

Andhra Cements Limited



DUNCAN GOENKA

65th Annual Report 2002-2003

BOARD OF DIRECTORS

G.P. Goenka	-	Chairman
V.C. Chaturvedi	-	BIFR Nominee
M.L. Purohit upto 22.07.2002	-	IDBI Nominee
K.N. Bhandari w.e.f. 23.07.2002	-	IDBI Nominee
J. Jayaraman	-	Bank of Baroda Nominee
P.P. Shastri upto 02.01.2003	-	UTI Nominee
Punit Saxena w.e.f. 03.01.2003	-	UTI Nominee
P.R. Neelakantan upto 03.05.2002		
N.P.S. Shinh	-	Managing Director

Company Secretary
N.K. Chaturvedi

AUDITORS

Brahmayya & Co.
Chartered Accountants
Vijayawada

Lodha & Co.
Chartered Accountants
Kolkata

BANKERS

Bank of Baroda
Canara Bank
Andhra Bank
Syndicate Bank
Vijaya Bank
State Bank of India

REGISTERED OFFICE

Sri Durga Cement Works
Sri Durgapuram - 522 414
Guntur (A.P.)

PHYSICAL SHARE TRANSFERS

Secretarial Department
II Floor, Chandralok Complex
111, Sarojini Devi Road
Secunderabad - 500 003

DEMAT REGISTRARS & SHARE TRANSFER AGENTS

CIL Securities Ltd.
214, Raghav Ratna Towers
Chirag Ali Lane, Abids
Hyderabad - 500 001

UNITS (IN A.P.)

Sri Durga Cement Works
Sri Durgapuram

Sri Visaka Cement Works
Visakhapatnam

Sri Kanaka Durga Cement Works
Vijayawada

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Notice to Shareholders

NOTICE is hereby given that the **Sixty-Fifth Annual General Meeting** of the Company will be held at the **Registered Office at Sri Durga Cement Works, Sri Durgapuram - 522 414, Guntur District (A.P) on Saturday, the 27th December, 2003 at 12.00 noon** to transact the following business:

1. To receive, consider and adopt the PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2003 and BALANCE SHEET as at that date and the REPORTS of the DIRECTORS and AUDITORS thereon.
2. To appoint M/s. Brahmayya & Co., Chartered Accountants and M/s. Lodha & Co., Chartered Accountants as Joint Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.
3. To appoint a Director in place of Shri G P Goenka who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS :

4. **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 S.268 and other applicable provisions of the Companies Act, 1956 and subject to such sanction as may be necessary, the company hereby approves that Shri G P Goenka, who is subject to retirement by rotation, be and is, hereby re-appointed as a Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution”.

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

“RESOLVED THAT Dr. Sushil Chandra, who was appointed as Additional Director of the company with effect from 29th July, 2003 by the

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Board of Directors and holds office as per Section 260 of the Companies Act, 1956, upto the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is, hereby appointed as a Director of the Company, liable to retire by rotation”.

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

“RESOLVED THAT Dr. A L Anantha Narayanan, who was appointed as Additional Director of the company with effect from 29th July, 2003 by the Board of Directors and holds office as per Section 260 of the Companies Act, 1956, upto the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is, hereby appointed as a Director of the Company, liable to retire by rotation”.

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

“RESOLVED THAT Shri M S Ramakrishna, who was appointed as Additional Director of the company with effect from 29th July, 2003 by the Board of Directors and holds office as per Section 260 of the Companies Act, 1956, upto the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is, hereby appointed as a Director of the Company, liable to retire by rotation”.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

“RESOLVED THAT subject to the provisions of the Companies Act, 1956, Securities Contract (Regulation) Act, 1956 and the rules framed there under, the listing agreements, the Securities Exchange Board of India (Delisting of Securities) Guidelines-2003 and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the authority

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while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors (herein-after referred to as 'The Board', which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board), the consent of the Company be and is hereby accorded to the Board to delist the equity shares of the Company from The Hyderabad Stock Exchange Limited and The Delhi Stock Exchange Association Limited, and continue to remain listed on The Stock Exchange, Mumbai".

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to Section 163 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves that the Register of Members, the index of Members and copies of all Annual Returns along with the copies of certificates and documents or any one or more of them, required to be annexed thereto under Section 160 and 161 of the said Act, be kept at the office of the Company's Transfer Agents, M/s. CIL Securities Limited, 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500 001 with effect from April 01, 2003, instead of being kept at the Registered Office of the Company.

RESOLVED FURTHER THAT the Company Secretary of the Company be and is hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this resolution".

By Order of the Board
For **ANDHRA CEMENTS LIMITED**

(N K CHATURVEDI)
Company Secretary

Place : Kolkata
Date : 29.07.2003

Registered Office :
Sri Durga Cement Works
Sri Durgapuram 522 414
Guntur District (A.P)

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Notes

1. The Register of Members and Share Transfer Books of the Company will remain closed from 04.09.2003 to 12.09.2003 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS DULY COMPLETED SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

3. The equity shares of the Company are listed on :

The Stock Exchange, MUMBAI
25th Floor, PJ Towers
Dalal Street, Fort
MUMBAI - 400 001

The Board of Directors in their meeting held on 31.08.2002 decided to delist the equity shares of the Company from Hyderabad and Delhi Stock Exchanges. The same was communicated to the two exchanges. Accordingly, listing fee has not been paid. Listing fee has been paid to The Stock Exchange, Mumbai for the year 2003-04.

4. The share transfer instruments, complete in all respects, should be sent to CIL Securities Ltd, 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500 001 OR Secretarial Department, II Floor, Chandralok Complex, 111, Sarojini Devi Road, Secunderabad - 500 003 well in advance so as to reach the Company prior to book closure. Shares under any defective transfer (unless defect is removed prior to book closure) and/or instruments of transfer received during the period of book closure shall be considered after re-opening of the books.
5. Members are requested to intimate any change in their address to the Company immediately with the postal pin code.
6. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall. Attendance at the Annual General Meeting will not be allowed without production of the attendance slip duly signed.
7. Persons attending the Annual General Meeting are requested to bring their copies of the Annual Reports as the practice of distribution of copies of the Annual Report at the meeting has been discontinued.

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8. For any further information regarding the aforesaid Accounts, advance intimation be given and the members are requested to ensure that the same reaches the Registered Office of the Company at least 7 days before the date of the ensuing Annual General Meeting.
9. In terms of Section 109A of the Companies Act, 1956 the Shareholder/Debenture holder of the Company may nominate a person to whom the shares or debentures held by him shall vest in the event of death.

In case you wish to avail of the nomination facility in respect of shares/debentures held by you, please write to the Company to obtain the nomination form.

10. SEBI vide their Circular dated 27.12.02, has mandated that all Share Registry work for both physical and electronic segments should be maintained at a single point either in-house or by a R&T agent approved by SEBI.

Therefore, from April 1, 2003, M/s. CIL Securities Ltd., (CIL) was appointed as "REGISTRAR" to undertake all investor servicing activities for both demat and physical segments.

Please address all your future correspondence on all share-related matters (like transfer, transmission, change of address, nomination, power of attorney, demat, remat etc.) directly to CIL. Any document/communication received at our office on any of the above will be forwarded by us to the REGISTRAR.

11. The equity shares of the Company are available for trading in demat form on Central Depository Services Limited (CDSL). Connectivity by NSDL has since been received w.e.f. 24th September, 2003. ISIN No. is: INE 666EO 1012 for both the Depositories.

Shareholders are requested to avail this facility and get their share holding converted into dematerialised form by sending the Dematerialization Request Form (DRF) along with the share certificates through their Depository Participant.(DP) at the following address :

CIL Securities Ltd,
214, Raghava Ratna Towers,
Chirag Ali Lane, Abids,
Hyderabad - 500 001

OR

Secretarial Department
II Floor
Chandralok Complex
111, Sarojini Devi Road
Secunderabad - 500 003

12. Additional information in terms of Clause 49 of Listing Agreement on Directors being re-appointed :

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A brief resume of the Directors offering themselves for election is given below :

Name of Director	Age	Qualification	Date of Appointment	Expertise	Directorships as on 31-03-2003	Chairman / Member of the Committees as on 31-03-2003
i) Mr.G P Goenka	62 Years	B.Sc.	01-07-1994	An Industrialist of all India repute, Shri Goenka has been the past President of the FICCI (Federation of Indian Chambers of Commerce and Industry). Shri Goenka has rich business and management experience.	Consolidated Fibres & Chemicals Ltd Duncans Industries Ltd Duncans Tea Ltd Energy Development Company Ltd Gujarat Carbon & Industries Ltd Jay Shree Tea & Industries Ltd NRC Limited Nicholas Piramal India Ltd Stone India Ltd Star Paper Mills Ltd Texmaco Ltd Unimers India Ltd Alfred Herbert (India) Ltd (Alternate Director) The Fertiliser Association of India Federation of Indian Chambers of Commerce & Industry (Committee Member)	Nil
ii) Dr. Sushil Chandra	65 Years	M.A., Ph.D.	29-07-2003	Management Consultant Business Policy Organisation and Restructuring and Human Resources	Exim Bank Shanken Multifab Ltd	Audit Committee Member- Shanken Multifab Ltd
iii) Dr.A.L. Anantha Narayanan	57 Years	B.Tech (Hons) IIT, Khargapur. Ph.D in Finance and Business Management, University of Columbia, Canada	29-07-2003	General Management	Rockwell Industries Ltd National Standard India Ltd, Managing Director	Nil
iv) Shri. M.S. Rama Krishna	49 Years	B.Com.	29-07-2003	Finance	Karvy Consultants Ltd Karvy Stock Broking Ltd Karvy Investor Services Ltd HBL Nife Power Systems Ltd Nitya Laboratories Ltd	Audit Committee Member-HBL Nife Power Systems Ltd

MEMORANDUM OF INTEREST

1. Shri G P Goenka is deemed to be interested in Resolution No.3 & 4.
2. Dr. Sushil Chandra is deemed to be interested in Resolution No.5.
3. Dr. A L Anantha Narayanan is deemed to be interested in Resolution No.6.
4. Shri M.S. Ramakrishna is deemed to be interested in Resolution No.7.

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Explanatory Statement as required under section 173(2) of the Companies Act, 1956:
ITEM NO.4

The Articles of Association of the Company provide for 1/3rd of the Directors to be not liable for retirement by rotation. The Board is of the view that Shri G P Goenka being the Promoter Director with rich management expertise and an industrialist of national repute, his continuity as a Director is essential. Hence it is proposed to re-appoint him as a Director not liable to retire by rotation.

ITEM NOS. 5, 6 & 7

In view of the vast experience of Dr. Sushil Chandra, Dr. A L Anantha Narayanan and Shri M.S. Ramakrishna as mentioned in the foregoing pages, your Directors are of the opinion that their induction will be useful for the Company, and, therefore, commend the resolution(s) for approval.

ITEM NO.8

Presently the Company's securities are listed on The Stock Exchange, Mumbai, The Delhi Stock Exchange Association Limited and The Hyderabad Stock Exchange Limited. Further the Company's shares are required to be compulsorily traded in the dematerialised form.

The trading volumes on The Hyderabad Stock Exchange Limited and The Delhi Stock Exchange Association Limited, in the Company's Securities are negligible /nil.

It has also been observed that the listing fees paid to these stock exchanges are disproportionately high. As a part of cost reduction measures, the company proposed delisting of its securities from The Hyderabad Stock Exchange Limited and The Delhi Stock Exchange Association Limited, pursuant to the provisions of SEBI (Delisting of Securities) Guidelines, 2003. Members' approval for the same is sought by way of special resolution as set out in the Notice at Item No. 8.

With the networking of centers of The Stock Exchange, Mumbai, the members of the Company have access to online dealings in the Company's securities across the country. The proposed delisting of the Company's securities on The Hyderabad Stock Exchange Limited and The Delhi Stock Exchange Association Limited, will not, therefore, adversely affect any investor including the members located in the region and being in the interest of the Company, the Board recommends the Resolution for your approval as a special resolution.

None of the Directors is, in any way, concerned or interested in the resolution.

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ITEM NO.9

The Company had, pursuant to the directive issued by the Securities and Exchange Board of India (SEBI), entrusted the job of processing the share transfer work (physical mode in addition to electronic mode) to M/s. CIL Securities Ltd, 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500 001 effective 1st April, 2003. Accordingly, it has now become necessary to shift the Register of Members, the index of Members and copies of all Annual Returns prepared under Sections 159 and 160 of the Companies Act, 1956, along with the copies of Certificates and documents required to be annexed thereto under Sections 160 and 161 of the said Act, or any one or more of them, with effect from 1st April, 2003 and kept at the office of M/s. CIL Securities Ltd.

The Special Resolution is necessary having regard to the provisions of Section 163 of the Companies Act, 1956 and approval of the Members is being sought there for.

The Board commends the Special Resolution for your approval.

None of the Directors is, in any way, concerned or interested in the resolution.



By Order of the Board
For **ANDHRA CEMENTS LIMITED**

Place : Kolkata
Date : 29.07.2003

(N K CHATURVEDI)
Company Secretary

Registered Office:

Sri Durga Cement Works
Sri Durgapuram 522 414
Guntur District (A.P)