



SAGAR CEMENTS LIMITED



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BOARD OF DIRECTORS

BOARD OF DIRECTORS

Shri O.Swaminatha Reddy	Chairman – Independent & Non Executive
Shri S.Veera Reddy	Managing Director
Dr.S.Anand Reddy	Joint Managing Director
Shri S.Sreekanth Reddy	Executive Director
Shri K.Thanu Pillai	Independent & Non Executive
Shri Gilbert Noel Claude Natta	Non-Executive
Shri Werner C.R.Poot	Non Executive
Shri P.Rajeswara Rao	APIDC Nominee
Shri V.V.S.Ravindra	IDBI Nominee and Independent (up to 29.4.2011)
Shri G.Suneel Babu	IDBI Nominee and Independent(w.e.f.29.4.2011)

COMPANY SECRETARY

Shri R.Soundararajan

SENIOR MANAGEMENT TEAM

Corporate Office:

Shri M.S.A.Narayana Rao	Group President
Shri M.V.Subba Rao	Senior Vice President
Shri P.Vasudeva Reddy	Vice President - Works
Shri K.Ganesh	Vice President - Projects
Shri P.Venkat Reddy	Vice President - Finance
Shri P.S.Prasad	Vice President - Marketing
Shri O.Anji Reddy	Chief General Manager (Electrical & Installations)
Shri K.V.Ramana	Chief General Manager - Mines
Site:	
Shri M.V.Ramana Murthy	General Manager - Production & QC
Shri A.K.Nagesh	General Manager (Mech. & Development)

AUDITORS

M/s. P.Srinivasan & Co.,
Chartered Accountants
H.No. 12-13-422, Street No.1, (Lane Opp. Bank of Barode), Tarnaka,
Secunderabad – 500 017

COST AUDITORS

M/s.Narasimha Murthy & Co.,
Cost Accountants
104, Pavani Estates, Y.V.Rao Mansion, Himayathnagar
Hyderabad – 500 029

BANKERS

State Bank of Hyderabad
State Bank of India
IDBI Bank Limited

REGISTERED OFFICE

8-2-472/B/2, Road No.1, Banjara Hills
Hyderabad-500 034. Tel: 040 – 23351571
Fax: 040 - 23356573

FACTORY

Mattampally, Via Huzurnagar
Nalgonda District, Andhra Pradesh 508 204
Tel: 08683 – 247039

Pedaveedu Village, Via Huzurnagar
Nalgonda District, Andhra Pradesh 508 204
Tel: 08683 - 216533 / 247333



SAGAR CEMENTS LIMITED

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of the Company will be held at 3.30 p.m. on Thursday, the 22nd September, 2011 at Hotel Golkonda, Masab Tank, Hyderabad-500 028, to transact the following business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as on that date together with the Reports of the Board of Directors and Auditors thereon;
2. To declare dividend;
3. To appoint a Director in place of Shri O.Swamintha Reddy, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri K.Thanu Pillai, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors for the company to hold office from the conclusion of the Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

6. REAPPOINTMENT OF SHRI S.VEERA REDDY AS MANAGING DIRECTOR

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

“Resolved that in accordance with Sec.198, 269, 309 and other applicable provisions of the Companies Act, 1956 read with its Schedule XIII and subject to approvals, if any, as may be required from the Financial Institutions and other authorities concerned, Shri S.Veera Reddy be and is hereby re-appointed as Managing Director of the Company for a period of five years with effect from 13th July, 2011 on the following remuneration:

Salary: Rs.6,00,000/- p.m..

Perquisites:

As mutually agreed between the Managing Director and the Company, but restricted to 75 % of the salary. In addition to this, and subject to the ceiling on the overall remuneration mentioned below, Shri S.Veera Reddy, Managing Director will be entitled to the reimbursement of actual medical expenses incurred in India and or abroad including hospitalization, nursing home and surgical charges for himself and his family.

Commission:

Such amount of commission calculated with reference to the Net Profit of the Company for each financial year as may be fixed by the Board of Directors or a Committee thereof, which together with the salary and perquisites shall not exceed the ceiling laid down in Section 309 of the Companies Act, 1956.

Further resolved that in addition to the above remuneration, Shri S.Veera Reddy will be eligible for contribution to PF, Superannuation Fund or Annuity to the extent these are not taxable, gratuity at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of his tenure.

Further resolved that the overall remuneration i.e. the aggregate of salary, perquisites and commission, if any, payable to Shri S.Veera Reddy, Managing Director in any one financial year shall not exceed the limits prescribed under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with its Schedule XIII as in force from time to time.

Further resolved that where in any financial year during Shri S.Veera Reddy's tenure as the Managing Director,



the Company has no profits or its profits are inadequate, the remuneration payable to him for the said financial year will be restricted to the amount as allowed in such a case under Schedule XIII to the Companies Act, 1956.

Further resolved that the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to the above resolutions."

7. ENHANCEMENT IN THE REMUNERATION TO DR.S.ANAND REDDY, JOINT MANAGING DIRECTOR

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

"Resolved that in accordance with Sec.198, 309, 310 and other applicable provisions of the Companies Act, 1956 read with its Schedule XIII and in partial modification of the special resolutions passed by the shareholders at their 26th and 27th Annual General Meetings held on 24th September, 2007 and 24th September, 2008 respectively regarding the re-appointment of and remuneration payable to Dr.S.Anand Reddy as Joint Managing Director of the Company and subject to approvals, if any, as may be required from the Financial Institutions and other authorities concerned, consent be and is hereby accorded to the payment of remuneration to him as revised below with effect from 1st April, 2011

Salary: Rs.4,00,000/- p.m..

Perquisites:

As mutually agreed between the Joint Managing Director and the Company, but restricted to 75 % of the salary. In addition to this, and subject to the ceiling on the overall remuneration mentioned below, Dr.S.Anand Reddy, Joint Managing Director will be entitled to the reimbursement of actual medical expenses incurred in India and or abroad including hospitalization, nursing home and surgical charges for himself and his family.

Commission:

Such amount of commission calculated with reference to the Net Profit of the Company for each financial year as may be fixed by the Board of Directors or a Committee thereof, which together with the salary and perquisites shall not exceed the ceiling laid down in Section 309 of the Companies Act, 1956.

Further resolved that in addition to the above remuneration, Dr.S.Anand Reddy will be eligible for contribution to PF, Superannuation Fund or Annuity to the extent these are not taxable, gratuity at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of his tenure.

Further resolved that the overall remuneration i.e. the aggregate of salary, perquisites and commission, if any, payable to Dr.S.Anand Reddy, Joint Managing Director in any one financial year shall not exceed the limits prescribed under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with its Schedule XIII as in force from time to time.

Further resolved that where in any financial year during Dr.S.Anand Reddy's tenure as the Joint Managing Director, the Company has no profits or its profits are inadequate, the remuneration payable to him for the said financial year will be restricted to the amount as allowed in such a case under Schedule XIII to the Companies Act, 1956.

Further resolved that the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to the above resolutions."

8. ENHANCEMENT IN THE REMUNERATION TO SHRI S.SREEKANTH REDDY, EXECUTIVE DIRECTOR

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

"Resolved that in accordance with Sec.198, 309, 310 and other applicable provisions of the Companies Act, 1956



read with its Schedule XIII and in partial modification of the special resolution passed by the shareholders at their 27th Annual General Meeting held on 24th September, 2008 regarding the appointment of and remuneration payable to Shri S.Sreekanth Reddy as Executive Director of the Company and subject to approvals, if any, as may be required from the Financial Institutions and other authorities concerned, consent be and is hereby accorded to the payment of remuneration to him as revised below with effect from 1st April, 2011.

Salary: Rs.3,00,000/- p.m..

Perquisites:

As mutually agreed between the Executive Director and the Company, but restricted to 75 % of the salary. In addition to this, and subject to the ceiling on the overall remuneration mentioned below, Shri S.Sreekanth Reddy, Executive Director will be entitled to the reimbursement of actual medical expenses incurred in India and or abroad including hospitalization, nursing home and surgical charges for himself and his family.

Commission:

Such amount of commission calculated with reference to the Net Profit of the Company for each financial year as may be fixed by the Board of Directors or a Committee thereof, which together with the salary and perquisites shall not exceed the ceiling laid down in Section 309 of the Companies Act, 1956.

Further resolved that in addition to the above remuneration, Shri S.Sreekanth Reddy will be eligible for contribution to PF, Superannuation Fund or Annuity to the extent these are not taxable, gratuity at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of his tenure.

Further resolved that the overall remuneration i.e. the aggregate of salary, perquisites and commission, if any, payable to Shri S.Sreekanth Reddy, Executive Director in any one financial year shall not exceed the limits prescribed under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with its Schedule XIII as in force from time to time.

Further resolved that where in any financial year during Shri S.Sreekanth Reddy's tenure as the Executive Director, the Company has no profits or its profits are inadequate, the remuneration payable to him for the said financial year will be restricted to the amount as allowed in such a case under Schedule XIII to the Companies Act, 1956.

Further resolved that the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to the above resolutions."

Notes:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself / herself and the proxy to be so appointed need not be a Member of the Company. However, proxies in order to be effective must be lodged with the company at its Registered Office not less than 48 hours before the commencement of the Meeting.
2. The details required to be given under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Item No.3, 4, 6, 7 and 8 along with the Explanatory Statement pursuant to Sec.173 of the Companies Act, 1956 in respect of the special business in Item No.6, 7 and 8 are given in the annexure, which forms part of this Notice.
3. Register of Members and the Share Transfer Books of the company will remain closed during the period from 15.09.2011 to 22.09.2011 (both days inclusive).
4. Members holding shares in physical form are requested to inform the Company or its Registrars about the change, if any, in their addresses along with their e-mail, if any.



5. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed / unpaid dividends up to the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet en-cashed their dividend warrants for the said period, are requested to forward their claims in the prescribed Form No.II under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to:

Office of the Registrar of Companies
Kendriya Sadan
Sultan Bazaar
Koti
Hyderabad

6. Consequent upon the amendment to Section 205A of the Act and the introduction of Section 205C by the Companies (Amendment) Act, 1999, the un-claimed dividends for the financial year ended 31st March, 1996 onwards and up to the financial year ended 31st March, 2001 were duly transferred to the Investors Education and Protection Fund set up by the Government of India.
7. Members who have not yet encashed their dividend warrants in respect of the dividend declared subsequently as detailed below are requested to make their claims to the Company.

Year	Nature of Dividend
2004-05	Final Dividend
2005-06	Final Dividend
2006-07	Interim and later confirmed as Final
2007-08	Interim and Final
2008-09	Final
2009-10	Final

8. Dividend for the year 2010-11, if declared at the meeting, will be paid to those members whose names appear on the Company's Register of Members on 22.09.2011.
9. Section 109A of the Companies Act, 1956 provides for Nomination by the shareholders of the Company in the prescribed Form No.2B and the shareholders are requested to avail this facility.

By Order of the Board

R.Soundararajan
Company Secretary

12th July 2011
Registered Office:
8-2-472/B/2, Road No.1
Banjara Hills,
Hyderabad – 500 034, A.P.



Annexure to the Notice of the 30th Annual General Meeting
(Explanatory Statement U/s. 173 (2) of the Companies Act, 1956)

Item No.6 of the Notice

As the tenure of Shri S.Veera Reddy as Managing Director had come to an end on 12th July, 2011, with a view to continuing to avail his services as Managing Director, the Board has re-appointed him as Managing Director for a further period of five years with effect from 13th July, 2011 on a remuneration as detailed in the resolution.

Shri S.Veera Reddy is one of the co-promoters of the company and his business acumen and qualities of leadership have contributed in an immense measure to the growth and stability of the company. The Board is of the firm view that it would be in the interest of the company that he be re-appointed as Managing Director for a further term of five years and accordingly it commends the resolution for acceptance by the Members.

As the Resolution is for the re-appointment of Shri S.Veera Reddy as Managing Director, to that extent he and Dr.S.Anand Reddy and Shri S.Sreekanth Reddy, who are the other directors related to Shri S.Veera Reddy, are deemed to be interested in the resolution.

Item No.7 & 8 of the Notice

While reviewing the remuneration payable to the Whole-time Directors of the company, the Remuneration Committee of the Board had approved an enhancement in the remuneration payable to the Whole-time Directors as stated in the resolutions, after taking into account the volume of the operations and increasing responsibilities these Whole-time Directors are required to full fill in the context of the recent expansion coupled with the just concluded merger of ACL with SCL.

The Board has accepted the recommendations made by the Remuneration Committee.As the said enhancement would require the approval of the shareholders, suitable resolutions for the same have been submitted in Item No.7 and 8 for enhancement of remuneration payable to Dr.S.Anand Reddy, Joint Managing Director and Shri S.Sreekanth Reddy, Executive Director respectively.

As these Resolutions pertain to the enhancement of remuneration payable to Dr.S.Anand Reddy, Joint Managing Director and Shri S.Sreekanth Reddy, Executive Director, to that extent they and Shri S.Veera Reddy, who is related to both of them may be deemed to be interested in these resolutions.

By Order of the Board

R.Soundararajan
Company Secretary

12th July 2011
Registered Office:
8-2-472/B/2, Road No.1
Banjara Hills,
Hyderabad – 500 034, A.P.



Annexure to the Notice of the 30th Annual General Meeting

(Pursuant to Clause 49 of the Listing Agreement)

Details of Directors seeking re-appointment at the Annual General Meeting

Name of the Director	Shri O. Swaminatha Reddy	Shri K. Thanu Pillai	Shri S.Veera Reddy
Date of birth	25-12-1930	14-05-1935	26-10-1935
Experience in specific functional areas	Financial Consultant	Banking and Finance	General Management
Qualification	B.Com., (Hons) A.C.A.	MBA, CAIIB	Up to Graduation
Directorships in other Companies in India	TCI Finance Limited Sagar Power Limited TCI Developers Limited KCP Limited Transport Corporation of India Limited Surana Ventures Limited Bhagyanagar India Limited KM Power Limited Thembu Power Pvt. Ltd. EPR Gene Technologies Pvt.Ltd. EPR Pharmaceuticals Pvt. Ltd. EPR Centre for Cancer Research and Biometrics Pvt. Ltd.	BSCPL Infrastructure Ltd. LVS Energy (P) Ltd. Amar Biotech Ltd. Aishu Castings Ltd. Bollineni Developers Ltd. BSCPL Realty Ltd. BSCPL Infra Projects Ltd. Krishna Institute of Medical Sciences Simhapuri Expressways Ltd. Aishu Projects Ltd.	Sagar Power Ltd. Panchavati Polyfibres Ltd. Golkonda Hospitality Services and Resorts Ltd. Sagar Priya Housing and Industrial Enterprises Ltd
Membership of Audit/ Shareholders/ Investors Grievances Committees of other Public Limited Companies	Transport Corporation of India Limited. KCP Limited. Bhagyanagar India Limited Surana Ventures Limited	LVS Energy (P) Ltd.	Sagar Power Ltd.
No. of shares held in Sagar Cements Ltd.	Nil	Nil	16,43,795
Inter-se relationship with other Directors of the Company	None	None	Related to Dr. S. Anand Reddy, Joint Managing Director and Shri S. Sreekanth Reddy Executive Director

By Order of the Board

R.Soundararajan
Company Secretary

12th July 2011
Registered Office:
8-2-472/B/2, Road No.1
Banjara Hills,
Hyderabad – 500 034, A.P.