual financial statements 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 Companies Act, 2013
    - 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
    - review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements
    - Management Discussion and Analysis of financial conditions and results of operations
  - Review of Statement of significant related party transactions submitted by the management.
  - Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
  - Review of internal audit reports relating to internal control weaknesses.
  - Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
  - Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
  - Review of the financial statements of subsidiary Companies
  - Review and monitor the auditor's independence and performance and effectiveness of audit process
  - Approval or any subsequent modification of transactions of the Company with related parties
  - Scrutiny of inter-corporate loans and investments
  - Valuation of undertakings or assets of the Company, wherever it is necessary
  - Evaluation of internal financial controls and risk management systems
  - To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors

- 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.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Whistle Blower Mechanism
- Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee

The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events

### 3. Nomination and Remuneration Committee:

Nomination and Remuneration Committee was duly constituted in accordance with the requirements of Schedule V of the Companies Act, 2013 and Listing Agreement.

The Nomination and Remuneration Committee is authorized subject to the provisions of Companies Act, 2013 and the consent of members, to negotiate, finalize and approve the terms of appointment for Managing Director and other Senior Executives on behalf of the Company. As on date the composition of remuneration committee is as follows:  
Nomination and Remuneration Committee Designation

Poppoppu Lenin Babu	Chairman
Jonnada Vaghira Kumari	Member
Majeti Venkatesha Sridhar Kumar	Member
Venkata Appa Rao%	Member

% Ceased to be a Director of the Company w.e.f 06.01.2015

All the members of the Nomination and Remuneration Committee are Non-Executive Directors and all are Independent. The Nomination and Remuneration Committee reviews the remuneration package payable to Executive Director(s) and Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendation to the Board and acts in terms of reference of the Board from time to time.

**Terms of reference**

The terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board
- Devising a policy on Board diversity.
- 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 their appointment and removal.
- To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
- Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Payment / revision of remuneration payable to Managerial Personnel.
- While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
- The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
- Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company, <http://grandeurproducts.com/index.html>

**Nomination and Remuneration Policy****1. Introduction**

Grandeur Products Limited, believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, Grandeur Products Limited ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. Grandeur Products Limited recognizes the importance of Independent Directors in achieving the effectiveness of the Board. Grandeur Products Limited aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

Grandeur Products Limited also recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.

- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

## 2. Scope:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company and also for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

## 3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director" means a Director appointed to the Board of a Company.
- 3.2 "Nomination and Remuneration Committee" means the committee constituted by Grandeur Products Limited Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.
- 3.3 "Independent Director" means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.
- 3.4 "Key Managerial Personnel" means
  - (i) the Chief Executive Officer or the Managing Director or the Manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the Companies Act, 2013

## 4. Selection of Directors and determining Directors' independence

### 4.1 Qualifications and criteria

4.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that is relevant for the Company's global operations.

4.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

General understanding of the Company's business dynamics, global business and social perspective;  
 Educational and professional background Standing in the profession;  
 Personal and professional ethics, integrity and values;  
 Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

Shall possess a Director Identification Number;  
 Shall not be disqualified under the Companies Act, 2013;  
 Shall give his written consent to act as a Director;

Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / reappointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
  - (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
  - c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - e. who, neither himself nor any of his relatives—
    - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
    - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
- (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - iii. holds together with his relatives two per cent or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
  - v. is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

Remuneration to Executive Directors, Key Managerial Personnel, Non-Executive Directors and other employees

5.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

5.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company

5.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- a. Basic Pay
- b. Perquisites and Allowances

- c. Commission (Applicable in case of Executive Directors)
- d. Retrial benefits
- e. Annual Performance Bonus

5.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

#### 5.2 Remuneration to Non-Executive Directors

5.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.

5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

#### 5.3 Remuneration to other employees

5.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

#### 4. Stakeholders Relationship Committee:

The present composition of the Shareholders Relationship Committee is as under:

Stakeholders Relationship Committee	Designation
Majeti Venkatesha Sridhar Kumar	Chairman
Munnangi Jayaramaprasad	Member
Poppoppu Lenin Babu	Member
Pithani Veera Venkata Subrahmanyam\$	Member
Venkata Appa Rao%	Member

\$ Ceased to be a Director of the Company w.e.f 06.01.2015

% Ceased to be a Director of the Company w.e.f 06.01.2015

The Committee is empowered to oversee the redressal of investor complaints pertaining to share transfer, non-receipt of Annual Reports, issue of duplicate share certificates, transmission of shares and other miscellaneous complaints. In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorized the Compliance Officer, to approve share transfers/transmissions and comply with other formalities in relation thereto.

Dates: 27th May, 2014, 13th August, 2014, 12th November, 2014 and 14th February, 2015.

In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorised the Company Secretary, who is also the Compliance Officer, to approve share transfers / transmissions and comply with other formalities in relation thereto.

All investor complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

There were no complaints pending for redressal during the year under review. There were no pending transfers as on 31st March, 2015.



**Terms of reference**

The terms of reference of the Stakeholders Relationship Committee are as under:

- i) Redressal of grievances of shareholders, debenture holders and other security holders
- ii) Transfer and transmission of securities
- iii) Dealing with complaints related to transfer of shares, non-receipt of declared dividend, nonreceipt of Balance Sheet etc.
- iv) Issuance of duplicate shares certificates
- v) Review of dematerialization of shares and related matters
- vi) Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, Listing Agreement with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority. In order to expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Share Transfer Agents i.e., M/s. Venture Capital and Corporate Investments Pvt. Ltd. , to redress all complaints/grievances/enquiries of the shareholders/investors. It redresses the grievances/ complaints of shareholders/investors under the supervision of Company Secretary & Compliance Officer of the Company

The Committee, along with the Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by M/s. P.S. Rao & Associates, Practising Company Secretaries. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

As on 31st March, 2015, 1089250 Equity Shares of ` 10/- each representing 23.99% of the total no. of shares are in dematerialized form.

**Vigilance Mechanism / Whistle Blower Policy**

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

The Whistle Blower Policy of the Company is also posted on the website of the Company.

**Meeting of Independent Directors**

During the year under review, the Independent Directors met on 13th March, 2015, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholder Relationship Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

#### (i) General Body Meetings:

Year	Place of Meeting	Date & Time	Special Resolutions
2013-14	19-06- 2014	26/4A, Armenian Street, Jhagra, Kothi, 3rd Floor, Cal, Kolkata, West Bengal 700 001, India	Nil
2012-13	30-09- 2013	26/4A, Armenian Street, Jhagra, Kothi, 3rd Floor, Cal, Kolkata, West Bengal 700 001	Nil
2011-12	29-09- 2012	Chartered Bank Buildings, 4, Netaji Subhas Road, Kolkata - 700 001	Nil

(ii) During the last year Company has not conducted Extra Ordinary General Meeting of the Company.

## 5. DISCLOSURES

### A. Disclosures on Materially Significant Related Party Transactions

There were no materially significant related party transactions compared to the business volume of the Company during the year conflicting with the interest of the Company.

### B. As per the Internal Code of Conduct the employees have been given access to the Audit Committee.

### C. Code of Conduct

The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all Directors and senior Management of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective Codes of Conducts for the financial year ended 31st March, 2015.

### D. CEO Certification:

The Whole Time Director (CEO) has certified and submitted a certificate on the financial results and other compliance of statutory requirements to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO certification for the financial year ended 31st March, 2015.

**E. Details of Compliances with Mandatory Requirements and Adoption of the non-Mandatory Requirements**

The Company has complied with all the mandatory requirements of Clause 49 and is in the process of implementation of Non-Mandatory requirements.

**F. Relationship inter-se among directors**

There is no relation between each of the directors in the Company.

**6. MEANS OF COMMUNICATION**

A. The financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement.

B. Management Discussion and Analysis forms part of this Annual Report.

**7. GENERAL SHAREHOLDER'S INFORMATION**

A. Financial Year : 1st April 2014 to 31st March 2015.

B. Book Closure : 05.09.2015 to 12.09.2015

C. Listing on Stock Exchanges : 1. BSE Limited  
2. Calcutta stock Exchange Limited.

D. Stock Market Price Data : The shares of the Company were not quoted on any Stock Exchanges during the year.

Company has directly listed its shares with BSE Trading has been Started on Bombay Stock Exchange (BSE) w.e.f. 21.07.2015

**E. Distribution Schedule as on 31.03.2015**

SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF		SHARE/DEBENTURE HOLDERS		SHARE/DEBENTURE AMOUNT	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
1		2	3	4	5
Upto	- 5,000	460	86.63	408500	0.90
5,001	- 10,000	7	1.32	70000	0.15
10,001	- 20,000	17	3.20	255000	0.56
20,001	- 30,000	0	0.00	0	0.00
30,001	- 40,000	0	0.00	0	0.00
40,001	- 50,000	0	0.00	0	0.00
50,001	- 1,00,000	0	0.00	0	0.00
1,00,001	and above	47	8.85	44666500	98.38
TOTAL		531	100.00	45400000	100.00

**F. Registrar and Share Transfer Agent/ Common Agency for Share Registry work:**

The Company has appointed M/s. Venture Capital and Corporate Investments Pvt. Ltd, RTA as Share Transfer Agents. The share transfer work is out in-house at the Company's Registered Office. However, it is decided to carried appoint Registrar and Share Transfer Agent for both physical and demat. Therefore, Company has entered an agreement with M/s. Venture Capital and Corporate Investments Private Limited as Common Agency for Share Registry work ( both Physical and Demat).

**G. Share Transfer System:**

The Company is taking care to ensure that the Share Transfer work gets completed within the stipulated time of one month. The Board of Directors has delegated the power of approving transfer of Shares severally to Whole Time Director and one Director. The Board has also constituted a Share Transfer Committee which has been assigned the task of approving splitting of Shares, Issue of duplicate Share Certificates, consolidation of Share Certificates, change of status of a shareholder and other allied matters.

**H. Dematerialization of shares and liquidity:**

The Company has made necessary arrangements with Central Depository Services (India) Limited (CDSL) National Securities Depository Limited (NSDL) for dematerialization facility. Shareholders can open an account with the depository participant registered with this depository.

**I. Address for Correspondence**

Grandeur Products Limited 26/4A,  
Armenian Street,  
Jhagra, Kothi,  
3rd Floor,  
Cal,Kolkata,  
West Bengal 700 001  
Email: Grandeurproductsltd@gmail.com

**i. Shareholding Pattern for the Year ended 31.03.2015**

Category	No. of Shares Held	Percentage
Promoter	1178100	25.95
Mutual Funds& UTI	0	0
Banks, Financial Institutions,		
Insurance Companies & FII	0	0
Private Corporate bodies	0	0
Indian Public	3361900	74.05
NRI/OCB	0	0
Foreign Nationals	0	0
Any Other	0	0
<b>Total</b>	<b>4540000</b>	<b>100.0</b>

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**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management personnel have affirmed the compliance with Grandeur Products Limited Code of Conduct for the year ended 31st March, 2015.

For Grandeur Products Limited

Sd/-

**Vijay Kumar Deekonda**  
Whole Time Director

Hyderabad  
August 12th 2015

## CEO/CFO CERTIFICATION

- a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended March 31, 2015 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 statement together present a true and fair view of the Company's affairs and are in compliance with 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 violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
- I. significant changes in the internal control over financial reporting during the year;
  - II. 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.
  - III. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Grandeur Products Limited

Sd/-  
Whole Time DirectorSd/-  
Director & CFOSd/-  
DirectorHyderabad  
August 12th 2015

**AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To  
The Board of Directors,  
For Grandeur Products Limited

We have examined the compliance of conditions of Corporate Governance by Grandeur Products Limited for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of condition of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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 P.S. Rao & Associates  
Company Secretaries

Sd/-  
**N. Vanitha**  
Partner  
M.No. 26859  
C.P. No. 10573

Hyderabad  
August. 12th 2015

**INDEPENDENT AUDITOR'S REPORT**

To the Members,

**GRANDEUR PRODUCTS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. Grandeur Products Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow statement for the year ended, and summary of significant accounting policies and other explanatory information.

**Management Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014, This responsibility also includes the maintenance of adequate records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing standards and matters which are required to be included in audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing Specified under sec 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2015, and its Profit and its cash flows for the year ended on the date.



**Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies(Auditor's Report) Order, 2015 (the Order) issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act, we give in the annexure a statement on the matters specified in the paragraph 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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 written representations received from the directors as on 31st March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the other matters 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 does not have any pending litigations which would impact its financial position.
    - ii. The Company does not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which required to be transferred to the Investor Education and protection fund by the company

For Ramasamy Koteswara Rao & Co,  
Chartered Accountants  
Firm Registration Number: 010396S

**(C V Koteswara Rao)**

Partner

Membership No.028353

Place: Hyderabad  
Date: 30th May, 2015

**The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2015, we report that:**

- i) The Company does not have any fixed assets. The company has neither acquired nor disposed any fixed assets. Accordingly provisions of clauses of (a), (b), of paragraph 3(i) of the order is not applicable to the company.
- ii) The Company does not hold any inventories. Accordingly paragraph 3(ii) of the order is not applicable to the company.
- iii) In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, requirements of clauses (a), (b), of paragraph 3(iii) of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is a adequate internal control system commensurate with the size of the company and the nature of its business, with regard to purchase of inventory and for the sale of goods. During the course of the audit we have not observed any major weaknesses in the internal control system.
- v) In our opinion and according to the explanations given to us, the company has not accepted any deposits from Public.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act 2013.
- vii)
  - a) According to the records of the company and explanations given to us and on the basis of our examination of the records of the company, undisputed statutory dues including Provident Fund, Income - tax, Value Added Tax, and other material statutory dues applicable to it have been regularly deposited with the appropriate authorities. Further, as explained to us, no undisputed statutory dues were in arrears as at 31st March 2015 for a period of more than 6 months from the date they become payable.
  - b) According to the information and explanation given to us, there are no dues of income-tax, sales-tax and cess which have not been deposited on account of any dispute.
  - c) According to the information and explanation given to us there were no amount transferred to investor education and protection fund.
- viii) The company does not have accumulated losses as at the end of the financial year and the company has not incurred any cash losses during the current financial year covered by our audit and in the immediately preceding financial year.
- ix) Based on our audit procedures and on the information and explanation given to us, we are of the opinion the company has not taken any loans from bank or financial institutions. Accordingly clause 3(ix) of the order is not applicable to the company.
- x) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xi) According to the information and explanations given to us, no term loans were raised during the year.
- xii) Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Ramasamy Koteswara Rao & Co,  
Chartered Accountants  
Firm Registration Number: 010396S

**(C V Koteswara Rao)**  
Partner  
Membership No.028353

Place: Hyderabad  
Date: 30th May, 2015

## BALANCE SHEET AS AT MARCH 31, 2015

(Amount In ₹)

Particulars	Note No	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	45,400,000	45,400,000
Reserves and Surplus	2	1,238,667	674,399
<b>Current Liabilities</b>			
Trade Payables	3	92,402,861	52,000
Other Current Liabilities	4	626,226	123,505
<b>Total</b>		<b>139,667,755</b>	<b>46,249,904</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Trade receivables	5	94,939,917	-
Cash and cash equivalents	6	13,837,851	49,904
Short-term loans and advances	7	30,715,397	46,200,000
Other current Assets	8	174,590	-
<b>Total</b>		<b>139,667,755</b>	<b>46,249,904</b>

**Significant Accounting policies and notes to accounts**

As per our report of even date

For **RAMASAMY KOTESWARA RAO & CO.**,  
Chartered Accountants  
FRN NO.010396S

For and on behalf of the Board

**Vijay Kumar Deekonda**  
Director**Munnangi Jayaram Prasad**  
Director**C V Koteswara Rao**  
Partner  
M.No: 028353**Sujani Vasireddi**  
Company SecretaryPlace:Hyderabad  
Date: 30-05-2015

## PROFIT &amp; LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

(Amount In ₹)

Particulars	Note No	As on March 31, 2015	As on March 31, 2014
<b>INCOME</b>			
Revenue from operations	9	169,200,850	4,001,290
Other Income	10	430,685	-
<b>Total Revenue</b>		<b>169,631,535</b>	<b>4,001,290</b>
<b>EXPENSES</b>			
Purchase of Stock-in Trade	11	166,053,038	3,754,100
Salaries and Wages	12	380,000	-
Other expenses	13	2,122,770	24,500
<b>Total Expenses</b>		<b>168,555,808</b>	<b>3,778,600</b>
<b>Profit before tax , prior period items</b>		<b>1,075,727</b>	<b>222,690</b>
prior period items		-	-
Profit before tax		1,075,727	222,690
<b>Tax expense:</b>			
(1) Current tax		511,459	68,811
(2) Deferred tax		-	-
<b>Profit/(Loss) for the period</b>		<b>564,268</b>	<b>153,879</b>
Earning per equity share:			
Basic and Diluted		0.12	0.03

**Significant Accounting policies and notes to accounts**

As per our report of even date

For **RAMASAMY KOTESWARA RAO & CO.,**  
Chartered Accountants  
FRN NO.010396S

For and on behalf of the Board

**Vijay Kumar Deekonda**  
Director

**Munnangi Jayaram Prasad**  
Director

**C V Koteswara Rao**

Partner  
M.No: 028353

**Sujani Vasireddi**  
Company Secretary

Place:Hyderabad  
Date: 30-05-2015

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

(Amount In ₹)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>A Cash flow from operating Activities</b>		
Net Profit/(Loss) Before Tax	1,075,727	222,690
Adjustments for :-		
Depreciation	-	-
Preliminary Expenses	-	-
Operating profit before working Capital Changes	1,075,727	222,690
(Decrease)/increase in Current Liabilities	92342123	7500
Decrease/(increase) in Current Assets	(79,481,588)	(43,200,000)
Cash flows from operating activities	13,936,263	(42,969,810)
Taxes paid	148,316	-
<b>Net Cash flows from operating activities</b>	<b>13,787,947</b>	<b>(42,969,810)</b>
<b>B Cash flow from investing Activities</b>		
Purchase of fixed Assets		
<b>Net Cash flows from Investing activities</b>	<b>-</b>	<b>-</b>
<b>C Cash flow from Financing Activities</b>		
Increase of Share Capital	0	43000000
Increase in Long term Borrowings	-	-
<b>Net Cash flows from Financing activities</b>	<b>0</b>	<b>43000000</b>
Net Increase/(Decrease) in Cash and Cash equivalents	13,787,947	30,190
Cash and cash equivalents at the beginning of the year	49,904	19,714
Cash and cash equivalents at the end of the year	13,837,851	49,904

As per our report of even date

For **RAMASAMY KOTESWARA RAO & CO.**,  
Chartered Accountants  
FRN NO.010396S

For and on behalf of the Board

**Vijay Kumar Deekonda**  
Director**Munnangi Jayaram Prasad**  
Director**C V Koteswara Rao**Partner  
M.No: 028353**Sujani Vasireddi**  
Company SecretaryPlace:Hyderabad  
Date: 30-05-2015

## Notes Forming Part of Balance Sheet &amp; Profit and Loss Statement.

Particulars	As at 31st, March 2015	As at 31st, March 2015	As at 31st, March 2014	As at 31st, March 2014
Note 1	No. of Shares	Amount	No. of Shares	Amount
SHARE CAPITAL AUTHORISED CAPITAL Equity Shares of Rs. 10/- each	5,000,000	50,000,000	5,000,000	50,000,000
		<b>50,000,000</b>		<b>50,000,000</b>
ISSUED, SUBSCRIBED & PAID UP CAPITAL Equity Shares of Rs. 10/- each fully paid up	4,540,000	45,400,000	4,540,000	45,400,000
		<b>45,400,000</b>		<b>45,400,000</b>
A) Reconciliation of number of shares Equity Shares As at beginning of the year Add: Issue of shares As at end of the year	240,000 4,300,000 <b>4,540,000</b>	2,400,000 43,000,000 <b>45,400,000</b>	240,000 4,300,000 <b>4,540,000</b>	2,400,000 43,000,000 <b>45,400,000</b>
B) Shareholders holding more than 5% equity shares	No of Shares	%	No of Shares	%
Jayaram Munnangi	1,089,050	23.99%	1,089,050	23.99%
B. Mohan Krishna	1,000,000	22.03%	1,000,000	22.03%
T. Satish	500,000	11.01%	500,000	11.01%
Y. Krishna rao	-	0.00%	600,000	13.22%
K Sudha	-	0.00%	1,000,000	22.03%
	<b>2,589,050</b>	<b>57.03%</b>	<b>4,189,050</b>	<b>92.27%</b>

## Note 2

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>RESERVES &amp; SURPLUS</b>		
(a) Surplus in Statement of Profit & Loss		
Opening Balance	674,399	551,720
Add: Profit for the year	564,268	153,879
Less: Miscellaneous Expenditure not written-off	-	(31,200)
<b>At the end of the year</b>	<b>1,238,667</b>	<b>674,399</b>

## Note 3

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>Trade Payables</b>		
Sundry creditors	92,350,861	-
More than 6 months	52,000	52,000
<b>Total</b>	<b>92,402,861</b>	<b>52,000</b>

## Notes Forming Part of Balance Sheet &amp; Profit and Loss Statement.

## Note 4

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>OTHER CURRENT LIABILITIES</b>		
Audit Fee Payable	78,767	54,694
Rent Payable	36,000	
Income Tax Payable	511,459	68,811
<b>Total</b>	<b>626,226</b>	<b>123,505</b>

## Note 5

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>Trade receivables</b>		
Sundry debtors	94,939,917	-
<b>Total</b>	<b>94,939,917</b>	<b>-</b>

## Note 6

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>CASH &amp; BANK BALANCES</b>		
Cash in hand	24,904	49,904
Balance with Banks	13,812,947	
<b>Total</b>	<b>13,837,851</b>	<b>49,904</b>

## Note 7

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>SHORT-TERM LOAN &amp; ADVANCES</b>		
Advances Receivable	3,200,000	3,200,000
Intercorporate Deposits	27,115,397	-
Other Loans and advances	400,000	43,000,000
<b>Total</b>	<b>30,715,397</b>	<b>46,200,000</b>

## Note 8

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>Other current Assets</b>		
Advance Tax	75,000	-
Prepaid Insurance	26,274	-
TDS Receivables	73,316	
<b>Total</b>	<b>174,590</b>	<b>-</b>

## Notes Forming Part of Balance Sheet &amp; Profit and Loss Statement.

## Note 9

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>REVENUE FROM OPERATION</b>		
Sale of Goods	169,200,850	4,001,290
<b>Total</b>	<b>169,200,850</b>	<b>4,001,290</b>

## Note 10

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>OTHER INCOME</b>		
Other income	430,685	-
<b>Total</b>	<b>430,685</b>	<b>-</b>

## Note 11

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>Purchase Stock in trade</b>		
Purchase of goods	166,053,038	3,754,100
<b>Total</b>	<b>166,053,038</b>	<b>3,754,100</b>

## Note 12

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>Salaries and wages</b>		
Salaries and wages	140,000	-
Directors Remuneration	240,000	-
<b>Total</b>	<b>380,000</b>	<b>-</b>

## Note 13

Particulars	As at 31st, March 2015	As at 31st, March 2014
<b>OPERATION AND OTHER EXPENSES</b>		
Accounting Expenses	16,500	-
Bank Charges	177,934	-
Certification Charges	47,742	-
Foreign Exchange Loss	44,115	-
Expenditure on increased authorised share capital	570,583	-
Insurance Charges	8,726	-
Interest on Income Tax	8,898	-
Internal Audit Fee	15,000	-



**Notes Forming Part of Balance Sheet & Profit and Loss Statement.**

Listing Expenses	1,044,130	-
Printing & Stationery	22,017	-
Processing Charges	41,610	-
Professional Charges	35,417	-
Professional Tax	12,500	-
Rates and Taxes	16,598	-
Rent	36,000	-
Other Expenses	-	17,000
Payment to Auditors		
a) Audit Fee	25,000	7,500
<b>Total</b>	<b>2,122,770</b>	<b>24,500</b>

**Notes to financial statements.****1. Basis of preparation of financial Statements:**

The Financial statements have been prepared under the historical cost convention on accrual basis. The mandatory applicable accounting standards in India and the provisions of the companies Act, 2013 have been followed in preparation of these financial statements.

All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Revised Schedule III to the Companies Act, 2013.

**2. Summary of significant accounting policies****a. Use of Estimates:**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**b. Revenue recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured.

**Sale of Products:**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rates.

**c. Taxation:**

Current Tax: provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.

**d. Provisions and Contingent Liabilities**

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

**e) Foreign Currency Transactions:**

The Company translates all foreign currency transactions at Exchange rates prevailing on the date of transactions. Exchange rate differences resulting from foreign exchange transactions settled during the year are recognized as income or expenses in the period in which they arise.

Monetary current assets and current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the statement of Profit and loss.

## Notes to Financial Statements

## a) Related Party Disclosures:

List of Transactions with key management personnel during the year:

Amount (Rs.)

Particulars	Nature of Relation	Nature Of Transactions	2014-15	2013-14
Vijay Kumar Deekonda	Whole time-director	Managerial Remuneration	2,40,000	0

## b) Contingent Liabilities and Capital Commitments:

	For the FY 2014-15	For the FY 2013-14
(i) Outstanding Guarantee given by the company	Nil	Nil
(ii) Claims against company not acknowledge as debt	Nil	Nil
(iii) Claims made by the company not acknowledge as debt	Nil	Nil

## c) Foreign Exchange earnings and outgo

## Earnings in foreign exchange (On accrual basis)

	For the FY 2014-15	For the FY 2013-14
Income from Exports of Goods	13,94,70,923	Nil

## Expenditure in Foreign exchange (on accrual basis)

Cost of Imports	(9,91,14,404)	(Nil)
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Net Earnings in foreign exchange	4,03,56,519	Nil
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## d) Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Amount (Rs.)

S. No	Particulars	2014-15	2013-14
I	Net Profits Attributable to Equity Shareholders	5,64,268	1,53,879
II	Weighted Average No of Equity Shares Outstanding during the Year	45,40,000	45,40,000
	<b>Earnings per Share (I/II)</b>	<b>0.12</b>	<b>0.03</b>

For **RAMASAMY KOTESWARA RAO & CO.,**  
Chartered Accountants  
FRN NO.010396S

For and on behalf of the Board  
**Grandeur Products Limited**

**Vijay Kumar Deekonda**  
Director

**Munnangi Jayaram Prasad**  
Director

**C V Koteswara Rao**  
Partner  
M.No: 028353

**Sujani Vasireddi**  
Company Secretary

Place:Hyderabad  
Date: 30-05-2015

**GRANDEUR PRODUCTS LIMITED**

CIN: L15500WB1983PLC035627

Regd Office : 26/4A, Armenian Street, Jhagra, Kothi, 3rd Floor, Cal, Kolkata, West Bengal 700 001, India,

**ATTENDANCE SLIPS**

(To be presented at the entrance)

**32nd ANNUAL GENERAL MEETING ON 12th day of September,2015, AT 11.00 A.M**

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

Name of the Member: \_\_\_\_\_ Signature : \_\_\_\_\_

Name of the Proxy holder: \_\_\_\_\_ Signature : \_\_\_\_\_



**GRANDEUR PRODUCTS LIMITED**

CIN: L15500WB1983PLC035627

Regd Office : 26/4A, Armenian Street, Jhagra, Kothi, 3rd Floor, Cal, Kolkata, West Bengal 700 001, India  
 PROXY FORM (Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
 (Management and Administration) Rules, 2014)

**MGT-11**

**Proxy Form**

32nd ANNUAL GENERAL MEETING ON 12th day of September, 2015, AT 11.00 A.M

Name of the Member(s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Folio No./Client ID No. : \_\_\_\_\_  
 DP ID No. : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ Shares of Grandeur Products Limited, hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_ Signature: \_\_\_\_\_  
 or failing him

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_ Signature: \_\_\_\_\_  
 or failing him

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_ Signature: \_\_\_\_\_  
 or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company to be held on 26/4A, Armenian Street, Jhagra, Kothi, 3rd Floor, Cal, Kolkata, West Bengal 700 001, India, at 11.00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No	Resolutions	For	Against
1	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2	Re-appointment of Director		
3	Ratification of appointment of Auditors		
4	Appointment of Independent Director for a period of 5 years		
5	Approval for authorising Board of Directors for borrowing powers as per Section 180 (1) (c) of Companies Act, 2013		
6	Approval for authorising Board of Directors for mortgage and /or create charge on the assets of the Company as per Section 180 (1) (a) of Companies Act, 2013		
7	Appointment & fix the Remuneration of Whole Time Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Affix  
Revenue  
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

NOTES: This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Regd Office: 26/4A, Armenian Street, Jhagra, Kothi, 3rd Floor, Cal, Kolkata, West Bengal 700 001, India, not less than 48 hours before the commencement of the Meeting.

