



Ambuja Cement Eastern Limited

AMBUJA CEMENT EASTERN LIMITED

ANNUAL REPORT 2003-2004

BOARD OF DIRECTORS

Suresh Neotia, Chairman

A L Kapur

P B Kulkarni

A C Singhvi

S V Haribhakti

A K Puri

Santosh Senapati

Sandeep H. Junnarkar

Harshavardhan Neotia, Managing Director

COMPANY SECRETARY

R Kalidas

AUDITORS

Lodha & Co.

S. R. Batliboi & Associates

CORPORATE OFFICE

'Vishwakarma'

86C, Topsia Road (S)

Kolkata 700 046

REGISTERED OFFICE

Village – Rawan

Tehsil – Baloda Bazar

District – Raipur

Chhattisgarh – 493 331

NOTICE

NOTICE is hereby given that the Twenty-second Annual General Meeting of the Members of Ambuja Cement Eastern Limited will be held at the Registered Office at village : Rawan, Tehsil : Baloda Bazar, Dist : Raipur, Chattisgarh 493 331 on Thursday, the 21st October, 2004 at 3.00 pm to transact the following business:

1. To consider and adopt the Profit and Loss Account for the Corporate Financial Year ended 30th June, 2004, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Santosh Senapati who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri A K Puri who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s Lodha & Co. as the Auditors of the company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.
5. To appoint M/s S R Batliboi and Associates as the Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Special Business

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

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Shri Sandeep H Junnarkar who was appointed as an Additional Director of the Company and who u/s 260 of the Companies Act, 1956 holds Office only upto the date of this Annual General Meeting and being eligible, has offered himself for appointment and in respect of whom the Company has received Notice in writing from a Member alongwith the requisite deposit pursuant to the provisions of Section 257 of the Companies Act, 1956, signifying its intention to propose the candidature of Shri Junnarkar for the Office

of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

By order of the Board of Directors

Place : Mumbai
Date : 27th July, 2004

R Kalidas
Company Secretary

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be valid must be deposited with the Company at its Registered Office not less than 48 hours before the Meeting.
2. The Register of Members and the Share Transfer Books will remain closed from Tuesday, 7th September, 2004 to Friday, 10th September, 2004 (both days inclusive).
3. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business under the Item No.6 of the adjoining Notice is attached.
4. The Company's shares have been activated for dematerialisation both with National Securities Depository Ltd. and Central Depository Services Ltd. Members can hold their shares in dematerialised form through any of the depositories as above.
5. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrars and Share Transfer Agents, M/s Intime Spectrum Registry Ltd., 1/17, Prince Gulam Mohammad Road, Kolkata 700 026, enclosing their original share certificates to enable them to consolidate their holdings into one folio.
6. Members are once again requested to surrender their old share certificates held in the erstwhile Modi Cement Limited (MCL) to the Company's Registrars and Share Transfer Agents enclosing their original share certificates to enable them to issue new share certificates in exchange thereof in accordance with the rehabilitation scheme sanctioned by the BIFR. It may please be noted that the old share certificates of MCL have been cancelled and these are not acceptable for dematerialisation.

EXPLANATORY STATEMENT

[pursuant to Section 173(2) of the Companies Act, 1956]

In respect of Item No.6

Shri Sandeep H Junnarkar an eminent Advocate and Solicitor was appointed as an Additional Director of the Company by the Board on 28th June, 2004. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Shri Junnarkar holds Office until the date of this Annual General Meeting. The Company has received a Notice pursuant to Section 257 of the Companies Act, 1956 alongwith the requisite deposit from a Member proposing the candidature of Shri Junnarkar for appointment as a Director liable to retire by rotation. Shri Junnarkar being eligible offers himself for reappointment as a Director.

Shri Junnarkar who is 51 years old is a Partner of a reputed Law Firm based at Mumbai. He is also on the Board of a number of eminent companies.

The Board of Directors considers that Shri Junnarkar's appointment as a Director would be in the best interest of the Company and accordingly recommends his appointment.

Save and except Shri Junnarkar, none of the other Directors is deemed to be interested or concerned with the said appointment.

The particulars of other Directorships / Committee Memberships held by Shri Junnarkar are as follows :

A. Directorships

1. Ambuja Cement India Ltd.
2. Excel Corp. Care Ltd.
3. Inter-connected Stock Exchange of India Ltd.
4. IL&FS Infrastructure Development Corp. Ltd.
5. Indian Petrochemicals Corporation Ltd.

6. Jai Corp. Ltd.
7. Reliance Capital Ltd.
8. Reliance Industrial Infrastructure Ltd.
9. Reliance Industrial Investments & Holdings Ltd.
10. Reliance Life Insurance Co. Ltd.
11. Reliance Ports & Terminals Ltd.
12. Sterlite Industries (India) Ltd.
13. Sunshield Chemicals Ltd.
14. Tilaknagar Industries Ltd.

B. Committee Memberships	Audit	Investors' Grievance	Remuneration
1. Excel Crop. Care Ltd.	—	—	Member
2. Indian Petrochemicals Corporation Ltd.	Member	—	—
3. Reliance Capital Ltd.	Member	—	—
4. Reliance Industrial Infrastructure Ltd.	Member	Member	Member
5. Sterlite Industries (India) Ltd.	Member	Chairman	—
6. Tilaknagar Industries Ltd.	Member	—	—

By order of the Board of Directors

Place : Mumbai
Date : 27th July, 2004

R Kalidas
Company Secretary

BRIEF RESUME OF DIRECTORS PROPOSED TO BE RE-APPOINTED AT THE 22ND ANNUAL GENERAL MEETING :

1. Shri Santosh Senapati

Shri Sanapati who is 40 years of age, is a B.Tech and an MBA from the Indian Institute of Management, Ahmedabad. He is a Director of AIG Investment Corporation (Mauritius) Ltd. and is based at Mumbai. The details of his Directorships / Memberships of other companies are as follows :

A. Directorships

1. Owens Corning India Ltd.
2. Ambuja Cement India Ltd. (Alternate Director)
3. Noida Toll Bridge Co. Ltd.
4. Gujarat Toll Road Investment Co. Ltd.
5. Amalgamated Bean Coffee Trading Co. Ltd.
6. Biocon Ltd. (Alternate Director)

B. Committee Memberships	Audit Committee	Compensation Committee
1. Owens Corning India Ltd.	Member	Member
2. Ambuja Cement India Ltd.	Member	—
3. Noida Toll Bridge Co. Ltd.	Member	—
4. Amalgamated Bean Coffee Trading Co. Ltd.	Member	—

Shri Senapati would function as a Non-Executive Director of the Company, if appointed, at the Meeting.

7. Shri Ajindra Kumar Puri

Shri Puri who is 69 years old is an eminent Banker, having retired as Deputy Managing Director of State Bank of India. He was also a Member of the Board for Industrial and Financial Reconstruction (BIFR), Ministry of Finance, Government of India and the Uttar Pradesh State Disinvestment Commission.

Shri Puri would function as a Non-Executive Director of the company, if appointed, at the Meeting.

Shri Puri is also a Director of the following companies :

A. Directorships

1. VLS Finance Ltd.
2. Polyolefins Rubber Chemicals Ltd.

B. Committee Memberships	Audit Committee	Remuneration Committee
1. Polyolefins Rubber Chemicals Ltd.	Member	Chairman

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

To The Members

We have pleasure in presenting the 22nd Annual Report together with Audited Statement of Accounts of the Company for the corporate financial year ended 30th June 2004.

If the corporate Financial Year 2002-03 was marked by several milestones achieved by the Company, the year 2003-04 witnessed our people raising the bar still higher and making newer bench marks. The year gone by was truly momentous in many ways.

We are pleased to announce that during the year 2003-04, we have achieved the following landmarks:-

- Highest ever production of clinker and cement.
- Best ever kiln run factor at Bhatapara.
- Highest volume of sales.
- Best ever-operating margins.
- Highest level of profitability.

What is interesting is that all the above was achieved, inspite of increases in certain items of cost, hike in levies, erratic availability of railway wagons etc. This is a great reaffirmation of the resilience and sense of dedication of our people.

Our operating margin improved to 26% as against 25% achieved in the previous year.

A significant achievement this year was that the Hon'ble BIFR at its review meeting held in March 2004, discharged the Company from its purview. The Company, therefore, no longer carries the tag of a sick company.

We realise that success is a continuous journey and not a destination. We are thus, conscious of the fact that we cannot rest on our oars, for a lot still needs to be accomplished to create more value for all our stakeholders.

FINANCIAL RESULTS

The operating and financial results for the financial year ended 30th June 2004 are as follows :

	2003-04 Rs. in crores	2002-03 Rs. in crores
Sales (Net of Excise Duty)	407.03	368.74
Operating Profit	107.68	90.76

	2003-04 Rs. in crores	2002-03 Rs. in crores
Interest & Finance Charges	10.63	17.03
Gross Profit	97.05	73.73
Depreciation & Amortisation	28.25	24.72
Profit before exceptional item & Taxation	68.80	49.01
Exceptional item – Depreciation	1.87	—
Profit after exceptional item but before taxation	66.93	49.01
Provision for Tax		
a) Current Tax	—	—
b) Deferred Tax	21.86	(71.69)
Profit after Tax	45.07	120.70
Transfer (from)/to Debenture Redemption Reserve	—	(19.20)
Balance brought forward from previous year	(46.91)	186.81
Balance carried to Balance Sheet	(1.83)	(46.91)

REVIEW OF PERFORMANCE

Production

Our production of clinker for the year was 11.69 lac MT against 10.64 lac MT in the previous year – an increase of 9.8%. Total production of cement from Bhatapara and Sankrail units aggregated to 16.28 lac MT, representing an increase of 9.7% over the previous year – the highest output the Company has achieved since inception.

Marketing

Our net sales for the year was Rs.407crores, an improvement of 10% over the previous year. In volume terms, we sold 16.22 lac MT of cement, which was up by 10% over last year. Our major markets continue to be in Eastern India with West Bengal having the lion's share. In West Bengal, demand grew only by just 3%. Cement availability was affected in our markets at times due to erratic availability of rakes for moving clinker from Bhatapara.

Quality Control & Customer Satisfaction

We are constantly striving to achieve excellence in quality. Fly ash addition in Sankrail was further optimised without compromising on quality standards. The Sankrail unit was accorded ISO 9000:2000 in November 2003. Our Technical Services Cell continued to provide support in increasing consumer awareness and confidence. Mason meets were a regular feature throughout the year. The Concrete Testing Laboratory at Kolkata has also provided useful support to our efforts in coming closer to the customer.

Costs & Profitability

During the year, there was a significant rise in the cost of major inputs. Fuel prices were on an upward spiral. Coal prices also moved up. In consequence of hike in fuel prices, freight costs also increased. Power costs also rose due to revision in the tariff rates by the State Electricity Board. There was also an increase in the basic Excise Duty on cement. In spite of the all round cost increases, due to improvements in operational parameters, we were able to contain the impact of the above and managed to register an increase in the profit before taxation by 36% over the previous year. However, due to accumulated past losses, no dividend could be recommended by the Board.

CAPTIVE POWER PLANT AT BHATAPARA

With a view to reduce power cost as also for ensuring availability of quality power, we are in the process of setting up a 15MW Captive Thermal Power Plant at Bhatapara. The Project is at a fairly advanced stage and we hope to commission the Plant towards the end of the year. The estimated cost of the Project is Rs.45 crores and the same is being funded entirely out of internal accruals.

ECONOMY AND BUSINESS ENVIRONMENT

At the macro level, the cement industry achieved a growth of 5.8% during the year. In Eastern India, which constituted our major markets, the demand growth was even lower at just 3%. Given the continuous focus on industrial development and housing coupled with the emphasis on the growth of the rural economy, we expect that demand should improve further in the coming years. With no significant additions to capacity in the pipeline, the supply - demand gap should disappear.

The Central Government has announced that Value Added Tax (VAT) would be in place by 1st April, 2005 in all the States in substitution of the existing sales tax laws. The impact of the proposed Tax regime on corporates will depend upon the legislation that would be introduced at the state level.

RISKS AND CONCERNS

The Budget proposals announced by the Finance Minister recently provide for an across the Board increase in Excise Duty and Service Tax through the application of an Education Cess. This is likely to have a cascading effect on prices all round. Coal prices have increased recently by about 16% and this will create further pressure on margins.

The proposed introduction of VAT in the next fiscal year on an all India basis is a welcome move. However, it is necessary that the imbalances in the State tax structures and the multiplicity of State levies ought to be removed so that the industry can benefit from a transparent tax regime such as VAT.

The cement Industry expects that there would be a continuous focus on infrastructure by the Government for its health and progress.

HUMAN RESOURCES

The Company believes in promoting a value system, which encourages integrity and innovation. The employees are encouraged to take initiatives through the process of empowerment. As human resources constitute our most valuable resource, efforts are continuously taken to motivate and improve the skills of our employees through a regimen of training programmes. To inculcate leadership qualities in our frontline managers, several initiatives were taken during the year including a 360° Appraisal Feedback Programme. Multi skilling is also encouraged through job rotation. Six sigma initiatives have also been introduced during the year to enhance employee skills and to bring about all round improvement in systems and procedures culminating into reduction in costs.

On the industrial relationship front, our relationship with employees, business associates and external agencies continue to remain cordial as ever.

INTERNAL CONTROL SYSTEM

We believe that a proper Internal Control System is a basic necessity to ensure high quality of governance throughout the organisation. Such controls should be pervasive so that no facet of organisational activity operates in a manner which is dysfunctional to growth and efficiency. With this in mind, we have put in place a system of control and audit which monitors, on a regular basis, the adequacy as also the effectiveness of the control environment over various business processes.

The IT environment has also been upgraded to make it compatible with the changes in the business environment.

Our Internal Audit team regularly makes a review of the existing systems and procedures to make them fall in line with the requirements of the dynamic business environment. It provides positive support to the user Departments helping them to bring about greater efficiencies in their operations.

The Audit Committee of the Board meets at regular intervals to review, *inter-alia*, the adequacy and effectiveness of the Internal Control Systems. Recommendations made by the Internal Audit Department for improvements in systems are also reviewed by the Committee to ensure implementation of those recommendations considered appropriate. Business processes are also evaluated to minimise risks. The adequacy of risk management policies is also evaluated by the Committee.

OUT OF BIFR

We are pleased to inform that we are no more a sick company and are out of BIFR monitoring. At its Review Meeting held on 3rd March, 2004, the Hon'ble BIFR having regard to the fact that the net worth of the Company had become positive, has discharged the Company from its purview.

FIXED DEPOSITS

The Company has not received any fixed deposits from the shareholders/public during the year under review.

INVESTOR EDUCATION & PROTECTION FUND

An amount of Rs.6.55 lacs representing the amounts due to shareholders under the public/rights issue made by the Company which have not been claimed by the concerned members has been transferred by the Company to the Investor Education & Protection Fund during the year.

DELISTING FROM STOCK EXCHANGES

During the year the Company obtained approvals for voluntary delisting of its Equity Shares from the Bhubaneswar and Delhi Stock Exchanges. Its application for delisting from the Madhya Pradesh Stock Exchange is under active consideration. After the above delistings, the Company's shares will remain listed only at The Stock Exchange, Mumbai.

DIRECTORS

Consequent upon our coming out of the purview of SICA, the Hon'ble BIFR withdrew the nomination of Shri Subhash M Bathe as Special Director effective from 20th May, 2004. The Company has benefited from the association of

Shri Bathe who joined the Board in the year 2003. The Board of Directors place on record their sincere appreciation for the valuable contribution made by Shri Bathe during the tenure of association with the Company.

Shri Sandeep H Junnarkar an eminent Advocate & Solicitor was appointed by the Board as an Additional Director on 28th June, 2004. Shri Junnarkar would be functioning as a Non-Executive Independent Director.

Pursuant to the provisions of the Companies Act, 1956, Shri Junnarkar holds office as a Director only till the date of the next Annual General Meeting. Notice pursuant to Section 257 of the Companies Act, 1956 has been received from a member proposing the candidature of Shri Junnarkar for appointment as a Director at the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act 1956, Shri Santosh Senapati and Shri Ajindra Kumar Puri, being longest in office, retire by rotation and being eligible, offer themselves for reappointment.

CORPORATE GOVERNANCE CODE

A separate note on corporate governance is annexed and forms an integral part of this report.

AUDITORS

M/s. Lodha & Co., and M/s. S R Batliboi & Associates, Chartered Accountants, Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for reappointment. You are requested to reappoint the Auditors and to fix their remuneration.

M/s. N Radhakrishnan & Co., Cost Accountants, have been re-appointed as Cost Auditors of the Company for the year 2004-05, subject to the approval of the Central Government.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 217(2AA) of the Companies Act, 1956, your directors have:-

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for that period;

- c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities, and
- d) prepared the Annual Accounts on a going concern basis.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto marked Annexure-1 and forms part of this Report.

EMPLOYEES

Labour relations continued to be cordial at the plants. Information required to be given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 is annexed hereto marked Annexure II and forms part of this report.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis may be considered as forward looking within the meaning of

applicable securities laws and regulations. Actual results may differ materially from the views expressed.

Important factors that could influence the Company's operations include demand and supply conditions, availability of inputs and their prices both domestic and global, changes in government regulations, tax laws, monsoon, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENTS

We are extremely thankful to the Government of West Bengal and Chhattisgarh for their continued cooperation and support.

Our grateful thanks also go to the Financial Institutions and Banks for their active support and encouragement.

We place on record our sincere appreciation of the total commitment, dedication and hard work put in by all the employees of the Company.

We also thank our shareholders, the BIFR and various Departments of Central and State Governments and local authorities for their continued support.

For and on behalf of the Board

Place : Mumbai
Date : 27th July, 2004

Suresh Neotia
Chairman

ANNEXURE – I

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A) CONSERVATION OF ENERGY

a) Energy Conservation Measures Taken:

Bhatapara Unit :

1. Reduction in impeller diameter of Cooler Fans.
2. Reduction in impeller diameter of Coal Mill Fan.
3. Bypassing of dust collection system for Preheater exit gases before feeding to Coal Mill.
4. Modification of discharge duct of kiln feed blower.
5. Modification in Cement Mill Section :
 - Removal of the inlet damper of dust collector fan of the high efficiency Separator.
 - De-rating of the bag filter fan motor from 90 kW to 75kW.
 - Reduction in impeller diameter (trimming) of ESP Fan.
6. Reduction in operating speed of Raw Meal aeropol blower speed.

Sankrail Unit :

- Installation of Cement Mill optimization of software package (RAMCO System) for the Cement Mills.

b) Additional investment and proposals, being implemented for reduction of consumption of Energy:

Bhatapara Unit :

1. Modification of ESP Fan inlet boxes and relocation of inlet damper.
2. Removal of venturi and damper in the duct before the chimney.
3. Installation of Bucket Elevator for the kiln feed.
4. Installation of separate transformer for the lighting load and optimizing of voltage of lighting load.
5. Conversion of Cement Mill grinding system from open circuit to closed circuit system.

Sankrail Unit :

- Incorporation of Automation for water supply system.

c) Impact of the measures of (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods :

Measures referred to (a) and (b) above, will result in saving in power and fuel cost.

d) Total Energy Consumption and Energy Consumption per unit of production :

Information is given in the prescribed Form A annexed.

B) TECHNOLOGY ABSORPTION

Efforts made in technology absorption are given in prescribed Form B annexed.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans :

Clinker exports for the year were 2220 tonnes against 4606 tonnes in the previous year. FOB value of exports was Rs.36.35 lacs against Rs. 70.41 lacs in the previous year.

b) Total Foreign Exchange used and earned :

	2003-04 (Rs.in lacs)	2002-2003 (Rs.in lacs)
Used	698.19	423.41
Earned	36.35	70.41

FORM A

Form for disclosure of particulars with respect to Conservation of Energy

A) POWER AND FUEL CONSUMPTION

	Current Year 2003-2004	Previous Year 2002-2003
1 Electricity		
a) Purchased		
Unit (Lac - KWH)	918.42	1,056.63
Total Amount (Rs. In Lacs)	3,025.67	3,436.77
Rate/Unit (Rs.)	3.29	3.25
b) Own Generation		
i) Through Diesel Generator		
Net Units (Lac / KWH)	708.55	427.54
Unit/Ltr. Of LDO/Furnace Oil (KWH)	4	3.87
LDO/Furnace Oil-Cost/Unit Generated (Rs./KWH)	2.96	3.03
ii) Through Steam Turbine/General		
Units	Nil	Nil
Unit/Ltr.of Fuel	Nil	Nil
Oil/Gas Cost/Unit	Nil	Nil
2 Coal (B & C Grade) and other fuels		
Quantity (Million K. Cal)	995,004	909,019
Total Cost (Rs.in Lacs)	3,160.55	2,799.38
Average Rate (Rs./Million K. Cal)	317.64	307.96
3 Light Diesel Oil/High Speed Oil		
Quantity (K.Ltr)	526.59	550.15
Total Cost (Rs.in Lacs)	124.44	90.28
Average Rate (Rs./K. Ltr)	23,630	16,411
4 Other/Internal Generation		
Quantity	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil

B) CONSUMPTION PER UNIT OF PRODUCTION

	Industry Norms	Current Year 2003-2004	Previous Year 2002-2003
Electricity (KWH/T of Cement)*	110-115	99	98
LDO/HSD/(Ltr./T of Clinker)	N. A	0.45	0.52
Coal and Other Fuels (K.Cal/Kg. of Clinker)	850	849	851

* Does not include electricity consumption in township which is 0.95 KWH/T of Cement (Previous Year 0.83 KWH/T of Cement)

FORM B

(See Rule 2)

Form for disclosure of particulars with respect to Absorption

A) RESEARCH & DEVELOPMENT (R&D)**1. Specific areas in which R&D was carried out by the Company :**

Optimisation of grinding media in Cement Mill at Bhatapara.

2. Benefits derived as a result of above R & D :

Reduction in energy consumption in cement mill for grinding OPC at Bhatapara.