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# PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED

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**PANYAM CEMENTS &  
MINERAL INDUSTRIES LIMITED**

Registered Office :  
C-1, Industrial Estate  
Bommalasatram,  
Nandyal - 518 502  
Kurnool District, A.P.

**56th  
ANNUAL REPORT  
2011 - 2012**

# BOARD OF DIRECTORS

S.P.Y. REDDY  
*Chairman*

S. SREEDHAR REDDY  
*Managing Director*

V. RAMNATH

D. KRISHNA MOHAN

A.V. NARASIMHA REDDY

DR. R. K. PRASAD SUNKARA

V. SURESH KUMAR

A. SREENIVASULU REDDY

A. SATHYA BHUSHANA RAO  
(Alternate Director to Dr.R.K.Prasad Sunkara)

# REGISTRAR & SHARE TRANSFER AGENTS

XL Softech Systems Limited  
3, Sagar Society, Road No.2,  
Banjara Hills, Hyderabad - 500 034

Phone Nos : 040-23545913/14/15  
Fax No : 040-23553214  
Email:xlfield@rediffmail.com

# CENTRAL ADMINISTRATIVE OFFICE :

Plot No.188, Phase II,  
Kamalapuri Colony,  
Hyderabad 500 073.  
Telephone Nos.040-23555317  
Fax No.040-23555316  
E-mail:caohyd@panyamcements.com  
Website:panyamcements.com

# AUDITORS

**Brahmayya & Co.**  
Chartered Accountants  
Adoni 518 301.

# COST AUDITOR

Mrs. Aruna Prasad  
Cost Accountant  
Plot No. 802, 64<sup>th</sup> Street,  
10<sup>th</sup> Sector, K.K. Nagar,  
Chennai - 600 078.

# BANKERS

State Bank of India  
Main Branch  
Nandyal

State Bank of Hyderabad  
Overseas Branch  
Somajiguda  
Hyderabad

Indian Overseas Bank  
Adarshnagar,  
Hyderabad

# REGISTERED OFFICE

C-1, Industrial Estate  
Bommalasatram,  
Nandyal - 518 502  
Kurnool District, A.P.

Telephone Nos.08514-222274  
Fax No.: 08514-243106  
E-mail: regoffice@panyamcements.com

# CEMENT WORKS:

Cementnagar - 518 206  
Kurnool District, A.P.

Telephone No.: 08516-274638  
Fax No.: 08516-274644  
E-mail: pcmil@panyamcements.com

# PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED

Registered Office::C-1 Industrial Estate  
Nandyal, Kurnool District - 518 502. A.P.

# NOTICE

Notice is hereby given that the Fifty Sixth Annual General Meeting of the Members of the Company will be held on Saturday, the 22<sup>nd</sup> September, 2012 at 11.30 A.M., at the Registered Office, C-1 Industrial Estate Nandyal, Kurnool District, A.P. to transact the following business:

# Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2012, and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri D.Krishna Mohan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sri V.Ramnath, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint auditors and fix their remuneration. The retiring Auditors M/s. Brahmayya & Co., Chartered Accountants, Adoni are eligible for reappointment.

**By Order of the Board of Directors**  
For Panyam Cements & Mineral Industries Ltd

**Place: Nandyal**  
**Dt:- 30<sup>th</sup> May, 2012**

S.Sreedhar Reddy  
Managing Director

# 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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and the Share Transfer Books of the Company remain closed from 17.09.2012 to 22.09.2012 (both days inclusive).

# Information as required by clause 49 (VIA) of the Listing Agreement:

As required by clause 49(VIA) of the Listing Agreement with the Stock Exchange, the information relating to the Directors proposed to be appointed /re-appointed is provided hereunder:

Sri D.Krishna Mohan, aged about 48 years, is an Engineering Graduate and having about 16 years of industrial experience in different fields. His guidance and services are immense for further growth of the company.

Sri V.Ramnath, aged about 51 years, is an Engineering Graduate in Civil and is having about 26 years of industrial experience having worked in different capacities/positions. His guidance and services are immense for further growth of the company.

## DIRECTORS' REPORT :

To  
The Members

Your Directors have pleasure in presenting the 56<sup>th</sup> Annual Report and Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2012:

## FINANCIAL RESULTS :

	(Rs.in lakhs)	
	Year ended 31 <sup>st</sup> March 2012	Year ended 31 <sup>st</sup> March 2011
<b>Income:</b>		
Gross Sales ..	21857.06	15826.53
Less:Excise Duty and Sales Tax ..	4607.00	3251.01
Net Sales ..	17250.06	12575.52
Other Income ..	507.10	453.25
State Incentives ..	367.06	-
Total ..	18124.22	13028.77
Profit before Interest and Depreciation ..	3905.95	923.90
Less: Interest and Finance charges ..	1380.54	792.45
Less: Depreciation ..	839.88	505.16
Net Profit(+)/(Loss)(-) before Extra-Ordinary and Prior period expenses/income(net)	1685.53	(-) 373.71
Add/Less: Prior period expenses/Income(Net)	(-) 8.31	(-) 7.49
Net Profit/(Loss) for the year before tax	1677.22	(-) 381.20
Provision for- Income Tax for the year (MAT)	350.00	-
Deferred Tax Liability	413.94	-
Net Profit/(Loss) after tax	913.28	(-) 381.20
Loss Brought Forward from previous year	(-) 4186.86	(-) 3805.66
Loss carried to Balance Sheet	(3273.58)	(4186.86)

## OPERATIONS:

The performance of the Company during the year under review was satisfactory. The company has produced during the year 2011-12, 4,68,677 M.Tonnes of cement as against 4,01,072 M.Tonnes in the previous year representing an increase of 17%. The company has achieved higher production during the year under review on account of completion of Modernisation of Kiln No.1 increasing its capacity from 550 TPD to 1800 TPD with effect from 10<sup>th</sup> August, 2011.

The gross sales for the year under report was Rs. 21857.06 lakhs as against Rs.15826.53 lakhs in the previous year representing an increase of 38%. The net profit before tax for the year was Rs.1677.22 lakhs as against net loss of Rs. 381.20 lakhs in the previous year. The increase in the profit was mainly on account of higher volume of production and better realization due to gradual increase in demand and price.

The Developers of our Bangalore property, Ms.Bhimsankar Realtors Private Limited/ Greenage Griha Nirman Private Limited have completed the construction works of four blocks under phase I and the builder has applied for Occupation Certificate on inspection of the flats by the Bangalore Development Authorities. On receipt of Occupancy Certificate, the Sale Deeds in respect of the prospective buyers will be executed during the current financial year 2012-13.

## MODERNISATION OF THE CEMENT UNIT :

During the year 2011-12, the modernization of Kiln No.1 for increasing its capacity from 550 TPD to 1800 TPD was completed and the kiln was commissioned on 10<sup>th</sup> August, 2011. The Modernisation project cost was partly financed by Indian Overseas Bank and State Bank of Hyderabad.

## DIVIDEND:

Your Directors regret their inability to recommend any dividend on Equity Shares in view of the carry forward losses. Consequently the payment of dividend in respect of Redeemable "C" Cumulative Preference Shares held by the Financial Institutions also has been passed over.

## PUBLIC DEPOSITS:

The Company has not accepted any public deposits under Section 58-A and 58AA of the Companies Act,1956.

## CURRENT YEAR PROSPECTS:

The working of the Cement Unit is satisfactory and the management is contemplating on reduction of consumption cost of power and fuel. But the power cuts during the summer season may affect the performance of the Company. The cement market is picking up owing to higher

demand from semi-urban and rural infrastructure, apart from railways, ports, airports, IT Sector, irrigation projects, shopping malls, multiplexes etc.

Further, the company has taken up expansion of existing capacity of crushers, Raw Mill, Cement Mills, Packing Plant and railway siding to improve the efficiency, productivity, reduce operational costs and cutting down logistics costs etc. The cost of the project is estimated at Rs. 56.19 crores. The said project is partly financed by State Bank of India, State Bank of Hyderabad and Indian Overseas Bank. The project works are under progress and it is expected to be completed by the end of the current year i.e. 2012-13.

## AUDITOR'S REPORT:

As regards non-provision of gratuity, superannuation and leave encashment liability on actuarial valuation, it is provided on retirement of employees on a consistent basis and the liability is not ascertained.

As regards non-remittance of undisputed statutory dues as mentioned in para (ix) (b) of Annexure to Auditors' Report and interest dues to debenture holders as mentioned in para (xi) of the Annexure to the Report, the Company is clearing the statutory dues in a phased manner and interest dues to one of the debenture-holders are under negotiations with the party.

## EMPLOYEES:

Your Directors wish to place on record their sincere appreciation of the whole-hearted co-operation extended and the valuable contribution made by the employees at all levels.

There are no employees drawing remuneration more than the sum prescribed pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## AUDITORS:

M/s. Brahmayya & Co., Chartered Accountants, Adoni, the Company's statutory auditors retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

#### DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Sri V. Ramnath and Sri D.Krishna Mohan will retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

#### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility statement, it is hereby confirmed:

- that in preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the statement of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- that the Directors have 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 the Company and for preventing and detecting fraud and other irregularities.
- that the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2012 on a "going concern" basis.

#### AUDIT COMMITTEE:

The Audit Committee consists of Sri D. Krishna Mohan, Sri. A.V.Narasimha Reddy, A. Sreenivasulu Reddy and A. Sathya Bhushana Rao. Sri D. Krishna Mohan is the Chairman of the Audit Committee. All are independent and non executive directors. The Audit Committee met four times during last year and reviewed the Internal Audit Reports and quarterly results.

#### CORPORATE GOVERNANCE:

The company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance in terms of clause 49 to the Listing Agreement with the Stock Exchange are complied. A separate report on Corporate Governance is incorporated along with a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance and are given separately as a part of the Directors' Report. Further as a part of the report, "Management Discussion and Analysis" has also been furnished.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING OUTGO:

The information required under section 217(2)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 with respect to these matters are set out in the Annexure I and forms part of the report.

#### COMPLIANCE WITH LISTING AGREEMENT:

##### Clause 43A :

The Equity/Preference Shares of the Company are listed on the Bombay Stock Exchange Limited and the annual listing fee was paid to the said Stock Exchange.

Cash Flow statement is attached as Annexure II and forms part of this report.

#### ACKNOWLEDGEMENTS:

Your Directors are happy to acknowledge the financial assistance given to the Company by the Banks. Your Directors also express their thanks to the various Central and State Government Departments and the shareholders for their support and help extended during the year.

**By Order of the Board of Directors**

For Panyam Cements & Mineral Industries Ltd

S.P.Y. REDDY  
Chairman

Place: Nandyal  
Dt:- 30<sup>th</sup> May, 2012

#### ANNEXURE TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012:

#### ANNEXURE I

##### A. Conservation of Energy:

- Energy conservation measures taken:

High Efficiency fans are being installed to save energy.

To increase the Mills efficiency AIA liners are being installed in all the seven mills.

- Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

High Efficiency separators are being installed for better output and energy saving.

- Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production:

Savings on energy thereby reducing the cost of production.

- Total energy consumption per unit of production:

Particulars given in Form "A" annexed.

##### B) Technology Absorption:

Particulars given in Form "B" annexed.

##### C) Foreign Exchange Earnings and Outgo:

- Activities relating to exports, initiatives taken to increase the export, development of new export market for products and services and export plans:

No exports were made during the year under review.

- Total foreign exchange used: Rs. Nil

Total Foreign Exchange earned Rs. Nil

**FORM 'A'**
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

Particulars	Unit	CEMENT DIVISION	
		31-03-2012	31-03-2011
A. Power and Fuel Consumption:			
1. Electricity:			
a) Purchased			
Units	000 KWH	64596	53449
Total Amount	Rs. Lakhs	2396.38	1882.68
Average Rate	Rs./KWH	3.71	3.52
b) Own Generation			
Units	000 KWH	-	-
Units per Litre of Diesel	KWH	-	-
Cost per unit	Rupees	-	-
2. Cost (Mineral Coal C - E / Imported Grade)			
Quantity	Tonnes	112506.00	84920.37
Total Cost	Rs.Lakhs	4798.07	3681.83
Average Rate	Rs.per MT	4264.72	4335.63
3. Furnace Oil			
Quantity	Kilo.Lts	-	-
Total Cost	Rs.lakhs	-	-
Average Rate	Rupees	-	-
B Consumption per unit of Production:			
Electricity	KWH/tonnes of cement	138	133
Coal	Kgs/tonnes of cement	240	210

**FORM "B"**

- A. RESEARCH AND DEVELOPMENT (R & D)**
1. Specific area in which R & D is carried out by the Company:
- The company has not carried out R & D in any specific area.
2. Benefits derived as a result of the above efforts
- Not applicable -
3. Future course of action:
- The Company has a system of continuously evaluating various production processes for up-gradation
4. Expenditure on R and D:
- No separate amount is incurred in respect of Research and Development.
- B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**
- Not applicable -

**ANNEXURE - II**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED - 31.03.2012**

		Rs. in Lakhs		
		LESS	ADD	NET
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>			
	<b>NET PROFIT BEFORE TAX</b>			1677.22
	ADJUSTMENT FOR :			
	Depreciation		839.88	
	Dividend Received	0.20		
	Interest received/paid	416.83	1372.50	
	Profit/Loss on sale of Assets	5.78	5.06	
	Operating Profit before Working Capital Changes	422.81	2217.44	1794.63
	<b>ADJUSTMENT FOR :</b>			3471.85
	Trade and other receivables	308.36		
	Inventories	905.11		
	Trade payables/Working Capital		970.74	
	Working Capital Changes	1213.47	970.74	-242.73
	Cash generated from Operations			3229.12
	Less: Interest paid / received	1372.50	45.02	
	Direct Taxes paid	1372.50	45.02	-1327.48
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>			1901.64
	Extra Ordinary exp/Income			0.00
B	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase / sale of Fixed Assets & Work in progress	331.79	28.17	
	Purchase / sale of investments			
	Interest received		371.81	
	Dividend received		0.20	
	<b>NET CASH USED IN/FROM INVESTING ACTIVITIES</b>	331.79	400.18	68.39
C	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			1970.03
	Share Capital			
	Dividend Paid			
	Repayment of/ Proceeds from			
	Secured/Unsecured borrowings (Net)	1920.11		
	<b>NET CASHFLOW USED IN FINANCING ACTIVITIES</b>	1920.11		-1920.11
	Net Increase in cash and cash equivalents			49.92
	Cash and Cash equivalents as on 01.04.2011			303.05
	Cash and Cash equivalents as on 31.03.2012			352.97

For Panyam Cements & Mineral Industries Ltd.  
**S.SREEDHAR REDDY** **S.P.Y.REDDY**  
Managing Director Chairman

**AUDITORS' REPORT**

The above Cash Flow Statement has been prepared on the basis of audited accounts approved by the Board of Directors and is in agreement with the Statement of Profit & Loss and Balance Sheet as at 31-03-2012

Place : Nandyal  
Date : 30<sup>th</sup> May, 2012

**For BRAHMAYYA & CO.,**  
Chartered Accountants  
Firm's Registration No.000514S

**B. DAIVADHEENAM REDDY**  
Partner  
M.No. 026450

**CORPORATE GOVERNANCE REPORT :**
**1. Company's Philosophy on Code of Governance:**

The Company believes in adopting and adhering to the best corporate practice and continuously evaluate it against each of such practices. The company understands and respects its fiduciary role and responsibility to all stakeholders and strives hard to meet their expectations. We believe that the corporate governance is an important tool for shareholders protection and maximizing their long-term values. Panyam Cements & Mineral Industries Limited functions keeping in tune with this philosophy.

The fundamental objective of company's Corporate Governance is to adopt a methodology, which enhances effectiveness, better utilization of resources, transparency and harmonious relations between various interest groups. The company has been regular in sending its quarterly compliance report on Corporate Governance to Stock Exchange.

**2. Board of Directors:**

The Companies Act, 1956 and the Listing Agreement with Stock Exchange govern the composition of the Board of Directors of the Company.

**The Board comprises of a Chairman, Managing Director and six other Directors. Amongst them, Managing Director is only the Executive Director and all others are Non-Executive Directors.**

The Board functions either as a full Board or through Committees. The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with the Board, while the Committees oversee the share transfers and audit functions.

The Board has constituted four committees viz. the Audit Committee, Share Transfer Committee, Shareholders'/Investors' Grievance Committee and Remuneration Committee.

During the year 2011-12, the company convened four Board Meetings on 30<sup>th</sup> May, 2011; 13<sup>th</sup> August, 2011; 14<sup>th</sup> November 2011 and 13<sup>th</sup> February, 2012.

The composition of Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting as also number of other Directorships and Committee Memberships are given below:

Sl. No.	Name of the Director	Catagory of Directorship	No. of Board Meetings Attended	Attendance at last AGM held on 15-09-2011	No. of other Directorships	No. of Membership Chairmanship in Board / Committess (Including our Company)
1.	Sri S.P.Y. Reddy	Promoter-Chairman	4	Yes	6	3
2.	Sri S.Sreedhar Reddy	Promoter - Managing Director	4	Yes	3	1
3	Sri V. Suresh Kumar	Promoter-Director	4	No	4	-
4.	Sri V. Ramnath	Independent Non-Executive Director	2	No	1	1
5	Sri D.Krishna Mohan	Independent Non-Executive Director	4	Yes	-	3
6	Sri A.V. Narasimha Reddy	Independent Director	2	Yes	2	3
7	Dr.R.K. Prasad Sunkara	NRI-Non-Executive Director	-	No	-	-
8	Sri A. Sreenivasulu Reddy	Independent Non-Executive Director	4	Yes	3	3
9	Sri A. Sathya Bhushana Rao (Alternate Director to Dr.R.K.Prasad Sunkara	Independent Non-Executive Director	3	No	1	2

**3) Audit Committee:**

The Audit Committee met four times during the year i.e., 30<sup>th</sup> May, 2011; 13<sup>th</sup> August, 2011; 14<sup>th</sup> November, 2011 and 13<sup>th</sup> February, 2012.

The role and terms of reference of Audit Committee cover the areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors from time to time.

The company continued to derive immense benefit from the deliberations of the Audit Committee comprising of Sri D.Krishna Mohan; Sri A.V.Narasimha Reddy; Sri A.Sreenivasulu Reddy and Sri A.Sathya Bhushana Rao who are independent and Non-Executive Directors. The minutes of each Audit Committee are placed before and discussed by the Board of Directors of the Company.

The Audit Committee was reconstituted on 13<sup>th</sup> August, 2011 with the induction of Sri A.Sreenivasulu Reddy as independent and Non-Executive Director.

The attendance at the Audit Committee Meetings is given below:

Sl. No.	Name of the Member	No. of Meetings Held	No. of Meetings Attended
1.	Sri D.Krishna Mohan	4	4
2.	Sri A.V.Narasimha Reddy	4	3
3.	Sri A.Sathya Bhushana Rao	4	3
4.	Sri A.Sreenivasulu Reddy	4	4

**4) Remuneration Committee and Policy:**

Since there was no change in the remuneration payable to the Managing Director, the committee could not meet during the year under review.

The role of the Committee is to determine the remuneration payable to the whole-time directors taking into account their qualification, experience, expertise, contribution and the prevailing levels of remuneration in companies of corresponding size and stature and recommending the same to the Board for its approval.

**Details of remuneration to Directors for the year ended 31<sup>st</sup> March, 2012:**
**i) Executive Directors:**

The Managing Director has drawn an amount of Rs.15.00 lakhs towards salary for the year ended 31<sup>st</sup> March, 2012

**ii) Non-Executive Directors:**

No remuneration other than sitting fee is paid to Non-Executive Directors.

Remuneration by way of sitting fee for attending Board/Committee Meetings paid to Non-Executive Directors during the financial year are as follows:

	Name of the Director	Sitting Fee paid (Rs.)
1)	Sri A. Sathya Bhushana Rao ..	30,000
2)	Sri V. Ramnath ..	30,000
3)	Dr. R.K. Prasad Sunkara ..	10,000
	Total	70,000

5) a) **Share Transfer Committee:**

During the year 2011-12, the Committee met 12 times. All shares received for transfer were registered in favour of the transferees and dispatched within a month's time, if the documents received were in order.

During the year 2011-2012, there were no requests pending for transfer.

The attendance at the Share Transfer Committee Meetings is given below:

Sl. No.	Name of the Member	No. of Meetings Held	No. of Meetings Attended
1	Sri S. Sreedhar Reddy	12	12
2	Sri D. Krishna Mohan	12	10
3.	Sri A.V. Narsimha Reddy	12	08

**B. Shareholders/Investors' Grievance Committee:**

The Shareholders/Investors' Grievance Committee consists of Sri D.Krishna Mohan, Sri A.V.Narasimha Reddy and Sri A.Sreenivasulu Reddy.

The Committee could not meet during the financial year 2011-12 since there were no complaints/grievances from the shareholders.

6) **Annual General Meetings:**

The last three Annual General Meetings were held as under:

Year	Location	Date	Time
2009	Registered Office C-1, Industrial Estate, Nandyal, Kurnool Dist., A.P.	29.08.2009	12.00 Noon
2010	Registered Office C-1, Industrial Estate, Nandyal, Kurnool Dist., A.P.	14.08.2010	11.30 A.M.
2011	Registered Office C-1, Industrial Estate, Nandyal, Kurnool Dist., A.P.	15.09.2011	11.30 A.M.

**Special Resolutions :**

During the year, there were no Extra-Ordinary General Meetings were held.

In respect of the resolutions passed in the above three respective Annual General Meetings, the necessary Form No.23 were filed with the Registrar of Companies

7) **Disclosures :**

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in Clause 49 of the Listing Agreement with the Stock Exchange

There were no instances of non-compliance on any matter relating to the capital market, during the last three years.

8) **Means of Communication:**

The Quarterly results are normally published in "Business Standard" in English and "Andhra Prabha" regional news paper published in the vernacular language. The results are promptly furnished to the stock exchange for display on its web site.

Both "Management Discussion and Analysis" and "Shareholders Information" forms part of the Annual Report.

9) **General Information for Shareholders :**

- |      |   |   |   |
|------|---|---|---|
| i)   | Date, Time and Venue of the Annual General Meeting  | : | 22 <sup>nd</sup> September, 2012 at 11.30 A.M.<br>Registered Office of the Company<br>situated at Nandyal, Kurnool District, A.P.   |
| ii)  | Financial calendar - 1 <sup>st</sup> April 2012 to 31 <sup>st</sup> March 2013<br>Financial Reporting Un-audited  |   |   |
|      | For the quarter ending June 30, 2012<br>For the quarter ending Sept.30, 2012<br>For the quarter ending December 31, 2012<br>For the quarter ending March 31 2013 (audited)<br>Annual General Meeting for the year ending 31 <sup>st</sup> March, 2012 |   | Second week of August 2012<br>Second week of November 2012<br>Second week of February 2013<br>Last week of May 2013<br><br>22 <sup>nd</sup> September, 2012   |
| iii) | Date of Book Closure  |   | 17.09.2012 to 22.09.2012<br>(both days inclusive)   |
| iv)  | Dividend payment date   |   | N.A.  |
| v)   | Listing on Stock Exchanges  | : | The Company's shares are listed on:<br>Bombay Stock Exchange Limited<br>Floor 25, Phiroze Jeejeebhoy Towers<br>Dalal Street, Mumbai 400 001.<br>Listing fee was paid to the said<br>Stock Exchange. |