

# Andhra Cements Limited



75<sup>th</sup>

Annual Report 2013-14

**BOARD OF DIRECTORS**

|  |                   |
|--|-------------------|
| <b>Manoj Gaur,</b><br>(upto 09.08.2014)          | Chairman          |
| <b>K. N. Bhandari,</b><br>(w.e.f. 11.08.2014)    | Chairman          |
| <b>Sujit Kumar Mandal,</b><br>(w.e.f 11.08.2014) | Managing Director |
| <b>Pankaj Gaur</b>                               | Director          |
| <b>Naveen Kumar Singh</b>                        | Director          |
| <b>S. D. M. Nagpal</b>                           | Director          |
| <b>R. K. Pandey</b>                              | Director          |
| <b>Ravindra Kumar Singh</b>                      | Director          |
| <b>Harish K. Vaid</b>                            | Director          |
| <b>Shailendra Gupta</b>                          | Director          |
| <b>V. K. Jain</b>                                | Director          |
| <b>B. K. Taparia</b><br>(upto 05.09.2013)        | Director          |

**COMPANY SECRETARY**

**G. Tirupati Rao**  
General Manager (Legal) & Company Secretary

**STATUTORY AUDITORS**

**M/s Chaturvedi & Partners**  
Chartered Accountants, New Delhi

**INTERNAL AUDITORS**

**M/s Lodha & Co,**  
Chartered Accountants, Hyderabad

**REGISTRAR & SHARE TRANSFER AGENT**

**CIL Securities Ltd,**  
214, Raghav Ratna Towers,  
Chirag Ali Lane, Abids,  
Hyderabad - 500001  
Ph: +91-40-23202465  
Fax: +91-40-23203028  
Website: www.cilsecurities.com  
E-mail: rta@cilsecurities.com

**REGISTERED OFFICE**

**Andhra Cements Limited**  
Durga Cement Works  
Sri Durgapuram,  
Dachepalli - 522414  
Guntur (Dist), (AP)  
CIN: L26942AP1936PLC002379  
Ph: +91-8649-257428  
Fax: +91-8649-257449  
Website: www.andhracements.com  
E-mail: investorcell@andhracements.com

**CORPORATE OFFICE**

**Jaypee Group Corporate Office**  
Sector-128, Noida-201304 (UP)  
Ph: +91-120-4609000  
Fax: +91-120-4609464

**BANKERS/LENDERS**

IDFC Limited  
HDFC Limited  
State Bank of Mysore  
Yes Bank Limited  
Karur Vysya Bank Limited  
Andhra Bank  
Axis Bank  
State Bank of India  
Vijaya Bank  
DBS Bank

| <b>CONTENTS</b>                         | <b>PAGE NO.</b> |
|---|-----------------|
| Directors' Report                       | 1               |
| Report on Corporate Governance          | 4               |
| Management Discussion & Analysis Report | 13              |
| Independent Auditors' Report            | 16              |
| Balance Sheet                           | 20              |
| Statement of Profit & Loss              | 21              |
| Notes                                   | 22              |
| Cash Flow Statement                     | 42              |

# DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the **75th Annual Report** and the Audited Accounts of your Company for the year ended **31st March 2014**.

## FINANCIAL RESULTS

|  | (₹ in Lacs)             |                          |
|--|-------------------------|--------------------------|
|  | Current Year<br>2013-14 | Previous Year<br>2012-13 |
| Gross Sales                            | -                       | -                        |
| Net Sales                              | -                       | -                        |
| Other Income                           | 308.92                  | 530.13                   |
| PBIDT                                  | (1175.83)               | (2645.76)                |
| Finance Cost                           | 788.48                  | 620.63                   |
| Depreciation                           | 249.43                  | 136.23                   |
| Profit/(Loss) before exceptional items | (2213.74)               | (3402.62)                |
| Profit/(Loss) before Tax               | (2213.74)               | (3402.62)                |
| Deferred Tax                           | 5607.63                 | (1334.16)                |
| Net Profit/(Loss)                      | (7821.37)               | (2068.46)                |

## DIVIDEND

In view of the absence of operations during the period under review, the Directors regret their inability to recommend any dividend.

## SHARE CAPITAL

During the year under report, there was no change in the Paid-up Equity Share Capital of the Company.

Thus, as on March 31, 2014 the Paid-up Capital of the Company stood at ₹ 293,52,04,920/- divided in to 29,35,20,492 Equity Shares of ₹ 10/- each.

## OPERATIONS

During the year under review, Durga Cement Works (DCW) and Visakha Cement Works (VCW) plants of the Company commenced trail run. However, due to the power holiday imposed by the State Government, the plants could not continue trail runs in full swing.

## OUTLOOK

After taking over of management in February, 2012 by the new Promoters (Jaypee Group) and infusion of funds, the work on revival of the Plant operations started in its right earnest. The commercial production of the Cement is expected to be commenced during the current Financial Year. Thus, the future outlook for the Company is bright.

## DIRECTORATE

During the year under Report, Shri B.K. Taparia ceased to be Director of the Company w.e.f. 5th September, 2013, due to his untimely death in an accident.

The Board places on record its appreciation for the invaluable contribution of late Shri B.K. Taparia during his tenure as Director and pays rich tributes to his humane qualities.

In view of the restrictions on the maximum number of Directorships under the Companies Act, 2013, Shri Manoj Gaur resigned as Director/Chairman of the Company w.e.f. 9th August, 2014. The Board places on record its appreciation for the valuable contribution and leadership provided by Shri Manoj Gaur in revival and rehabilitation of the plants of the Company.

Shri K. N. Bhandari, Independent Director has been elected as Chairman of the Company w.e.f. 11th August, 2014.

Shri Sujit Kumar Mandal, was co-opted on the Board as additional Director and also appointed as Managing Director of the Company with effect from 11th August, 2014. His appointment/confirmation as Director/Managing Director has been included in the Notice convening the ensuing Annual General Meeting.

Shri Pankaj Gaur and Shri Naveen Kumar Singh, Directors would retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

In accordance with the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, Shri K.N. Bhandari, Shri S.D.M. Nagpal, Shri R.K. Pandey and Shri Ravindra Kumar Singh are proposed to be appointed as Independent Directors, for a term of three consecutive years from 30th September, 2014 to 29th September, 2017. The resolutions in respect of appointment of each of such Independent Directors have been included in the notice convening ensuing Annual General Meeting.

## AUDITORS

### Statutory Auditors:

M/s. Chaturvedi & Partners, Chartered Accountants, Auditors of the Company shall retire at the conclusion of the ensuing Annual General Meeting (AGM) and, being eligible, offer themselves for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained a written certificate from the Auditors to the effect that their appointment, if made, would be in conformity with the limits specified in Section 141 (3)(g) of the Companies Act,

2013 and they fulfill the criteria laid down under Section 141 of the Companies Act, 2013.

Further, a Resolution has been included in the notice for ensuing AGM for their appointment as Statutory Auditors of the Company for a continuous period of 5 years, from the conclusion of this AGM till the conclusion of 80th AGM of the Company to be held in the year 2019, subject to ratification at every subsequent AGM.

The observations of the Auditors and the Notes on Financial Statement are self explanatory. The observations of the Auditors' Report are further explained by the Management as follows:

*Interest on borrowing has been capitalised and necessary allocation/adjustment shall be carried out on completion of the project and certain bills, claims relating to project supplies/services shall also be accounted for on completion of documentation, negotiation, etc. (with reference to the Note No. 36).*

## Cost Auditors:

Since the production at both the plants of the Company stood suspended during the year under review, Cost Auditor had not been appointed to conduct the Cost Audit for the financial year ended 31st March, 2014.

## LISTING

All the shares of the Company are listed on National Stock Exchange of India (NSE) and BSE Ltd. (BSE).

## CORPORATE GOVERNANCE

A report on Corporate Governance and Management Discussion & Analysis Report, in terms of Clause 49 of the Listing Agreement are annexed and form part of this Annual Report. A certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is also annexed.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the Operating Management, certification by the CFO to the Board of Directors and after due enquiry, confirm in respect of the Audited Annual Accounts for the year ended 31st March, 2014:

- that in the preparation of the accounts in respect of the period under report, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- that 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 as at the end of the reporting period and of the Loss for the period ended 31st March 2014;

- that they have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
- that the accounts have been prepared on a going concern basis.

## REDEMPTION OF PREFERENCE SHARES

A sum of ₹1.92 lacs towards redemption of Preference Shares remains unclaimed. It has not been possible to locate the addresses of the shareholders, despite notices being published in daily newspapers. These are being paid as and when claimed. There is no liability for dividend on these shares.

## REPAYMENT OF FIXED DEPOSITS

In accordance with the Modified Rehabilitation Scheme (MS-08), the Company is settling the claims lodged by fixed deposit holders. During the period Fixed Deposit claims amounting to ₹ 0.38 lacs were settled.

## PARTICULARS OF EMPLOYEES

During the year under report, none of the employees was in receipt of remuneration prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The information required under 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 with respect to those matters is appended hereto and forms part of this Report.

## EMPLOYEE RELATIONS

Employee relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent spirit with which the entire team of the Company worked at all sites and other offices and achieved commendable progress.

## ACKNOWLEDGEMENTS

Your Directors express their sincere Gratitude for the continued support and guidance received by the Company from various State & Central Government Authorities, Financial Institutions and Banks.

On behalf of the Board

K. N. BHANDARI

Chairman

Place : Noida

Date : 11th August, 2014

## ANNEXURE TO DIRECTORS' REPORT

Information under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is given below:

- A) EMPLOYED THROUGHOUT THE FINANCIAL PERIOD AND IN RECEIPT OF REMUNERATION AGGREGATING ₹ 60,00,000/- OR MORE PER ANNUM.**  
Nil
- B) EMPLOYED FOR A PART OF THE FINANCIAL PERIOD AND IN RECEIPT OF REMUNERATION AGGREGATING ₹ 5,00,000/- OR MORE PER MONTH.**  
Nil

## ANNEXURE TO DIRECTORS' REPORT

Information pursuant to Section 217(l)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

- A. Conservation of Energy :**
- (a) Additional Investments and Proposals considered for reduction of Consumptions of Energy  
The measures for Energy Conservation could not be fully implemented due to suspension of operations at both the Plants. The trial run activity commenced and continued during year and accordingly pre-operative expenses and trial run production capitalized during the year.
- (b) Total energy consumption and energy consumption per unit of production: Given in Form 'A' annexed.
- B. Technology Absorption, Adaptation and Innovation.** : Given in Form -B annexed.
- C. Foreign Exchange Earnings & Outgo** :
- |  | Current year | Previous year |
|--|--------------|---------------|
| i) Total Foreign Exchange outflow (₹ Lacs) | 358.84       | 40.45         |
| ii) Total Foreign Exchange inflow (₹ Lacs) | Nil          | Nil           |

### FORM "A"

#### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.

|   | Current Year | Previous Year |
|---|--------------|---------------|
| <b>A. Power and Fuel Consumption:</b>         |              |               |
| <b>1. POWER:</b>                              |              |               |
| a) Purchased:                                 |              |               |
| Units (KWH in Lacs)                           | 619.21       | 6.41          |
| Total Amount (in ₹ Lacs)                      | 4109.49      | 61.86         |
| Rate/Unit (in ₹)                              | 6.64         | 9.65          |
| b) Own Generation :                           |              |               |
| Through D.G. Sets                             |              |               |
| Net Units (KWH in Lacs)                       | Nil          | Nil           |
| Unit/Lt of Diesel/Furnace Oil                 | Nil          | Nil           |
| Cost/Unit (in ₹)                              | Nil          | Nil           |
| <b>2. COAL :</b>                              |              |               |
| Quantity (Tonnes)                             | Nil          | Nil           |
| Total Cost (in ₹ Lacs)                        | Nil          | Nil           |
| Average Rate per MT (₹)                       | Nil          | Nil           |
| <b>3. FURNACE OIL :</b>                       |              |               |
| Quantity (K.Lts)                              | Nil          | Nil           |
| Total Cost (in ₹ /Lacs)                       | Nil          | Nil           |
| Average Rate (₹ /K.Ltr)                       | Nil          | Nil           |
| <b>B. Consumption per unit of production:</b> |              |               |
| Production - OPC/PPC/PSC/GGBS (in MT)         | Nil          | Nil           |
| Power Consumption in Kwh/MT of cement         | Nil          | Nil           |
| Coal Consumption to Clinker                   | Nil          | Nil           |
| Others (Specify)                              | -            | -             |

#### FORM "B" (See Rule 2)

(Form for disclosure of particulars with respect to absorption)

1. Research & Development (R&D) : The Company has not undertaken any Research and Development activities and no expenditure have been incurred.
2. Technology Absorption, Adaptation & Innovation : NA

# REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

## 1. Company's Philosophy

The Company's philosophy on Corporate Governance is to enhance long term share holders' value, achieve operational efficiencies and business results in all areas of Company's operations, with compliance of all Statutory and Regulatory Provisions. The Company believes in transparency, openness and disclosure of information consistent with the business environment in which the Company operates.

## 2. Board of Directors

- The composition of the Board is in conformity with Clause 49 of the Listing Agreement with the Stock Exchanges.
- The Company has a Non-Executive Chairman.
- None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all companies in which he is Director.
- The names and categories of the Directors on the Board, their attendance at Board Meetings held during the Financial Year i.e from 1st April, 2013 to 31st March, 2014 and the number of Directorships and Committee Chairmanships/Memberships held by them in other Companies is given below. Other Directorships do not include alternate Directorships, Directorships of Private Limited Companies, Directorships in Companies registered under section 25 of the Companies Act, 1956 and of Companies incorporated outside India. Chairmanship/Membership of Board Committees include only Audit Committee and Shareholders'/Investors' Grievance Committee.

| Name                       | Category | Board Meeting Attendance | Last AGM Attendance | No. of other Directorships | No. of other Committee positions held |          |
|----------------------------|----------|--------------------------|---------------------|----------------------------|---------------------------------------|----------|
|                            |          |                          |                     |                            | Member                                | Chairman |
| Shri Manoj Gaur            | NED      | 01                       | No                  | 12                         | 0                                     | 0        |
| Shri Pankaj Gaur           | NED      | Nil                      | No                  | 06                         | 0                                     | 1        |
| Shri Naveen Kumar Singh    | NED      | Nil                      | Yes                 | 03                         | 0                                     | 0        |
| Shri K. N. Bhandari        | NED & ID | 03                       | No                  | 11                         | 2                                     | 1        |
| Shri Sain Ditta Mal Nagpal | NED & ID | 03                       | No                  | 02                         | 2                                     | 1        |
| Shri Radha Krishna Pandey  | NED & ID | 03                       | No                  | 13                         | 1                                     | 1        |
| Shri Ravindra Kumar Singh  | NED & ID | 01                       | No                  | 03                         | 0                                     | 0        |
| Shri Harish K. Vaid        | NED      | 04                       | No                  | 03                         | 2                                     | 0        |
| Shri Shailendra Gupta      | NED      | 04                       | No                  | 0                          | 0                                     | 0        |
| Shri B. K. Taparia*        | NED & ID | 02                       | No                  | 03                         | 1                                     | 2        |
| Shri V. K. Jain            | NED      | Nil                      | Yes                 | 02                         | 0                                     | 0        |

(\*) Ceased to be a Director - NED: Non-Executive Director, ID: Independent Director

### Notes:

(\*) Shri B.K. Taparia - passed away and ceased to be Director w.e.f 05.09.2013

## 3. Number of Board Meetings held and Dates thereof

During the Financial Year ended 31st March, 2014 Four Meetings of the Board of Directors were held on 27.04.2013, 12.08.2013, 14.11.2013 and 10.02.2014.

## 4. Details of Directors seeking appointment/re-appointment as required under Clause 49 of the Listing Agreement

Pursuant to the requirements of the Listing Agreement of Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed/re-appointed is given as an Annexure to the Notice convening the Annual General Meeting.

## 5. Code of Conduct

The Board of Directors has laid down Code of Conduct for all the Board Members and Senior Management Personnel of the Company.

All the Board Members and Senior Management Personnel have on March 31, 2014, affirmed compliance with the Code of Conduct. Since the Company is presently Board managed, pending appointment of a CEO, a Declaration to this effect, duly signed by the Chairman is annexed.

## 6. Audit Committee

- (i) The Board constituted an Audit Committee in accordance with the requirements of Section 292A of the Companies Act, 1956. Its terms of reference are in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges. Statutory Auditors and Internal Auditors are regular invitees to the Committee Meetings.

Shri K. N. Bhandari, Chairman of the Audit Committee could not attend the last Annual General Meeting held on 21st September, 2013.

- (ii) The terms of reference of the Audit Committee are broadly as under :

*The Audit Committee, inter-alia, reviews:*

- Financial Statements before the submission to the Board for approval;
- Statutory Audit Report and Internal Audit Reports;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Recommendations for appointment, remuneration and terms of appointment of Auditors of the Company;
- 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;
- Annual Budget and Variance Reports;
- Management discussion and analysis of financial conditions and results of operations;
- Review of Financial Statements/Investments in subsidiary companies;
- Evaluation of internal financial controls and risk management systems;

- (iii) The Audit Committee was constituted by the Board and presently, the Audit Committee consists of Mr. K.N. Bhandari, Mr R. K. Pandey and Mr. Shailendra Gupta, Two members are Non-executive and Independent Directors and one member is Non-executive Director. Mr. K. N. Bhandari is the Chairman of the Committee. In the opinion of the Board, all the members of the Audit Committee have accounting or related financial management expertise. The Company Secretary acts as the Secretary to the Committee.

- During the Financial Year ended 31st March 2014, the Audit Committee has met 4 times, i.e., on 27.04.2013, 12.08.2013, 14.11.2013 and 10.02.2014

The attendance details for the Committee Meetings are as follows:

| Name                 | Designation | No. of Meetings attended |
|----------------------|-------------|--------------------------|
| Mr. K. N. Bhandari   | Chairman    | 03                       |
| Mr. R. K. Pandey     | Member      | 03                       |
| Mr. Shailendra Gupta | Member      | 04                       |

## 7. Remuneration Committee

The Remuneration Committee, now known as Nomination and Remuneration Committee, constitution of which is a mandatory requirement under Section 178 of the Companies Act, 2013, is already constituted by the Board and it shall perform roles and functions as per provisions of Companies Act, 2013 and the rules framed thereunder.

The Remuneration Committee was constituted by the Board and presently, the Remuneration Committee consists of Mr. Ravindra Kumar Singh and Mr. S.D.M. Nagpal as members. Mr. Ravindra Kumar Singh is the Chairman of the Committee. Both the members are Non-executive and Independent Directors. The Company Secretary acts as the Secretary to the Committee.

No Remuneration Committee Meeting was held during the Financial Year ended 31st March 2014.

**Remuneration of Directors:**

- (a) The terms of appointment of the Whole time/Executive Directors are governed by resolutions passed by the Remuneration Committee, Board of Directors and the Shareholders of the Company and approval of the Central Government if required, and subject to the provisions of the Companies Act 1956. Presently, there is no whole time Director in the Company.

The details of sitting fee/remuneration paid (inclusive of TDS) to Non- Executive Directors during the Financial Year ended 31st March 2014 were as follows:

| Sl. No. | Name of Director (Non-Executive) | Sitting fee   | Other Benefits | Total (₹)     |
|---------|----------------------------------|---------------|----------------|---------------|
| 1       | Shri Manoj Gaur                  | 7500          | Nil            | 7500          |
| 2       | Shri Pankaj Gaur                 | Nil           | Nil            | Nil           |
| 3       | Shri Naveen K. Singh             | Nil           | Nil            | Nil           |
| 4       | Shri K. N. Bhandari              | 45000         | Nil            | 45000         |
| 5       | Shri S. D. M. Nagpal             | 90000         | Nil            | 90000         |
| 6       | Shri R. K. Pandey                | 60000         | Nil            | 60000         |
| 7       | Shri R. K. Singh                 | 22500         | Nil            | 22500         |
| 8       | Shri Harish K. Vaid              | 127500        | Nil            | 127500        |
| 9       | Shri Shailendra Gupta            | 75000         | Nil            | 75000         |
| 10      | Shri B. K. Taparia               | 15000         | Nil            | 15000         |
| 11      | Shri V. K. Jain                  | Nil           | Nil            | Nil           |
|         | <b>Total</b>                     | <b>442500</b> |                | <b>442500</b> |

- (b) The remuneration to Non-Executive Directors is restricted only to Sitting Fee for attending the meetings of the Board and its Committees. The Company pays sitting fee of ₹ 7,500/- per meeting to Non-Executive Directors for attending the meetings of the Board/or its Committees, besides reimbursement of traveling and out-of-pocket expenses incurred by the Directors for attending the meetings.

Non-Executive Directors of the Company do not have any share holding in the Share Capital of the Company.

**8. Investors' Grievances/Share Transfer Committee**

The Shareholders'/Investors' Grievance Committee, now known as Stakeholders' Relationship & Share Transfer Committee,

- (i) The Board constituted an Investor Grievance & Share Transfer Committee in accordance with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. This Committee approves share transfer requests; oversees the redressal of shareholders' and investors' grievances like delay in the transfer of shares, non-receipt of the Annual Report and approves the sub-division, transmission and issue of duplicate shares etc.
- (ii) The Investors' Grievance & Share Transfer Committee was constituted by the Board and presently consists of Mr. S. D. M. Nagpal, Mr. Ravindra Kumar Singh and Mr. Harish K. Vaid. Mr. S. D. M. Nagpal is the Chairman of the Committee. Two members are Non-executive and Independent Directors and third one is Non-executive Director. The Company Secretary acts as the Secretary to the Committee. During Financial Year 2013-14 11 meetings of the Committee were held.
- (iii) The Company has received 21 complaints during the Financial Year ended 31st March 2014, all of which were resolved/addressed leaving no complaints pending at the end of the year.

**9. Risk Management**

The Company manages risks as an integral part of its decision making process. The Audit Committee and the Board of Directors are regularly apprised regarding key risk assessment and risk mitigation mechanisms.

**10. CEO Certification**

In the absence of the appointment of CEO, the Chairman has submitted necessary certificate to the Board of Directors stating the particulars specified under Clause 49(V) of the Listing Agreement. This certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 26th May 2014.



## 11. General Body Meetings

### (i) Particulars of the last three Annual General Meetings

| Year    | Date of AGM | Time     | Venue  |
|---------|-------------|----------|--|
| 2010-11 | 30.12.2011  | 11.30 AM | Regd. Off:<br>Durga Cement Works<br>Sri Durgapuram,<br>Dachepalli, 522414<br>Guntur District, AP |
| 2011-12 | 15.09.2012  | 03.30 PM | Regd. Off:<br>Durga Cement Works<br>Sri Durgapuram,<br>Dachepalli, 522414<br>Guntur District, AP |
| 2012-13 | 21.09.2013  | 11.30 AM | Regd. Off:<br>Durga Cement Works<br>Sri Durgapuram,<br>Dachepalli, 522414<br>Guntur District, AP |

### (ii) Details of Special Resolution(s) passed in previous three Annual General Meetings:

- At the Annual General Meeting held on 30th December 2011, no Special Resolution was passed.
- At the Annual General Meeting held on 15th September, 2012, Special Resolution was passed for:
  - Approving the alteration of Article - 5 and Article - 103 of the Articles of Association of the Company.
- At the Annual General Meeting held on 21st September, 2013, Special Resolution was passed for:
  - Approving the conversion of Term Loans in to Equity Shares in case of default at the option of HDFC and IDFC.

### (iii) Details of Resolution(s) passed last year through Postal Ballot

No Special Resolutions were passed during last year through Postal Ballot.

## 12. Disclosures

- In the bonafide opinion of the Board of Directors there are no related party transactions that may have potential conflict with the interest of the company at large. Related party transactions, in terms of 'AS-18 Related Parties' were disclosed in the Annual Accounts.
- The company does not have a Whistle Blower Policy since the same is non-mandatory under Clause 49 of the Listing Agreement. However, no employee is denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements of Clause 49 as detailed herein. As regards adoption of non-mandatory requirements under said clause, please see para 16 hereinafter.

## 13. Management Discussion & Analysis Report

The Management Discussion and Analysis Report attached to the Annual Report.

## 14. Compliance Officer

The Board had designated Shri G. Tirupati Rao, G.M - Legal & Company Secretary as the Compliance Officer.

Address - 'White House' 3rd Floor, Block-III, Begumpet, Hyderabad - 500016.

e-mail - gtrao@andhracements.com

Phone - 040-67272727

Fax - 040-67272728

**15. Means of Communication**

The Quarterly, Half yearly and Annual Financial Results of the Company normally published in Business Standard (English), Andhra Prabha and Praja Shakti (Telugu) News Papers.

**GENERAL SHAREHOLDER INFORMATION****i) Annual General Meeting:**

|                      |   |
|----------------------|---|
| <b>Date and Time</b> | : 30.09.2014 at 12.30 pm  |
| <b>Venue</b>         | : at Regd. Off, Durga Cement Works<br>Sri Durgapuram,<br>Dachepalli - 522414,<br>Guntur (Dist), AP. |

**ii) Financial Year** : 2013-14 (01.04.2013 to 31.03.2014)

**iii) Book Closure Dates** : 27.09.2014 to 30.09.2014 (both days inclusive)

**iv) Dividend Payment Date** : No dividend proposed.

**v) Financial Calendar 2014-15 Consideration & publication of Financial Results**

|   |                              |
|---|------------------------------|
| <b>For the quarter ended 30.06.2014</b> | : 2nd week of August, 2014   |
| <b>For the quarter ended 30.09.2014</b> | : 2nd week of November, 2014 |
| <b>For the quarter ended 31.12.2014</b> | : 2nd week of February, 2015 |
| <b>For the quarter ended 31.03.2015</b> | : 2nd week of May, 2015      |

**vi) Listing of Equity Shares on Stock Exchanges**

: **BSE Limited**  
: P. J. Towers, Dalal Street, Fort,  
Mumbai - 400 001

**National Stock Exchange of India Ltd**

Plot No. C/1, G-Block  
Bandra-Kurla Complex  
Bandra (E), Mumbai - 400051

**vii) Stock Code:**

|  |                |
|--|----------------|
| <b>Bombay Stock Exchange (BSE)</b>     | : 532141       |
| <b>National Stock Exchange (NSE)</b>   | : ANDHRACEMT   |
| <b>ISIN Numbers in NSDL &amp; CDSL</b> | : INE666E01012 |

Listing fees for and up to the year 2014-15 have been paid to the BSE and NSE, where shares are listed and also paid the custodian fee for the year 2014-15 to NSDL and CDSL.