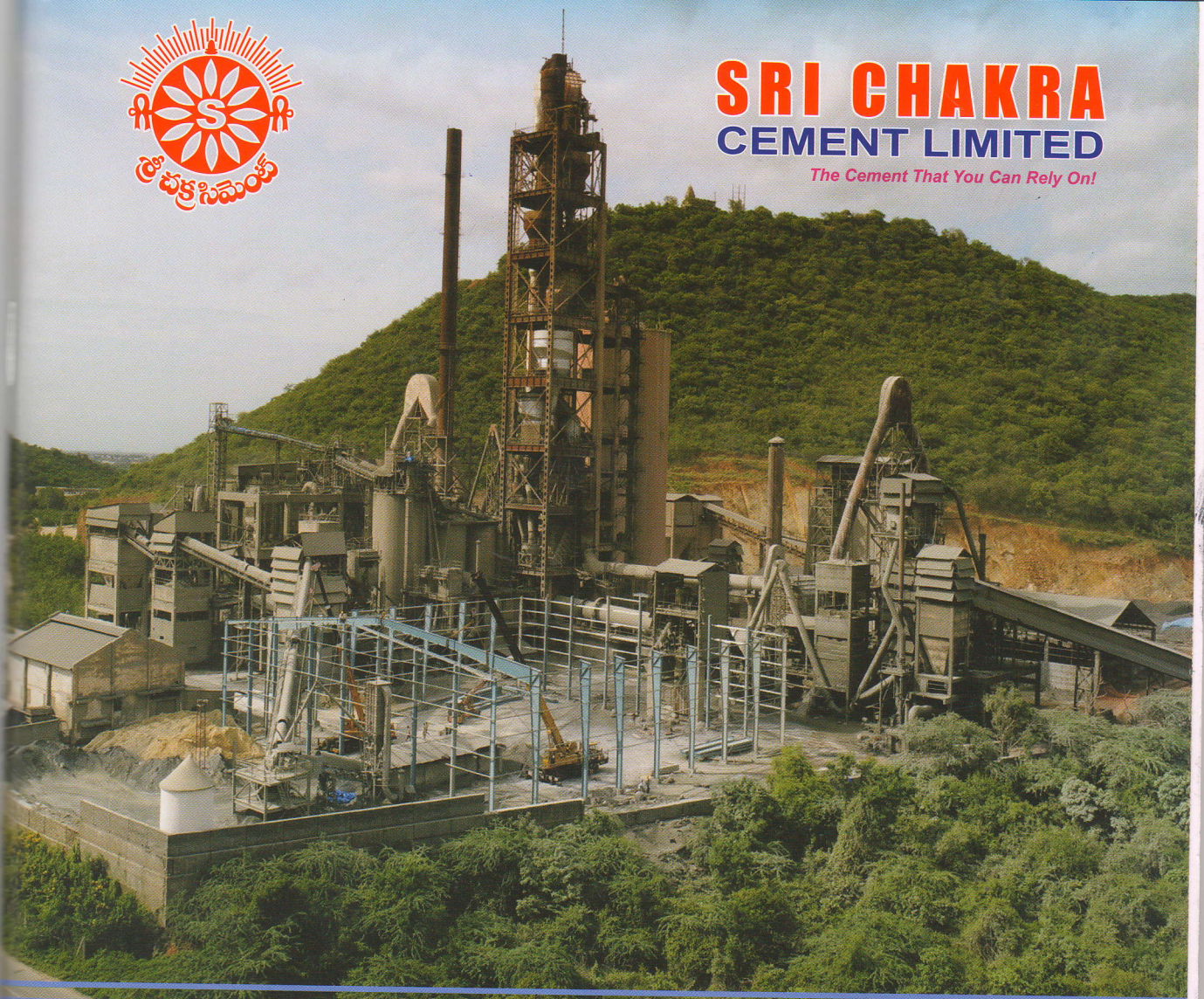




SRI CHAKRA
CEMENT LIMITED

The Cement That You Can Rely On!



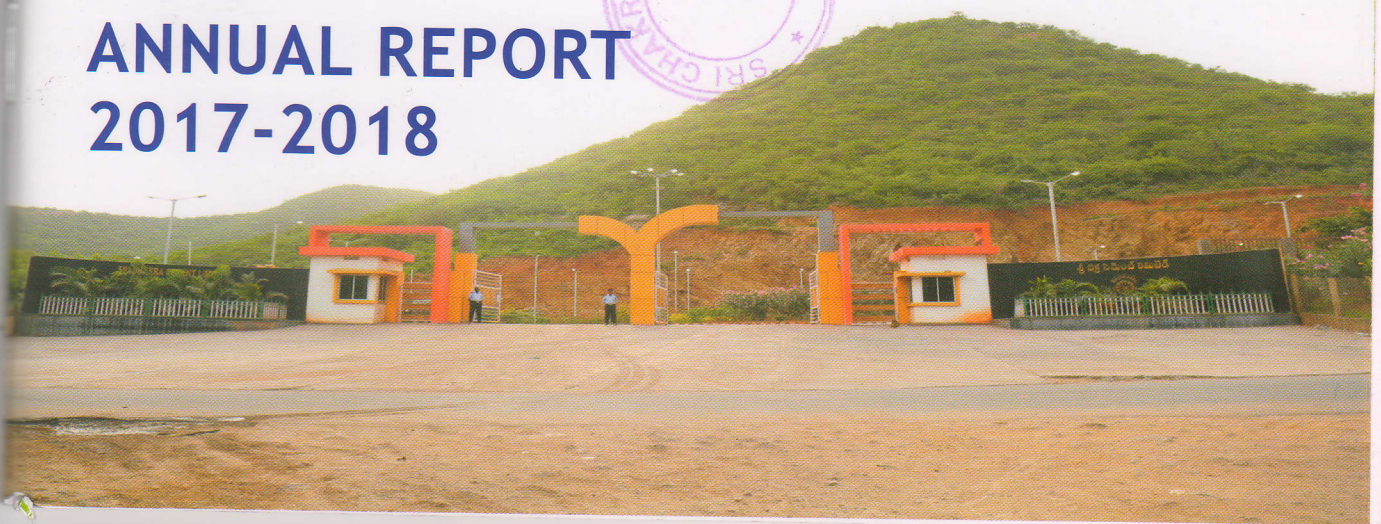
36th

N. Unnikrishnan



www.srichakracement.com

ANNUAL REPORT 2017-2018



Board of Directors

Sri N Krishna Mohan Chairman Cum Managing Director	Sri K Vijay Kumar Joint Managing Director	Sri V V S R Anjaneyulu Executive Director
Smt K V Nagalalitha Director	Sri P Ramamoorthy Independent Director	Sri K P Patnaik Independent Director
Dr A S Narayana Independent Director	Sri Nemani Gopal Addl. Director (W.e.f. 28.05.2018)	Sri P Ramakrishnaiah Independent Director (Ceased)

Board Committees

<u>Audit Committee</u>	<u>Nom & Remuneration Committee</u>	<u>Stakeholders' Relationship Committee</u>
Sri P Ramamoorthy, Chairman Smt K V Nagalalitha, Member Sri Nemani Gopal, Member	Sri Nemani Gopal, Chairman Sri P Ramamoorthy, Member Smt K V Nagalalitha, Member	Sri N Krishna Mohan, Chairman Sri V V S R Anjaneyulu, Member Sri P Ramamoorthy, member
<u>Corporate Social Responsibility Committee</u>		<u>Share Transfer Committee</u>
Sri N Krishna Mohan, Member Sri K Vijay Kumar, Member Sri P Ramamoorthy, Chairman		Sri K Vijay Kumar, Chairman Smt. K V Nagalalitha, Member

Management Team

Sri N Umashankar, Company Secretary	Sri NSRV Prasad Chief Fin Officer	Sri P Rajendrababu GM (Fin)	Sri C Shankar Rao President (Mktg)
Sri DVDSN Murthy Chief General Manager	Sri T Ramasuri GM (Comm)	Sri. N Sudhakar AGM (EDP)	Sri K Yagnaiah AGM (HR)

<u>Statutory Auditors</u>	<u>Secretarial Auditors</u>	<u>Cost Auditors</u>	<u>Internal Auditors</u>
M/s. DVR & Co, Chartered Accountants Nizamabad	M/s K Swamy & Co, Pract. Comp. Secretaries Secunderabad	M/s. Bisati & Co Cost Accountants Hyderabad	M/s. C Ramachandram & Co, Chartered Accountants Hyderabad

<u>Registered Office</u>	<u>Head Office</u>	<u>Factory and Works</u>
D.No.27/4/1, Kannavari Thota, 1st Floor, Beside Central Excise Office, Guntur, A.P.-522104. Ph: 040-66614633 Fax: 04023404657 Website:www.sricharacement.com	6-3-668/10/66, Durganagar Colony, Punjagutta, Hyderabad Telangana State- 500 082 e mail: srichakracement@gmail.com	Unit- 1 : Sri Narasimhapuri, Karempudi Guntur District, AP Unit-II : Alamanda, Vizianagaram Dt, Solar Unit: Srikalahasti, Chittoor Dt AP

Registrar and Share Transfer Agents

M/s Venture Capital and Corporate Investments Private Ltd,
12-10-167, Bharath Nagar Colony, Hyderabad - 500 018. Ph : 040 23818475, 23818476
Email: info@vccilindia.com, website:www.vccilindia.com

INDEX

PARTICULARS	PAGE NOS.
Sebi Circular dated 20.04.2018 - Mandatory Compliance by Shareholders	3 - 7
Notice of AGM with notes	8 - 15
Directors' Report and Management Discussion and Analysis	16 - 25
Secretarial Audit Report, Extract of annual Return, Report on Corporate Governance, CEO/ CFO Certification.	26 - 46
Independent Auditors report on IND AS Financials, Cash Flow Statement,	47 - 55
IND-AS Financial Statements and Notes Thereon	56 - 90

BY Registered Post
MANDATORY COMPLIANCE ON THE PART OF SHAREHOLDERS
AS PER COMPANIES ACT, 2013 AND SEBI

Dear Shareholder(s),

Sub : Mandatory updation of PAN and Bank Account details, demat accounts, registration of e mail Ids with company and RTA and intimation about returned and undelivered share certificates-Reg.

- 1) **Mandatory updation of PAN, Bank Details:** In terms of **SEBI Circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20.04.2018 read with Clarification issued by SEBI circular No SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16.07.2018 in respect of strengthening of Guidelines and raising Industry Standards for RTAs**, Issuer Companies and Banker to an Issue, the company is mandatorily required to update particulars of PAN and bank account details of all those shareholders of the Company holding shares in physical form who have not updated their PAN and bank account details. As per the records of the Company, we noted that you have not updated your PAN and bank account details with the Company. In view of the above and in compliance of the said SEBI circular, **we request you to update your PAN and bank account details by filling the attached form and submitting the same along with a self attested copy of your PAN Card, and original cancelled cheque leaf showing name of account holder** (if name is not printed, self attested copy of first page of the bank passbook) **WITHIN 21 DAYS FROM THE DATE OF RECEIPT OF THIS LETTER** to our Share Transfer Agent M/s Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad – 500018, TelNo.04023818475/76, email id : info@vccilindia.com with a copy to us at our head office located at 6-3-668/10/66, Durganagar Colony, Punjagutta, Hyderabad - 500082, Phone No : 040 66614633 and Fax No : 040 23404657, email : srichakracement@gmail.com.

- 2) **Compulsory Demat of shares held in physical form :** Further, as per SEBI (LODR) Regulations, 2018 No. SEBI/LAD-NRO/GN/2018/24 dated 08.06.2018 and BSE circular No. LIST/COMP/15/2018-19 dated 05.07.2018 request for effecting transfer of shares in physical form (except for transmission/transposition) shall not be processed after 5th December 2018 unless the shares are held in dematerialised form with a depository. **Hence, it would be in your interest, to take necessary steps to dematerialise your shares through your Depository Participant and hold them in Electronic Form.**

- 3) **Registration of email id with the company :** Your company proposes to affect the delivery of annual report / notices / documents and other communication from time to time in electronic mode through e mail to those members who have provided their e mail address which is allowed as per the companies Act, 2013. Your company therefore,

request that in case you have not registered your email id with the company, to register your e mail address with your Depository participant, RTA - M/s Venture Capital and corporate Investments Private Limited by sending email to srichakracement@gmail.com.

- 4) **Intimation regarding transfer of unclaimed shares to separate account** : Pursuant to the provisions of Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), we would like to bring to your kind notice that consequent to order of Hon'ble BIFR, dated 26.07.2012, which approved the reduction of paid up share capital of Sri Chakra Cement Limited by 70%, we have dispatched the new share certificate to all the shareholders at their usual address registered with the company, but it was found that some of the share certificates were returned & undelivered to us which are lying with our RTA- M/s Venture Capital and Corporate Investments Private Limited. Earlier also, we have advised in this regard on more than one occasion. Now, we once again finally remind you that **in case you have not received the same**, please send a letter to our STA/RTA at the address mentioned above with a copy to the company stating **Name(s) of the Shareholder(s), Regd. Folio No., Share Certificate No., Distinctive Numbers of Sri Chakra Cement Limited and your correct address, Pan numbers and contact details**, for re-dispatch of your new share certificate of SCCL, to you **within 30 days** failing which, as per the LODR Regulation 39(4) of the SEBI 2015, the company will transfer all unclaimed shares to **"Unclaimed Suspense Account"**. Hence, we once again request you to act on the same without any further delay.
- 5) Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nominations in the prescribed **Form SH-13 as attached** with the Company's share transfer agent. In respect of shares held in electronic / demat form, the members may please contact their respective depository participant

Thanking you,

Yours faithfully,
For Sri Chakra Cement Limited,

Sd/-
N Umashankar,
Company Secretary and Compliance Officer.

SHAREHOLDER'S KYC UPDATION FORM

To
M/s Venture Capital and Corporate Investments Private Limited
Unit : M/s Sri Chakra Cement Limited
12-10-167, Bharat Nagar, Hyderabad – 500 018

Date: _____

Dear Sir,

In terms of SEBI Circular dated 20/04/2018 and rules made their under, I wish to inform you that update my details given below in your records and I enclosed herewith self-attested copy of my PAN Card and original cancelled cheque leaf/Bank Passbook or Bank statement duly attested by Bank.

General Information:

Folio No.			
Name of the Sole / First Holder :			
PAN No.			
Aadhar Number			
Father's Name			
Address 1			
Address 2			
Address 3			
Address 4			
Pin Code			
Mobile No			
Email Id			
Bank Account no.			
Bank Name			
Branch Address			
IFSC Code		MICR	
2nd Holder Name		Code	
PAN No.			
3rd Holder Name			
PAN No.			

I/We hereby state that the above mentioned details are true and correct.

Sole/ First Holder Name : _____ Signature : _____

2nd Holder Name : _____ Signature : _____

3rd Holder Name : _____ Signature : _____

- Note:** 1. If any change in your details already submitted to us, kindly fill the changes in the form along with supporting documents.
2. Your details have already submitted to us we have marked as Registered in the respective column, the other details to be submitted to us along with supporting documents.
3. For residents of Sikkim provide self attested copy of Aadhar Card/Passport instead of PAN Card.

Form No. SH-13
Nomination Form

**[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies
(Share Capital and Debentures) Rules 2014]**

To
M/s Venture Capital and Corporate Investments Private Limited
Unit: Sri Chakra Cement Limited
12-10-167, Bharat Nagar, Hyderabad- 500 018

I/We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

(2) PARTICULARS OF NOMINEE/S -

Name		Date of Birth	DD/MM/YYYY
Father's/Mother's/ Spouse's name		Occupation	
Address & PIN Code		Nationality	
Relationship with the security holder		Phone No.	
E-mail id		Mobile No.	
Signature of Nominee		IT PAN/Others	

(3) IN CASE NOMINEE IS A MINOR -

Name		Date of Birth	DD/MM/YYYY
Name of guardian:		Date of attaining majority	
Address of guardian		Relationship with Minor	

Name of Security Holder(s)	Signature
1.	
2.	
3.	

Witness	Signature
Name	
Address	

Place :

Date :

Please fill this Nomination form in Duplicate after carefully reading the instructions given below:

1. The Nomination can be made by individuals only holding shares singly or jointly. Non-individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The shareholder [s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per section 72 of Companies Act 2013, if the shares are held by more than one person jointly, then the joint holders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of anyone of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders.
6. The nomination form filled in "duplicate" should be lodged with the Registrar and Share transfer Agent of the Company i.e. M/s. Venture Capital and Corporate Investments Private Limited at the address mentioned above. The Registrar will return one copy of the nomination form to the shareholder after registering the nomination. The registration number allotted will be furnished in the said form.
7. The shareholder[s] can Cancellation or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form).
8. Nomination stands cancelled whenever the shares in the given folio are transferred /dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
9. The nomination made through Form No. SH-13 will be considered valid if the nomination made by the holder[s] of the shares is registered with the company before the death of the registered holder[s] of the shares.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
11. A copy of photo identity proof (like PAN/Passport) of nominee is required.

FOR OFFICE USE ONLY

Nomination Registration No.	Date of Registration	Signature of Employee with Code No.

NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the members of M/s **SRI CHAKRA CEMENT LIMITED** will be held on Monday, the 24th day of **SEPTEMBER**, 2018 at **12.00 Noon**, at the Registered Office located at D.No.27/4/1, Kannavari Thota, 1st Floor, Beside Central Excise Office, Guntur, A.P.-522104 to transact the following business:

ORDINARY BUSINESS:

Item No. 1: Adoption of financial statements:-

To receive consider and adopt the Audited Statement of Profit and Loss for the year ended on 31st March 2018 and the Balance Sheet as on that date and the Reports of Directors and Auditors thereon.

Item No.2: Appointment of Sri. V.V.S.R. Anjaneyulu, Director as director liable to rotation by rotation

To appoint a director in place of Sri. V.V.S.R. Anjaneyulu (DIN: 00698980), who retires by rotation and, being eligible, seeks reappointment. and being eligible, offers himself for reappointment.

Item No.3: Appointment of Sri K Vijay Kumar, Director, as director liable to rotation by rotation

To appoint a Director in place of Sri K Vijay Kumar, Director (DIN: 00769568) who retires by rotation and being eligible, offers himself for reappointment.

Item No 4: To ratify appointment of Auditors:

To ratify appointment of M/s. DVR & Co, Chartered Accountants (Firm Regn No 007584S), Nizamabad as statutory auditors of the Company and fix their remuneration.

SPECIAL BUSINESS:

Item No. 5: Appointment of Sri. Nemani Gopal as Director of the Company-

(To Consider and if thought fit to pass, the following resolution as an Ordinary Resolution):

“Resolved that pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Director) Rules, 2014, Sri. Nemani Gopal who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing u/s 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the company liable to retire by rotation.”

Item No. 6: To Appoint Sri Nemani Gopal as Independent Director of the Company-

(To consider and if thought fit, to pass the following resolution as an Ordinary Resolution)

“RESOLVED THAT Sri Nemani Gopal, Director, who has filed with the Company the required declaration as per Section 149(7) of the Companies Act, 2013 be and is hereby appointed an Independent Director of the Company for a period of five years from the conclusion of this Annual General Meeting till the conclusion of Company's Annual General Meeting to be held during 2022-23.

(Explanation to Item No 5 & 6: The Board of Directors on 28.05.2018, appointed Sri Nemani Gopal as an additional Director on the Board to hold the office till the conclusion of ensuing Annual General Meeting. The Board hereby recommends his appointment as director of the company for approval of members and further considering his knowledge and experience in the industry, a representation has been received from a member of the company to appoint him as an Independent Director of the company for a period of five years w.e.f. 2018-19. The Board recommends his appointment for approval of shareholders. None of the Directors is interested in the resolution).

Item No. 7: Appointment of M/s Bisati & Co. Cost accountants as Cost Auditors for the year 2017-18-(To consider and if thought fit, to pass the following resolution as an ordinary Resolution)

“RESOLVED THAT pursuant to the provision of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the remuneration payable to M/s. Bisati & Co., Cost Accountants, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the company for the financial year 2017-18, amounting to Rs. 1,00,000/- (Rupees One Lakh only) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

(Explanation : The Board of Directors of the Company on 28.05.2018, appointed M/s Bisati & Co, Cost Accountants for conducting cost audit for 2017-18 at a remuneration of Rs 1,00,000/- p.a. The Board recommends their appointment for your approval at the ensuing annual general meeting. None of the directors are interested in the resolution).

Item No. 8: To consider and, if thought fit, to pass, the following resolution as an special resolution

To approve the proposal of delegation of authority to the Board of Directors of the Company to deal with dealing with transactions such as obtaining unsecured loans up to a maximum of Rs 50,00,00,000/- (Rupees Fifty Crores only) and material transaction, if any, from time to time, with the directors/associates/other related parties pursuant to the provisions of Sec.188 of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules 2014 and in this regard to consider and if thought fit, to pass the following Resolutions with or without modifications, as a special resolution.

“RESOLVED THAT in pursuance of Section 188 of the Companies Act 2013 read with the Companies (Meeting of the Board and its Powers) Rules 2014, the consent of the Company be and is hereby accorded for dealing with transactions such as obtaining unsecured loans up to a maximum of Rs 50,00,00,000/- (Rupees Fifty Crores only) and material transaction, if any, from time to time, with the directors/associates/other related parties.

(Explanation: Approval of shareholders is sought under section 188 of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules 2014 to enable the Board to deal with transactions such as unsecured loans up to a maximum of Rs 50,00,00,000/- (Rupees Fifty Crores only) and material transaction, if any, from time to time, with the directors/associates/other related parties which are necessary for the purpose of working capital and other capex required to be spent for achieving and maintaining the production and