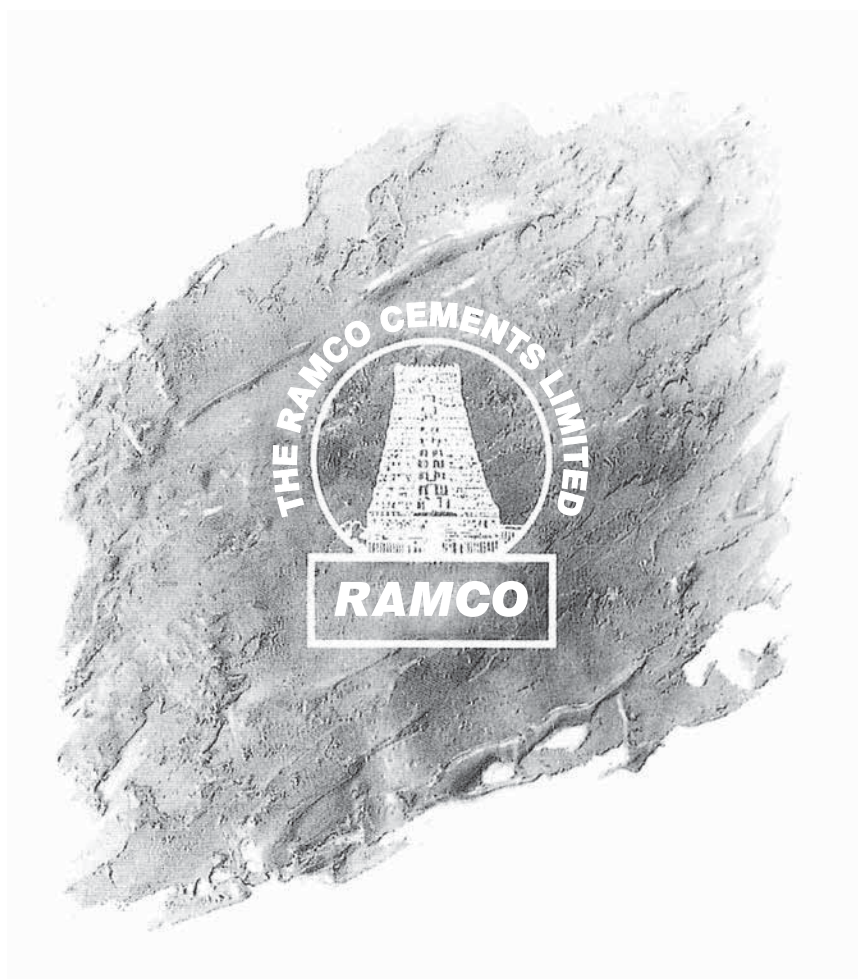


The Ramco Cements Limited

Annual Report

2013-2014





Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha signing an MOU with National Thermal Power Corporation, Simhadri Unit for supply of Fly Ash.

Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha meeting Honourable Chief Minister of Andhra Pradesh, Shri.N.Chandrababu Naidu.



Rotary Club of Madras East, bestowing the first corporate citizen award to Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha.

THE RAMCO CEMENTS LIMITED

(Formerly Madras Cements Ltd.)



Board of Directors

Shri.P.R.RAMASUBRAHMANEYA RAJHA, B.Sc.,
Chairman & Managing Director

Shri.SWARAN SINGH, I.A.S.,
Nominee of Government of Tamil Nadu

Shri.P.R.VENKETRAMA RAJA, B.Tech.,

Shri.R.S.AGARWAL, B.Sc., B.E.,

Shri.M.B.N.RAO, B.Sc. (Agri).

Shri.M.M.VENKATACHALAM, B.Sc. (Agri).

Bankers

Axis Bank Ltd

Bank of Baroda

Bank of Maharashtra

Canara Bank

Citi Bank

Deutsche Bank

HDFC Bank Ltd

ICICI Bank Ltd

IDBI Bank Ltd

ING Vysya Bank Ltd

Kotak Mahindra Bank Ltd

Punjab & Sind Bank

Standard Chartered Bank

Syndicate Bank

The Bank of Nova Scotia

The Federal Bank Limited

The Hongkong and Shanghai
Banking Corporation Ltd

Yes Bank Ltd

Corporate Office

98-A, Dr.Radhakrishnan Road, Mylapore
Chennai – 600 004, Tamil Nadu

Registered Office

“Ramamandiram”
Rajapalayam – 626 117, Tamil Nadu

Website

www.ramcocements.in

Corporate Identity Number

L26941TN1957PLC003566

Auditors

M/s.M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Unit-5, Ground Floor, Abirami Apartments
No.14, VOC Road, Cantonment
Tiruchirappalli – 620 001.

M/s.CNGSN & Associates
Chartered Accountants
20, Raja Street
T.Nagar
Chennai - 600 017.

THE RAMCO CEMENTS LIMITED

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TEN YEAR HIGHLIGHTS

DESCRIPTION	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Cement										
Capacity (lac tonnes)	59.90	59.90	59.90	79.90	99.90	104.90	104.90	104.90	124.90	124.90
Production (lac tonnes)	38.00	47.10	56.70	58.50	65.30	80.30	73.05	75.22	84.75	85.90
Windfarm										
Capacity (MW)	34.44	45.84	63.79	136.00	181.59	185.59	159.19	159.19	159.19	125.95
Generation (lac units)	445	378	657	1426	2611	4115	3572	2855	3247	2667
Sales & Other Income (Rs. in Crores)	745.11	1013.35	1581.69	2021.35	2471.23	2821.25	2644.69	3256.58	3872.66	3769.23
Operating Profit (Rs. in Crores)	160.43	215.52	563.50	761.76	793.49	877.29	657.31	969.77	1047.30	648.76
Cash Generation (Rs. in Crores)	115.36	147.71	409.92	639.16	628.52	644.97	435.65	811.32	868.79	460.63
Profit After Tax (Rs. in Crores)	55.92	79.02	308.02	408.29	363.52	353.68	210.98	385.11	403.65	137.70
Number of employees	1642	1686	1955	2260	2447	2583	2593	2626	2787	2937
Contribution to Exchequer (Rs. in Crores)	275	321	561	610	711	809	839	1186	1423	1403
Face value per share (Rs.)	10	10	10	10	1	1	1	1	1	1
Earnings per share (Rs.)	46	65	255	343	15	15	9	16	17	6
Dividend per share (Rs.)	10.00	15.00	25.00	40.00	2.00	2.00	1.25	2.50	3.00	1.00
Dividend payout (Rs. in Crores)	12.10	18.14	30.24	48.03	47.66	47.66	29.79	59.58	71.49	23.83
Dividend payout %	22	23	10	12	13	13	14	15	18	17
Operating profit ratio %	21.53	21.27	35.63	37.69	32.11	31.10	24.85	29.78	27.04	17.21
Market price of share (Rs.)										
(a) High	1170	2245	3750	5072	198	140	134	169	274	261
(b) Low	595	932	1745	2500	55	70	85	76	134	135
(c) As on 31 st March	980	2164	2730	3349	71	122	102	154	254	215
Market capitalisation (Rs. in Crores)	1184	2614	3297	3986	1700	2897	2427	3659	6045	5117
Net worth per share (Rs.)	274	323	550	799	52	65	73	86	100	104

Bonus shares were issued in the ratio of 1:1 in 1992-93, 1994-95 and 2008-09.

THE RAMCO CEMENTS LIMITED

NOTICE TO THE MEMBERS

Notice is hereby given that the 56th Annual General Meeting of the Company will be held at 10.15 AM on Monday, the 28th July 2014 at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam - 626 108, Tamil Nadu to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Statement of Profit & Loss and Cash Flow Statement for the year ended 31st March 2014 and the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To declare dividend for the year 2013-14.
3. To appoint Auditors and, if thought fit, to pass with or without modification the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants and M/s.CNGSN & Associates, Chartered Accountants be and are hereby jointly appointed as Auditors of the Company to hold Office from the conclusion of this Meeting till the conclusion of the 59th Annual General Meeting.

RESOLVED FURTHER that each of the Auditors shall be paid for the financial year 2014-15 and 2015-16 a remuneration of Rs.10,00,000/- (Rupees Ten lakhs only) per year, exclusive of out-of-pocket expenses and for the financial year 2016-17, the Board of Directors are authorised to fix the remuneration based on the recommendation of the Audit Committee.”

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED that Article 119A, of the Articles of Association of the Company, be amended as follows:

119A. The Board of Directors may appoint one or more amongst them including the Chairman of the Board as Managing Director of the Company to carry on the management of the business and affairs of the Company on such terms and conditions including remuneration as the Board may, from time to time determine, subject to the approval of the shareholders, in accordance with the provisions of Schedule V read with Sections 196 and 197 of the Companies Act, 2013 and the Rules in force.”

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED that pursuant to Section 152 of the Companies Act, 2013, Shri.P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director, in respect of whom the Company has received a notice in writing from a Member, proposing his candidature for the office of Director, be and is hereby appointed as a Director liable to retire by rotation.



RESOLVED FURTHER that pursuant to Sections 196, 197 and 203 and any other applicable provisions and the Rules thereunder, read with Schedule V of the Companies Act, 2013 and on the terms and conditions of appointment as contained in the draft agreement, approval of the Company be and is hereby accorded to the appointment of Shri.P.R.Ramasubrahmaneya Rajha (DIN 00331357) as Chairman & Managing Director of the Company for a period of 3 years with effect from 01-04-2014, at a remuneration equivalent to 5% of the net profits of the Company.

RESOLVED FURTHER that the Nomination and Remuneration Committee be and is hereby authorised to fix the quantum and periodicity of the remuneration payable to the Managing Director subject however the annual remuneration does not exceed 5% of the net profits of the Company in an accounting year.

RESOLVED FURTHER that where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, the Chairman & Managing Director shall be paid remuneration as approved by the Nomination and Remuneration Committee which shall not exceed the maximum remuneration as permissible under Section II, Part II of Schedule V of the Companies Act, 2013.”

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable, of the Companies Act, 2013 and the Rules thereunder, the appointment of Shri.R.S.Agarwal (DIN 00012594), Director of the Company who is liable to retire by rotation and in respect of whom the Company has received a notice in writing from a Member, proposing his candidature for the office of Director, as an Independent Director of the Company to hold office for 5 consecutive years from 01-04-2014 to 31-03-2019 be and is hereby approved.”

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable, of the Companies Act, 2013 and the Rules thereunder, the appointment of Shri.M.B.N.Rao (DIN 00287260), Director of the Company who is liable to retire by rotation and who is retiring at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member, proposing his candidature for the office of Director, as an Independent Director of the Company to hold office for 5 consecutive years from 01-04-2014 to 31-03-2019 be and is hereby approved.”

8. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that pursuant to Section 149, 152 and such other provisions as applicable, of the Companies Act, 2013 and the Rules thereunder, the appointment of Shri.M.M.Venkatachalam (DIN 00152619), Director of the Company who has been appointed as an Additional Director and holds office until this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a Member, proposing his candidature for the office of Director, as an Independent Director of the Company to hold office for 5 consecutive years from 01-04-2014 to 31-03-2019 be and is hereby approved.”

THE RAMCO CEMENTS LIMITED

9. To consider and, if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED that subject to the approval of the Financial Institutions/Banks, in supersession of the resolution passed at the Annual General Meeting held on 2nd August 2010 and pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of money which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the maximum amount of moneys so outstanding, shall not at any time exceed Rs.5,000 Crores (Rupees Five thousand crores only).”

10. To consider and, if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED that pursuant to Rule 5 (2) of Companies (Management and Administration) Rules, 2014, the Register of Members and other Registers, Returns required to be maintained by the Company under Section 94 of the Companies Act, 2013, may be maintained at the Company’s Corporate Office at “Auras Corporate Centre”, No:98-A, Dr.Radhakrishnan Salai, Mylapore, Chennai – 600 004, with effect from 1st August 2014.”

By Order of the Board,
For THE RAMCO CEMENTS LIMITED,

P.R.RAMASUBRAHMANEYA RAJHA
Chairman & Managing Director

Chennai
21-06-2014

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.
2. A member entitled to attend at the meeting is entitled to appoint a Proxy to attend instead of himself and the Proxy need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed. 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. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 22-07-2014 to 28-07-2014 (both days inclusive).
4. A Dividend of Rs.1/- per share has been recommended by the Board of Directors for the year ended 31-03-2014 and subject to the approval of the Shareholders at the ensuing Annual General Meeting, is proposed to be paid in



respect of shares held in physical form to the shareholders whose names appear in the Register of Members as on 28-07-2014 and in respect of shares held in electronic form to the beneficial owners whose names appear in the list furnished by the Depositories for this purpose as on 21-07-2014. The dividend is proposed to be paid on and from the date of Annual General Meeting.

5. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend. Accordingly, dividend will be credited through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available. In the absence of NECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company is in compliance with SEBI's directive in this regard.
6. Under the provisions of Section 124 (5) of the Companies Act, 2013, dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education & Protection Fund of the Central Government. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are:

Year	Type of Dividend	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP Fund
2006-07	Final Dividend	27-07-2007	26-07-2014	24-08-2014
2007-08	1 st Interim Dividend	23-10-2007	22-10-2014	20-11-2014
	2 nd Interim Dividend	31-01-2008	30-01-2015	28-02-2015
	Final Dividend	11-08-2008	10-08-2015	08-09-2015
2008-09	Interim Dividend	29-01-2009	28-01-2016	26-02-2016
	Final Dividend	05-08-2009	04-08-2016	02-09-2016
2009-10	Interim Dividend	27-10-2009	26-10-2016	24-11-2016
	Final Dividend	02-08-2010	01-08-2017	31-08-2017
2010-11	Dividend	10-08-2011	09-08-2018	07-09-2018
2011-12	Interim Dividend	21-03-2012	20-03-2019	18-04-2019
	Final Dividend	02-08-2012	01-08-2019	30-08-2019
2012-13	1 st Interim Dividend	05-11-2012	04-11-2019	02-12-2019
	2 nd Interim Dividend	13-02-2013	12-02-2020	12-03-2020
	Final Dividend	29-07-2013	28-07-2020	26-08-2020

THE RAMCO CEMENTS LIMITED

7. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for 2013-14 are being sent to all the members whose E-mail IDs are registered with the Company / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website – www.ramcocements.in for their download.
8. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not got their E-Mail IDs recorded are requested to register their E-mail address and changes therein with the Company in respect of physical shares and with Depository Participants in respect of dematerialised shares.

Chennai
21-06-2014

By Order of the Board,
For THE RAMCO CEMENTS LIMITED,
P.R.RAMASUBRAHMANEYA RAJHA
Chairman & Managing Director