



**SAGAR CEMENTS LIMITED**



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## CORPORATE DETAILS

### 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
Mrs.S.Rachana	Non Executive Director
Shri K.Thanu Pillai	Independent & Non Executive
Shri V.H.Ramakrishnan	Independent & Non Executive
Shri John-Eric Fernand Pascal Cesar Bertrand	Non Executive
Shri K.Rajendra Prasad	APIDC Nominee

### COMPANY SECRETARY

Shri R.Soundararajan

### CHIEF FINANCIAL OFFICER

Shri K.Prasad

### SENIOR MANAGEMENT TEAM

#### Corporate Office:

Shri M.S.A.Narayana Rao	Group President
Shri M.V.Subba Rao	Senior Vice President
Shri K.Ganesh	President (Projects)
Shri P.S.Prasad	President (Marketing)
Shri O.Anji Reddy	Vice President (Electrical & Instrumentation)
Shri K.V.Ramana	Vice President (Mines)

#### Site:

Shri P.Vasudeva Reddy	Vice President (Works)
Shri M.V.Ramana Murthy	Asst.Vice President (Production & QC)

### AUDITORS

M/s.Deloitte Haskins & Sells  
Chartered Accountants (FR NO.008072S)  
1-8-384 & 385, 3<sup>rd</sup> Floor, Gowra Grand  
S.P.Road, Begumpet, Secunderabad-500 003

### COST AUDITORS

M/s.Narasimha Murthy & Co.,  
Cost Accountants (FR No.000042)  
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

Plot No.111, Road No.10, Jubilee Hills  
Hyderabad-500 033. Tel: 040 – 23351571, Fax: 040 - 23356573  
website: [www.sagarcements.in](http://www.sagarcements.in), e-mail: [info@sagarcements.in](mailto:info@sagarcements.in)

### CORPORATE IDENTITY NUMBER

L26942TG1981PLC002887

### PLANTS

Mattampally, Via Huzurnagar Nalgonda District, Telangana 508 204 Tel: 08683 – 247039	Pedaveedu, Via Huzurnagar Nalgonda District, Telangana 508 204 Tel.08683 – 216533 / 247333
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## NOTICE



**SAGAR CEMENTS LIMITED**  
(CIN : L26942TG1981PLC002887)

### NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of Sagar Cements Limited will be held on **Wednesday the 28th September 2016 at 4.00 p.m.** at Hotel Golkonda, Masab Tank, Hyderabad – 500 028, to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2016 together with the Reports of the Directors and Auditors thereon and the audited Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2016 together with the Report of the Auditors thereon and in this regard to pass the following resolution as an ordinary resolution.

**“Resolved** that the audited Financial Statements of the Company for the year ended 31<sup>st</sup> March 2016 together with the reports of the auditors and directors thereon and the audited Consolidated Financial Statements of the Company for the year ended 31<sup>st</sup> March 2016 together with the report of the auditors thereon be and are hereby received, considered, approved and adopted.

2. To approve the interim dividend already paid @ Rs.5/- per share on the equity shares of the company for the financial year ended 31<sup>st</sup> March, 2016 and confirm the same as the Final Dividend for the said year and in this regards to pass the following resolution as an ordinary resolution.

**“Resolved that** the interim dividend of Rs.5/- per share already paid on the 1,73,88,014 equity shares of Rs.10/- each of the company for the year ended 31<sup>st</sup> March 2016 be and is hereby approved and the same be and is hereby confirmed as the final dividend for the said year.

3. To appoint a director in the place of Dr.S Anand Reddy (DIN: 00123870), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution.

**“Resolved that** Dr.S.Anand Reddy (DIN: 00123870) who retires by rotation in accordance with section 152 of the Companies, Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation.”

4. To appoint a director in the place of Shri John-Eric Fernand Pascal Cesar Bertrand (DIN: 06391176), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution.

**“Resolved that** Shri John-Eric Fernand Pascal Cesar Bertrand (DIN: 06391176) who retires by rotation in accordance with section 152 of the Companies, Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation.”

5. Ratification of appointment of Auditors.

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

**“Resolved that** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company hereby ratifies the appointment of M/s.Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No.008072S), as auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company to be held in the year 2017, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the said Auditors.”

#### 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.196, 197 and other applicable provisions of the Companies Act, 2013 as amended or re-enacted from time to time, read with its Schedule V and subject to approvals, if any, as may be required from the Central Government, Financial Institutions and other authorities concerned, approval be and is hereby



accorded to the re-appointment of Shri S.Veera Reddy (DIN: 00123833) as Managing Director of the Company, for a period of three years with effect from 13<sup>th</sup> July 2016 on the following terms:

Tenure	Three years with effect from 13.07.2016
Salary	Rs.8,00,000/- p.m.
Perquisites	In addition to the salary, the Managing Director (MD) will be eligible for perks and allowances subject to a maximum of 75% of salary and these may include: Provision for Rent Free Accommodation or House Rent Allowance, House Maintenance and Utility Allowance. Reimbursement of hospitalization and other medical expenses for self and family, personal accident insurance, car facility, telecommunication facility and club membership fee etc. Valuation of the above perquisites and allowances will be as per the Income Tax Act, 1961 and rules made thereunder and in the absence of any such rules, these perquisites and allowances will be valued at cost.
Other benefits	The Managing Director will be eligible for contribution to P.F., 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.
Commission	Such amount of commission as may be fixed by the Board of Directors (Board) or a Committee thereof with reference to the Net Profit of the Company for each Financial Year as calculated in the manner prescribed for the purpose under the Companies Act, 2013 read with its applicable rules for the time being in force.
Other Terms	
Nature of Duties	The MD shall devote his time and attention to the business of the company and, subject to the superintendence, control and directions of the Board, perform such duties and exercise such powers as may be entrusted/assigned to him by the Board from time to time in connection with and in the best interest of the company and the business of its subsidiary company, including performing duties as assigned to him from time to time by serving on the Board of the subsidiary company or any other executive body or any committee of such company.
Termination of appointment	The appointment may be terminated by either party giving to the other party six month notice of such termination.

**Resolved Further** that in the event of loss or inadequacy of profits in any financial year during the tenure of Shri S.Veera Reddy as Managing Director, the above said remuneration be paid to him as the minimum remuneration, restricting it to the limit mentioned in the Section II (A) of Part II of Schedule V to the Companies Act 2013.

**Resolved Further** that the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

#### 7. Re-appointment of Dr.S.Anand Reddy as 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.196, 197 and other applicable provisions of the Companies Act, 2013 as amended or re-enacted from time to time, read with its Schedule V and subject to approvals, if any, as may be required from the Central Government, Financial Institutions and other authorities concerned, approval be and is hereby accorded to the re-appointment of Dr.S.Anand Reddy (DIN: 00123870) as a Whole-time director with the designation as Joint Managing Director of the Company, for a period of three years with effect from 21<sup>st</sup> November 2015 on the following remuneration:

Tenure	Three years with effect from 21.11.2015
Salary	Rs.6,00,000/- p.m.
Perquisites	In addition to salary, he will be eligible for perks and allowances subject to a maximum of 75% of salary and these may include:



	Provision for Rent Free Accommodation or House Rent Allowance, House Maintenance and Utility Allowance.
	Reimbursement of hospitalization and other medical expenses for self and family, personal accident insurance, car facility, telecommunication facility and club membership fee etc.
	Valuation of the above perquisites and allowances will be as per the Income Tax Act, 1961 and rules made thereunder and in the absence of any such rules, these perquisites and allowances will be valued at cost.
Other benefits	The Joint Managing Director (JMD) will be eligible for contribution to P.F., 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.
Commission	Such amount of commission as may be fixed by the Board of Directors (Board) or a Committee thereof with reference to the Net Profit of the Company for each Financial Year as calculated in the manner prescribed for the purpose under the Companies Act, 2013 read with its applicable rules for the time being in force.
Other Terms	
Nature of Duties	The JMD shall devote his time and attention to the business of the company and perform such duties and exercise such powers as may be entrusted/assigned to him by the Managing Director and or by the Board from time to time, subject to the superintendence, control and directions of the Board in connection with and in the best interest of the company and the business of its subsidiary company, including performing duties as assigned to him from time to time by serving on the Board of the subsidiary company or any other executive body or any committee of such company.
Termination of appointment	The appointment may be terminated by either party giving to the other party six month notice of such termination.

**Resolved Further** that in the event of loss or inadequacy of profits in any financial year during the tenure of Dr.S.Anand Reddy as Joint Managing Director, the above said remuneration be paid to him as the minimum remuneration, restricting it to the limit mentioned in the Section II (A) of Part II of Schedule V to the Companies Act 2013.

**Resolved Further** that the Board of Directors of the Company or a committee thereof be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

8. **Reappointment of Shri S.Sreekanth Reddy as 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.196, 197 and other applicable provisions of the Companies Act, 2013 as amended or re-enacted from time to time, read with its Schedule V and subject to approvals, if any, as may be required from the Central Government, Financial Institutions and other authorities concerned, approval be and is hereby accorded to the re-appointment of Shri S.Sreekanth Reddy (DIN: 0123889) as a Whole-time director with the designation as Executive Director of the Company, for a period of three years with effect from 26<sup>th</sup> June 2016 on the following remuneration:

Tenure	Three years with effect from 26.06.2016
Salary	Rs.5,00,000/- p.m.
Perquisites	In addition to salary, he will be eligible for perks and allowances subject to a maximum of 75% of salary and these may include: Provision for Rent Free Accommodation or House Rent Allowance, House Maintenance and Utility Allowance. Reimbursement of hospitalization and other medical expenses for self and family, personal accident insurance, car facility, telecommunication facility and club membership fee etc. Valuation of the above perquisites and allowances will be as per the Income Tax Act, 1961 and rules made thereunder and in the absence of any such rules, these perquisites and allowances will be valued at cost.



Other benefits	The Executive Director (ED) will be eligible for contribution to P.F., 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.
Commission	Such amount of commission as may be fixed by the Board of Directors (Board) or a Committee thereof with reference to the Net Profit of the Company for each Financial Year as calculated in the manner prescribed for the purpose under the Companies Act, 2013 read with its applicable rules for the time being in force.
Other Terms	
Nature of Duties	The ED shall devote his time and attention to the business of the company and perform such duties and exercise such powers as may be entrusted/assigned to him by the Managing Director and or by the Board from time to time, subject to the superintendence, control and directions of the Board in connection with and in the best interest of the company and the business of its subsidiary company, including performing duties as assigned to him from time to time by serving on the Board of the subsidiary company or any other executive body or any committee of such company.
Termination of appointment	The appointment may be terminated by either party giving to the other party six month notice of such termination.

**Resolved Further** that in the event of loss or inadequacy of profits in any financial year during the tenure of Shri S.Sreekanth Reddy as Executive Director, the above said remuneration be paid to him as minimum remuneration, restricting it to the limit mentioned in the Section II (A) of Part II of Schedule V to the Companies Act 2013.

**Resolved Further** that the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

9. To ratify the remuneration payable to the Cost Auditors and in this regard to consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"Resolved that** pursuant to Section 148(3) and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors Rules), 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the payment of remuneration of Rs.2,50,000/- excluding reimbursement of actual travel and out of pocket expenses and applicable taxes to M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad, the Cost Auditors (Firm Registration No.000042), to conduct the audit of the cost records of the company for the financial year ending March 31, 2017."

**"Resolved Further** that the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To fix the fee chargeable for serving documents through any particular mode as may be specified by a member and in this regard to consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution.

**"Pursuant to Section 20 of the Companies Act, 2013 it is hereby resolved to collect from every member of the Company who makes a specific request to the company to send any documents to him through a particular mode, a fee in advance as may be determined by the Board of Directors or a Committee thereof or the Registrars and Share Transfer Agents of the Company to cover the expenses involved in delivering the said documents through the mode indicated by the member."**

By Order of the Board of Directors

Hyderabad  
27th July, 2016

**Registered Office:**

Plot No.111, Road No.10  
Jubilee Hills, Hyderabad – 500 033, Telangana.

**R.Soundararajan**  
Company Secretary





#### Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Items No.5 to 10 in the Notice is given in the Annexure-1, which forms part of this Notice.
2. The details required to be given under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the persons seeking re-appointment as directors are given in the Annexure-2.
3. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the said proxy need not be a member of the company. The instrument appointing the proxy, in order to be effective, must be deposited at the Registered Office of the company, duly completed and signed, not less than forty eight hours before the commencement of the meeting.
4. A person can act as a proxy on behalf of members upto and not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such proxy shall not act as a proxy for any other person or member.
5. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR Code and IFSC Code, mandates, nominations, power of attorney, change of address, change of name, email address, contact numbers etc to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records. Similarly, Members holding their shares in physical form are requested to inform the above changes to the Company or its Registrar and Share Transfer Agents (RTA), M/s.Karvy Computershare Private Limited (Karvy).
7. To promote green initiative, members are requested to register their e-mail address through their Depository Participants for sending future communications to them by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
8. Electronic copy of the Annual Report is being sent to all the members whose e-mail IDs are registered with the Company's RTA/Depository Participants, unless such members have requested for a hard copy of the same. For members, who have not yet registered their e-mail address, physical copies of the Annual Report are being sent through the permitted mode.
9. The Register of Members and Share Transfer Books of the Company will remain closed during the period from 22<sup>nd</sup> September, 2016 to 28<sup>th</sup> September, 2016 (both days inclusive) for the purpose of determining members eligible for participation in voting on the resolutions contained in the Notice of AGM.
11. The un-claimed dividends for the financial year ended 31<sup>st</sup> March, 1996 onwards and up to the financial year ended 31<sup>st</sup> March, 2008 (Final) were duly transferred to the Investors Education and Protection Fund (IEPF) set up by the Government of India in accordance with the Companies Act as applicable at the time of such transfer. No claim is entertained against the IEPF or the Company for the amount so transferred.
12. Members who have not yet encashed their dividend warrants in respect of the dividend declared for subsequent years as detailed below are requested to make their claims to the Company. The details of dividend lying un-claimed in respect of these years are available in the Company's website. [www.sagarcements.in](http://www.sagarcements.in).

Year	Nature of Dividend	Rate of Dividend
2008-09	Final	25%
2009-10	Final	25%
2010-11	Final	20%
2011-12	Final	30%
2012-13	Final	10%
2014-15	Interim	50%
2014-15	Final	25%
2015-16	Interim	50%

13. Members may note that the Annual Report for 2015-16 is also available on the Company's website [www.sagarcements.in](http://www.sagarcements.in) for their download.



#### 14. Voting through Electronic Means

Pursuant to Section 108 of the Companies Act, 2013, read with its relevant Rules and the Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means (Remote e-voting) for all the Resolutions proposed to be passed at the AGM. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on **21<sup>st</sup> September, 2016**, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence **at 9.00 a.m. on 24<sup>th</sup> September, 2016, and will end at 5.00 p.m. on 27<sup>th</sup> September, 2016**. The Company has appointed B S S & Associates, Company Secretaries (Unique Code of Partnership Firm: P2012AP02600), as the 'Scrutinizer', to scrutinize the e-voting process and voting through ballot in a fair and transparent manner. The Members desiring to vote through remote e-voting may refer to the detailed procedure given hereinafter.

##### PROCEDURE AND INSTRUCTIONS FOR e-VOTING

- I. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
- (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/ Depository Participants (s)]:
  - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVENT" i.e., "Sagar Cements Limited".
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email [bssass99@gmail.com](mailto:bssass99@gmail.com)