

**20<sup>th</sup> Annual Report**  
**15 -16**

**UDAIPUR CEMENT WORKS LIMITED**



**SUNRISE ON A  
NEW HORIZON!**

# BOARD OF DIRECTORS

**ONKAR NATH RAI**

Chairman

**VINIT MARWAHA**

**GANPAT SINGH**

**KUMUD PAHUJA**

**R. K. GUPTA**

Whole-time Director, CFO & Company Secretary

## **REGISTERED OFFICE & WORKS:**

Shripati Nagar,  
P.O. C.F.A.- 313 021,  
Distt.- Udaipur (Rajasthan)

## **CORPORATE OFFICE:**

Nehru House,  
4, Bahadur Shah Zafar Marg,  
New Delhi-110 002

## **SHARE DEPARTMENT:**

Gulab Bhawan ( Rear Block),  
3rd Floor, 6-A, Bahadur Shah  
Zafar Marg,  
New Delhi-110 002

## **BANKERS:**

Axis Bank Limited  
ICICI Bank Limited  
IDBI Bank Limited  
State Bank of India

## **SHARE TRANSFER AGENT:**

MCS Share Transfer Agent Ltd.,  
F-65, 1st Floor, Okhla Indl. Area,  
Phase-I, New Delhi-110 020,  
Phone: 011-41406149-52,  
E-mail: admin@mcsdel.com

## **AUDITORS:**

M/s OM PRAKASH S. CHAPLOT & CO.  
Chartered Accountants

**COMPANY WEBSITE**

[www.udaipurcement.com](http://www.udaipurcement.com)

**UDAIPUR CEMENT WORKS LIMITED**

(CIN: L26943RJ1993PLC007267)

Regd. Office: Shripati Nagar, P.O. CFA, Udaipur-313 021(Rajasthan)  
Secretarial Office: Gulab Bhawan, 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg  
New Delhi-110 002

Email: [bkdaga@jksmail.com](mailto:bkdaga@jksmail.com), Website: [www.udaipurcement.com](http://www.udaipurcement.com)

Phone: 30179860, Fax: 91-11-23739475

**NOTICE**

NOTICE is hereby given that the **20<sup>th</sup> Annual General Meeting** of the Members of **UDAIPUR CEMENT WORKS LIMITED** will be held at the Registered Office of the Company at **Shripati Nagar, P.O. CFA, Udaipur-313021 (Rajasthan)** on **Saturday, the 17<sup>th</sup> September 2016 at 11:00 A.M.** to transact the following business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vinit Marwaha (DIN: 00051403), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appointment of the Statutory Auditors and to fix their remuneration and in connection therewith to consider and if thought fit to pass, the following as **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder, as amended from time to time and pursuant to the resolution passed by the Members at the 18<sup>th</sup> Annual General Meeting (AGM), the appointment of M/s Om Prakash S. Chaplot & Co., Chartered Accountants, Udaipur, (Registration No.: 000127C) as Statutory Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the AGM to be held in the year 2017, be and is hereby ratified on a remuneration of ₹ 1,25,000/- (Rupees One Lac Twenty Five Thousand only) per annum excluding Service Tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit."

**As Special Business**

4. To consider and, if thought fit, to pass, the following Resolution as **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force), remuneration of M/s. HMVN & Associates, the Cost Accountants, appointed by the Board of Directors of the Company as the Cost Auditors, to conduct the audit of the cost records of the Company for the Financial Year 2016-17 ending 31<sup>st</sup> March 2017 of ₹ 35,000/- (Rupees Thirty Five Thousand only) per annum excluding Service Tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit, be and is hereby ratified and confirmed.

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RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be deemed necessary or expedient in connection therewith and incidental thereto."

5. To consider and, if thought fit, to pass, the following Resolution as **Ordinary Resolution** :

"RESOLVED that pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder or any statutory amendment or re-enactment thereof, and subject to such other approvals, permissions and / or sanctions as may be necessary of appropriate authorities or institutions under any law, regulations or guidelines or under the covenants of agreements, the contract(s) / arrangement(s) / transaction(s), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any Committee of the Board) to enter into / continuation of contract(s) / arrangement(s) / transaction(s) with JK Lakshmi Cement Limited, the Holding company ("JKLC"), and a Related Party within the meaning of the aforesaid provisions of law, upto a maximum amount of ₹ 750 Crore from the Financial Year 2016-17 and onwards on such terms and conditions as may be mutually agreed to between JKLC and the Company subject to requisite approval of the Audit Committee of Directors of the Company in each relevant Financial Year(s); provided however that such contract(s) / arrangement(s) / transaction(s) with JKLC shall at all times be in the ordinary course of the Company's business and on arm's length basis.

RESOLVED FURTHER that the Board be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution, without requiring any further approval of the members in each relevant Financial Year(s) from time to time, and to do all such acts, deeds and things as may be deemed necessary and expedient in this regard including to sign and execute necessary documents and papers on an ongoing basis."

6. To consider and, if thought fit, to pass, the following Resolution as **Ordinary Resolution** :

"RESOLVED that pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder or any statutory amendment or re-enactment thereof, and subject to such other approvals, permissions and / or sanctions as may be necessary from appropriate authorities or institutions under any law, regulations or guidelines or under the covenants of agreements, the contract(s) / arrangement (s) / transaction(s), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any Committee of the Board) to enter into / continuation of contract(s) / arrangement(s) / transaction (s) with Hansdeep Industries & Trading Company Limited, a wholly owned subsidiary of JK Lakshmi Cement Limited ("HITCL"), and a Related Party within the meaning of the aforesaid provisions of law, upto a maximum amount of ₹ 750 Crore from the financial year 2016-17 and onwards, on such terms and conditions as may be mutually agreed to between HITCL and the Company, subject to requisite approval of the Audit Committee of Directors of the Company in

each relevant financial year; provided however that such contract(s) / arrangement(s) / transaction(s) with HITCL shall at all times be in the ordinary course of the Company's business and on arm's length basis.

RESOLVED FURTHER that the Board be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution, without requiring any further approval of the members in each relevant Financial Year(s) from time to time, and to do all such acts, deeds and things as may be deemed necessary and expedient in this regard including to sign and execute necessary documents and papers on an ongoing basis."

7. To consider and, if thought fit, to pass, the following Resolution as **Special Resolution** :

"RESOLVED that pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors and subject to such other approval (s) as may be required and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, the re-appointment of Shri R.K.Gupta (DIN No: 00086630) as Whole-time Director of the Company for a period of one year with effect from 1<sup>st</sup> April 2016, be and is hereby approved on the terms of remuneration set out in the Statement annexed hereto which shall be deemed to form part hereof and in the event of inadequacy or absence of profits under Sections 197 and 198 of the said Act in any financial year or years, the remuneration comprising salary, performance linked incentive, perquisites, allowances and benefits, as approved herein be paid as minimum remuneration to the said Whole-time Director for a period not exceeding one year in the aggregate subject to requisite approvals under the said Act.

RESOLVED FURTHER that the Board of Directors of the Company be and are hereby severally authorized to vary and / or revise the remuneration of the said Whole-time Director within the overall limits approved herein and settle any question or difficulty in connection therewith and incidental thereto."

**By Order of the Board**

**Regd. Office:**

Shripati Nagar, PO CFA  
Udaipur-313021(Rajasthan)  
21<sup>st</sup> July 2016

**R.K. Gupta**  
Whole-time Director,  
CFO & Company Secretary

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## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBERS.

2. Statement pursuant to Section 102 of the Companies Act, 2013 (Act) setting out the material facts covering item nos. 4 to 7 of the Notice is annexed hereto.
3. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting (AGM) are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
4. Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Act, shall be available for inspection at the Registered and Secretarial Offices of the Company during normal business hours (between 11.00 A.M. to 1:00 P.M.) on all working days upto and including the date of the Annual General Meeting and also at the venue of the meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 10<sup>th</sup> September 2016 to 17<sup>th</sup> September 2016 (both days inclusive).
6. In furtherance of the Go Green Initiative of the Government, electronic copy of the Annual Report for 2015-16, the Notice of the 20<sup>th</sup> AGM of the Company along with Admission Slip and Proxy Form are being sent to all the Members whose email addresses are registered / available with the Company / Depository Participants. Physical copy of the aforesaid documents may be sent on request by any such Member.
7. Physical copy of the Annual Report for 2015-16, the Notice of the 20<sup>th</sup> AGM of the Company along with Admission Slip and Proxy Form are being sent to those Members who have not registered their email addresses with the Company / Depository Participants. The Annual Report for 2015-16 and the Notice of the 20<sup>th</sup> AGM will also be available on the Company's website at [www.udaipurcement.com](http://www.udaipurcement.com)
8. Members who have not registered their e-mail addresses so far are requested to register same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**9. Appointment of Director**

Brief resume of the Director proposed to be re-appointed (item No. 2 of the Notice) is given hereunder:

<b>Name</b>	<b>Shri Vinit Marwaha</b>
DIN No.	00051403
Age	65 Years
Qualification	Commerce Graduate
Expertise in Specific Functional Areas	Taxation & Corporate Matters
Date of Appointment on the Board	3 <sup>rd</sup> March 2004
Directorships held in other public companies (as per Section 165 of the Companies Act, 2013, excluding Private and other companies)	(1) Rouncy Tradings Pvt. Limited (2) Saptrishi consultancy Services Ltd. (3) Pranav Investment (M.P.) Company Ltd. (4) JK Enviro-Tech Ltd.
Memberships / Chairmanships of committees of other public companies [includes only Audit Committee and Stakeholders' Relationship Committee in terms of Regulation 26 and 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]	NIL
Number of Equity Shares held in the Company	NIL
Relationships between Directors inter-se	None

**10. Remote e-voting procedure**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with relevant rules thereunder and Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members, facility to exercise their right to vote at the 20<sup>th</sup> AGM by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL). Remote e-voting is optional. The facility for voting by ballot / polling paper shall also be made available at the AGM and Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right to cast vote at the AGM.

**The instructions for Members for remote e-voting are as under:**

- (i) The e-voting period begins on 14<sup>th</sup> September 2016 (10:00 A.M.) and ends on 16<sup>th</sup> September 2016 (5:00 P.M.) During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11<sup>th</sup> September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the AGM date may attend the AGM but would not be entitled to vote at the AGM.
- (iii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders / Members".
- (v) Now Enter your User ID
  - (a) For CDSL: 16 digits beneficiary ID,

- (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the character displayed on the image verification and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. The sequence number is printed on the Address Slip on the envelope.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login. If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN relevant for Udaipur Cement Works Limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to



- change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non - Individual Members and Custodians
- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 11<sup>th</sup> September 2016 may follow the same instruction as mentioned above for remote e-voting.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section. The contact details of official responsible to address grievances connected with remote e-voting are Shri Rakesh Dalvi, Deputy Manager, Central Depository Services (India) Limited, 16<sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001; Phone No. 18002005533 or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- (xxiii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 11<sup>th</sup> September 2016 and a person

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who is not a Member as on the cut-off date should treat the Notice for information purpose only.

- (xxiv) The Company has appointed Shri Ronak Jhuthawat (Membership No. - A32924) of M/s Ronak Jhuthawat & Co., Company Secretary in practice as Scrutinizer to scrutinize the voting (at AGM venue) and remote e-voting process in a fair and transparent manner.
- (xxv) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 3 days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
11. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e., 11<sup>th</sup> September 2016 and who has not cast vote by remote e-voting, and being present at the AGM either personally or through proxy, only shall be entitled to vote at the AGM. Ballot papers will be available at the venue of the AGM.
12. The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website [www.udaipurcement.com](http://www.udaipurcement.com) and on the website of CDSL and shall simultaneously be forwarded to the Stock Exchanges.

## **STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013**

### **Item No. 4**

The Board at its meeting held on 13<sup>th</sup> May 2016, appointed M/s. HVMN & Associates, Cost Accountants as the Cost Auditors, as recommended by the Audit Committee, to conduct the audit of the cost records of the Company for the Financial Year 2016-17 commencing on 1<sup>st</sup> April 2016 at a remuneration of ₹ 35,000 p.a. (Rupees Thirty Five Thousands Only), excluding Service Tax as applicable and reimbursement of actual expenses of travel outside Delhi for the purpose of audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. The resolution is accordingly recommended for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives is concerned or interested, financially or otherwise, in the aforesaid resolution.

### **Item No. 5**

The Members at Annual General Meeting of the Company held on 19<sup>th</sup> September 2015 (AGM) had approved, by means of Special Resolution, entering into Related Party Transactions with JK Lakshmi Cement Ltd., the Holding company and a Related Party within the meaning of the Companies Act, 2013 and the provisions of the Listing Agreement (JKLC), upto an amount of ₹ 640 Crore from the Financial year 2015-16 and onwards subject to requisite approval of the Audit Committee of the

Company in each relevant Financial Year. Copy of the said AGM notice is available at the Company's website and also at the Regd. Office of the Company.

As the Members are aware, JKLC has provided requisite technical and financial support to the Company towards its Rehabilitation programme, from time to time. The Company continues to enjoy the support of JKLC in the process of setting of Company's clinkerisation facility and modernization and upgradation of its Plant. It is, therefore, considered necessary / expedient, in the interest of the Company, to obtain fresh omnibus approval of the Members for entering into Related Party Transactions with JKLC, as detailed hereinafter, upto ₹ 750 Crore from the Financial Year 2016-17 and onwards, subject to requisite approval of the Audit Committee of Directors of the Company in each relevant Financial Year.

The relevant information as per the Rule 15 (3) of the Companies (Meetings of the Board and its Powers) Rules, 2014, is as follows:

1	Name of Related Party	JK Lakshmi Cement Limited (JKLC)
2	Name of Director or KMP who is related	None
3	Nature of relationship	The Company is a subsidiary of JKLC
4	Monetary value	Transaction(s) value for the FY 2016-17 and onwards shall not exceed ₹ 750 Crore during any Financial Year(s).
5	Nature, material terms and particulars of contract / arrangement	Purchase of clinker by the Company from JKLC and / or sale of cement to JKLC, would vary as per their respective requirements, from time to time. For direct sale of cement in the Market, the Company will use JKLC's Brand name and marketing network and make payment towards Royalty therefor and other goods etc.  However, such transactions shall be in the ordinary course of the Company's business and on arm's length basis.
6	Any advance paid or received for the arrangement	As per industry norms, custom and usage.

The Resolution is accordingly recommended for approval of the Members, in the best interest of the Company.

JK Lakshmi Cement Limited, holds in aggregate 21,38,88,244 Equity Shares of the Company (72.45%) and may be deemed to be concerned or interested in the Resolution. Other related parties of the Company including Shri R.K.Gupta and Shri O.N.Rai, Directors of the Company, to the extent of their shareholding in the Company, may be deemed to be concerned or interested in the Resolution, shall also abstain from voting on Resolution.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and / or their relatives are in any way concerned or interested financially or otherwise in the Resolution.

**Item No. 6**

The Members at Annual General Meeting of the Company held on 19<sup>th</sup> September 2015 (AGM) had approved by means of Special Resolution entering into Related Party Transactions with Hansdeep

Industries and Trading Company Limited, a wholly owned subsidiary of JK Lakshmi Cement Limited (JKLC) and a Related Party within the meaning of the Companies Act, 2013 and the provisions of Listing Agreement (HITCL), upto an amount of ₹ 640 Crore from the Financial year 2015-16 and onwards subject to requisite approval of the Audit Committee of the Company in each relevant Financial Year. Copy of the said AGM notice is available at the Company's website and also at the Regd. Office of the Company.

As the Members are aware, the Company had obtained financing by way of Term Loan from HITCL of ₹ 350 Crore as on 31<sup>st</sup> March 2016 to part finance its Revival and Rehabilitation programme. The Company also sources its requirements of clinker etc. from HITCL based on its project requirement from time to time besides payments etc. of interest on the said Term Loan. It is therefore, considered necessary / expedient, in the interest of the Company, to obtain fresh omnibus approval of the Members for entering into Related Party Transactions with HITCL, as detailed hereinafter, upto ₹ 750 Crore from the Financial Year 2016-17 and onwards, subject to approval of the Audit Committee of Directors of the Company in each relevant Financial Year.

The relevant information as per the Rule 15 (3) of the Companies (Meetings of the Board and its Powers) Rules, 2014, is as follows:-

1	Name of Related Party	Hansdeep Industries & Trading Company Limited (HITCL)
2	Name of Director or KMP who is related	None
3	Nature of relationship	HITCL is a wholly owned subsidiary of JKLC, Company's Holding company.
4	Monetary value	Transaction(s) value for the FY 2016-17 and onwards shall not exceed ₹ 750 Crore during any Financial Year(s).
5	Nature, material terms and particulars of contract / arrangement	<p>Servicing of Debt from HITCL of ₹ 350 Crore. The Company shall obtain further Term Loan of ₹ 125 Crore from HITCL besides purchase of Clinker, as per requirement from time to time.</p> <p>However, such transactions shall be in the ordinary course of the Company's business and on arm's length basis.</p>
6	Any advance paid or received for the arrangement	As per industry norms, custom and usage.

The Resolution is accordingly recommended for approval of the Members in the best interest of the Company.

Related parties of the Company including Shri R.K. Gupta and Shri O.N. Rai, Directors of the Company, to the extent of their Shareholding in the Company and JK Lakshmi Cement Limited holding 21,38,88,244 Equity Shares of the Company (72.45%), may be deemed to be concerned or interested and shall abstain from voting on the Resolution.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and / or their relatives are in any way concerned or interested financially or otherwise in the Resolution.

**Item No.7**

The Board of Directors of the Company has re-appointed Shri Rohni Kumar Gupta (DIN No.: 00086630) as Whole-time Director of the Company for a period of one year w.e.f 1<sup>st</sup> April 2016, pursuant to Sections 196,197,198, 203 of the Companies Act, 2013 ("the Act") or any statutory modification or re-enactment thereof and schedule V thereto, on the terms and remuneration determined by the Nomination & Remuneration Committee of Directors, as set out hereinafter, subject to the approval of Members and such other approval(s), as may be required.

**In terms of Schedule V to the Companies Act, 2013, the relevant details are as under:**

**I. General Information:**

1. Nature of Industry : Cement.
2. Date or expected date of commencement of commercial production : The Udaipur Cement plant of the Company was commissioned in January 1994.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable.
4. **Financial Performance based on given indicators:**

Particulars for the Financial Year ended 31 <sup>st</sup> March 2016	₹ in Lacs
Net Sales and Other Income	8837.90
Operating Profit (Before Interest, Depreciation and Tax)	131.67
Profit / (Loss) Before Tax	(228.75)
Profit After Tax	1202.37

5. **Foreign investments or collaborations, if any** : Not Applicable

**II. Information about the Appointee:**

1. Shri R. K. Gupta, aged 64 years, holds an Honours Degree in Commerce and also a post graduate Master's degree in Business Administration. He is also a Member of the Institute of Companies Secretaries of India and of the Institute of Cost Accountants of India. Shri Gupta has more than 42 years of experience in various companies in executive positions and has served the Company for about 22 years in various capacities.

Shri Gupta, has been Whole-time Director of the Company since 1994. He attended all the five Board Meetings of the Company held during the Financial Year ended 31<sup>st</sup> March 2016. He holds 101 Equity Shares of ₹ 4/- each of the Company.

Shri Gupta is vested with substantial powers of management under the superintendence, control and direction of the Board of Directors of the Company.

Shri Gupta is also the Occupier in respect of the Company's Cement Plant and is responsible for financial management and other various corporate, secretarial and legal matters. He is also the Member of the Company's Audit and Stakeholders Relationship Committee.

Shri R.K.Gupta does not hold any Directorship and Committee position in other companies in terms of Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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2. **Past Remuneration:** The past remuneration of Shri R.K. Gupta was approved by the Members of the Company at their Annual General Meeting held on 18<sup>th</sup> August 2014. Copy of Agreement entered into with Shri Gupta is available for inspection at the Regd. Office of the Company.
  3. **Job Profile and his suitability:** Shri R.K. Gupta as Whole-time Director of the Company is vested with substantial powers of management under the superintendence, control and direction of the Board of Directors. He is also involved in policy planning, vision and strategy and long term developmental activities of the Company, besides Corporate Governance and Board coordination. He is also Occupier of the Company's Cement Plant.
  4. **Remuneration Proposed:** The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 12<sup>th</sup> February 2016 have approved the following terms of remuneration of Shri R.K.Gupta for a tenure of 1 year w.e.f. 1<sup>st</sup> April 2016, as under:
    - A. Consolidated Salary: ₹ 8.46 lacs per month with such increments as may be decided by the Board / Nomination and Remuneration Committee of the Directors of the Company from time to time.
    - B. Perquisites, allowances and benefits: Perquisites comprising provision of residential accommodation or house rent allowance in lieu thereof together with furnishings, reimbursement of medical expenses incurred including hospitalization and surgical charges for self and family and travel relating thereto and leave travel including foreign travel for self and family, premium on personal accident, insurance, car(s) with driver, telephone etc. and other perquisites, allowances and benefits as per the schemes, policies and the rules of the Company as applicable from time to time subject to any change as may be decided by the Board / Nomination and Remuneration Committee of the Directors of the Company. The perquisites shall be evaluated as per the actual cost or Income tax Rules, as applicable.
    - C. Contribution to Provident Fund and Superannuation Fund or Annuity Fund as per rules of the Company.
    - D. Gratuity at the rate of 15 days salary for each completed year of service.
    - E. Encashment of unavailed leave as per rules of the Company.
    - F. The Board or the Nomination and Remuneration Committee thereof may, from time to time, increase, or vary the salary range, subject to the overall ceiling prescribed under the Companies Act, 2013.
    - G. In the event of inadequacy or absence of profits under Section 198 of the Companies Act, 2013 in the Financial Year, the Whole-time Director shall be entitled to such remuneration as he may be then drawing, as specified in paras A and B above, as minimum remuneration and be also entitled to perquisites mentioned in paras C, D and E above.
  5. **Comparative remuneration profile with respect to industry, size of the company,**
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**profile of the position and person :** The executive remuneration in the industry has increased manifold. The Nomination and Remuneration Committee constituted by the Board in terms of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, perused the remuneration of managerial persons prevalent in the industry and other companies comparable with the size of the Company, industry benchmarks in general profile and responsibilities of the aforesaid Whole-time Director of the Company and other relevant factors while determining his remuneration as proposed.

6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any; Besides the remuneration proposed herein, Shri R.K.Gupta does not have any pecuniary relationship with the Company.

Shri R.K.Gupta is not related to any other Director of the Company, within the meaning of the Act.

### III. Other Information:

- (1) **Reasons of loss or inadequate profits and steps taken or proposed to be taken for improvement and expected increase in productivity and profits:** The Company is pursuing implementation of the Scheme of Rehabilitation sanctioned by the Hon'ble Board for Industrial and Financial Reconstruction vide its Order dated 13<sup>th</sup> January 2012. The plant is undergoing technical upgradation and modernization with setting-up of a state of the art Pyro processing unit which is expected to be commissioned in 3<sup>rd</sup> quarter of FY 2016-17.
- (2) Based on the networth of the Company becoming positive as on 31<sup>st</sup> March 2015, the Company has been discharged from the purview of Sick Industrial Companies (Special Provisions) Act, 1985 vide order of Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) dated 22<sup>nd</sup> January 2016.
- (3) The Company has not made any default in repayment of any of its debts or debentures or interest payable thereon in the preceding Financial Year.

Copies of the draft Contract / Memorandum setting out the terms and conditions of the re-appointment of the Whole-time Director, would be available for inspection by the Members at the Registered and Secretarial Offices of the Company during normal business hours on any working day upto the date of the AGM.

Shri R.K.Gupta for himself and through his relatives, to the extent of his shareholding in the Company, may be deemed to be concerned or interested, financially or otherwise, in the Resolution. Save and except the above, none of the Directors, Key Managerial Personnel of the Company, and / or their Relatives is in any way concerned or interested in the Resolution. The Board recommends above resolution for approval of the Members by means of Special Resolution.

**By Order of the Board**

#### Regd. Office:

Shripati Nagar, PO CFA  
Udaipur-313021(Rajasthan)  
21<sup>st</sup> July 2016

**R.K. Gupta**  
Whole-time Director,  
CFO & Company Secretary

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## FOR ATTENTION OF THE SHAREHOLDERS

1. Members / Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
2. Please check the Pincode in the address slip and advise correction, if any, therein. Also, please do indicate the Pincode Number of your delivery post office while notifying change in your address to the Company where shares are held in physical form.
3. Requests for transfer of Equity Shares and related correspondence should be addressed to the **Company's Registrar and Share Transfer Agents : MCS Share Transfer Agent Limited, F-65, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 (RTA)**. The Shareholders may approach their Depository Participant for getting their shares dematerialised and in respect of shares already held in dematerialised form for registration of change in their addresses, bank mandates, nominations, etc.
4. Shareholders seeking transfer of shares in physical form should furnish copy of the PAN card of the transferor and transferee to the Company / RTA for registration of transfer of shares.
5. Members having multiple folios are requested to write to the RTA for consolidation of the Folios to save the administrative or servicing cost.
6. Investor Grievances can be lodged electronically online with the RTA. Please log on to [www.mcsdel.com](http://www.mcsdel.com) and click on Investors Services to register your queries / grievances which will be promptly responded by the RTA. Please write to the Secretarial Department at Gulab Bhawan (Rear Block), 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg, New Delhi- 110 002 or E-mail: rohni\_gupta@hotmail.com in case their response is not received within a week's time. Shareholder can also write to the Company in this regard.
7. **Nomination** : Pursuant to Section 72 of the Companies Act, 2013, Shareholders holding shares in the Company, singly or jointly, may nominate a person to whom all the rights in the shares of the Company shall vest in the event of death of the sole / all joint Shareholders. Shareholders holding shares in physical form, may send their nomination in the prescribed Form SH 13, duly filled in, to the Secretarial Department at the address mentioned above. Shareholders holding shares in dematerialised form are requested to contact their Depository Participant for recording their nomination.
8. **Dematerialisation of Shares and Liquidity** : Members may in their own interest consider dematerialisation of their shareholding in the Company held in physical form. Dematerialisation facility is available both on NSDL and CDSL. Company's ISIN No. is INE225C01029.
9. Members are requested to quote their Folio No./ DPID- Client ID and details of shares held in physical / dematerialised forms, e-mail IDs and Telephone / Fax Nos. for prompt reply to their communications.
10. The Company's Registered Office / AGM venue is about 7 kms from Udaipur Airport and 25 kms from Udaipur Railway Station.

### Green Initiative in Corporate Governance: Register E-mail Address

The Ministry of Corporate Affairs has permitted companies to send various notices / documents under the Companies Act 1956, to its shareholders, through electronic mode. We request the Members to support this initiative and register their E-mail addresses in respect of shares held in: (1) dematerialised form, with their Depository Participants; and (2) physical mode with MCS Share Transfer Agent Ltd. (RTA). Please quote the following particulars in the E-mail Registration Request : Folio No./ DP ID- Client ID, PAN, Name(s) of Registered Holder(s), Address, Telephone and E-mail Address (to be registered for sending future communications through E-mail) and send the same under your signature(s).

Further, pursuant to Section 101 of the Companies Act, 2013 and the Rules made thereunder also, the Company may follow above mode.



**DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS**

Dear Members,

Your Directors have pleasure in presenting the 20<sup>th</sup> Annual Report along with the Audited financial statements of the Company for the Financial Year ended 31<sup>st</sup> March 2016.

**DISCHARGE FROM BIFR**

During the year under review, the Company has come out of BIFR purview. Based on the positive net worth of the Company as on 31<sup>st</sup> March 2015, Hon'ble Appellate Authority for Industrial & Financial Reconstruction (AAIFR) vide its order dated 22<sup>nd</sup> January 2016 has discharged the Company from the purview of SICA.

**FINANCIAL RESULTS**

(Amount in ₹ Lacs)

Particulars	31 <sup>st</sup> March 2016 (12 months)	31 <sup>st</sup> March 2015 (12 months)
Sales & Other Income	10,056.03	10,566.66
Profit / (Loss) before Interest & Depreciation	131.67	297.96
Profit / (Loss) before Depreciation	38.94	(76.29)
Depreciation	267.69	265.87
Profit / (Loss) before Exceptional Items & Tax	(228.75)	(342.16)
Exceptional Items - Net Income	244.27	126.04
Deferred Tax	(1186.85)	(1,211.28)
Profit after Tax	1202.37	995.16

**PERFORMANCE**

During the year, the Company's overall performance has been satisfactory. It has achieved cement production of 3.00 Lac tonnes and sales of 2.96 Lac tonnes. The Company continues to lay emphasis on Cost optimization at all levels.

**PROGRESS OF THE PROJECT**

After commissioning the Cement Mill in July 2013, the Company has been making steady progress on civil construction work as a part of setting up of clinkerisation facility. About 95% work upto Pyro Section has been completed. Most of the equipments have arrived at site and around 65% erection work has also been done. The Project is expected to be commissioned by December 2016. The Company has so far spent ₹ 419.50 Crore as Capex on the above including modernization and upgradation of the Plant. Civil work for second Cement Mill has also been started.

**INDUSTRY SCENARIO**

The Cement Industry, currently having a capacity of more than 400 million tonnes per annum is gradually moving towards consolidation, largely driven by acquisitions. New capacity additions are expected to be considerably lower over the next few years mainly due to higher cost of acquisition of new mining leases & land and increased regulatory requirements.

In the year 2015, India for the first time in its recent history, surpassed China to emerge as top FDI destination in the world. It attracted more than 40 Billion US \$ of investment during April to December 2015. With the Indian economy growing at current pace and with other favorable micro indicators such as inflation, budget & trade deficit, exchange & interest rates, growth of non-food credit etc., there are huge expectations of significant turn-around in the industry fortunes in FY 2016-17.

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The Prime Minister in the recent past has laid considerable emphasis on the schemes and policies such as 'Smart Cities', 'Swacch Bharat', 'AMRUT' and most ambitiously 'Housing for All by 2022'. These schemes when fully implemented are expected to revive the cement consumption all over the country. Further, increase of 46% in the budget allocations for infrastructure segment in the Union Budget for FY 17 and the emphasis being laid by the present Government on the Highway Projects and Concrete Roads construction augurs well for cement consumption, on a sustainable basis.

These initiatives will help to absorb the excess capacity to the extent of 40 to 50% in certain regions and above 25% for the country on the whole.

## **OUTLOOK**

The last quarter of FY 2015-16 has seen some upsurge in cement demand in certain pockets of the country with corresponding improvement in prices and margins. With the expectations of overall GDP growth of above 7.5%, the Industry is hopeful of seeing at least 8% growth in cement demand in the FY 2016-17 with a possible 2% upside on account of the policies and schemes announced by the Government.

In this backdrop, your Directors are fairly optimistic about the future of the industry in general and the Company in particular. It is hoped that the Company will be in a position to take full advantage of the revival of Cement demand and these opportunities on commissioning of its clinkerisation facility and the second Cement Mill in December 2016.

## **HUMAN RESOURCES**

Your Company is focused on developing its competencies and maximizing its productivity through great Workplace Practices and improving the quality of life of its employees. HR interventions including Suggestion Scheme, Quality Circles (QC), Cross Functional Teams (CFT) etc. have been introduced.

People are the key assets that are instrumental in improving Company's performance year on year. They have shown commitment, sense of ownership and team work in implementation of the Company's Rehabilitation Scheme and the ongoing modernization and upgradation of the Company's Plant. Focus is kept on functional and technical skill up-gradation of specific team members through customized need based training programme. The Company strives to offer a positive, supportive, open and high performance work culture where innovation and risk taking is encouraged. Performance is recognised and employees are motivated to realize their full potential.

## **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements and no material reportable weakness was observed in the system. Further, the Company has in place adequate internal financial controls commensurate with the size and nature of its operations. The Company also has robust Budgetary Control System and Management Information System (MIS) which are backbone of the Company for ensuring that your Company's assets and interests are safeguarded.

## **COMPLIANCE OF MPS REQUIREMENT**

Members are aware that due to induction of funds by the Promoters towards implementation of the Scheme of Rehabilitation of the Company sanctioned by Hon'ble BIFR, the Equity Shareholding of the Promoters in the Company increased to 89.18%. The Company sought extension of time from SEBI upto December 2015 to comply with the requirement of maintenance of Minimum Public Shareholding of 25% (MPS), in the manner specified by SEBI. The Promoters made Offers for Sale during the year, whereby, the Company has become compliant of the aforesaid MPS requirement w.e.f. 29<sup>th</sup> December 2015.

## EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31<sup>st</sup> March 2016 in the prescribed form MGT -9 is attached as **Annexure 'A'** to this Report and forms part of it.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or securities and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statements.

## RELATED PARTY TRANSACTIONS

As the Shareholders are aware that the Company has been receiving technical and financial support from both JK Lakshmi Cement Ltd., the Holding company of the Company (JKLC) and Hansdeep Industries & Trading Company Ltd., Fellow subsidiary of the Company (HITCL), besides sourcing of its requirements of clinker & sale of cement. All the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 (the Act) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. A statement showing particulars of contracts or arrangements entered into with JKLC & HITCL in the prescribed Form AOC-2, pursuant to Section 134(3)(h) of the Act, is attached as **Annexure 'B'**.

The Board has recommended resolutions for omnibus approval of the Shareholders in respect of material Related Party transactions entered into/to be entered into with JKLC & HITCL in the ordinary course of business and on arm's length basis for the Financial Year 2016-17 and onwards, upto the specified limits.

The Related Party Transaction Policy approved by the Board is available on the website of the Company.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Shri S.K. Kinra, Nominee Director of Hon'ble Board for Industrial & Financial Reconstruction, has ceased to be Director on the Board w.e.f. 31<sup>st</sup> July 2015, after having attained the age of 70 years. Shri Vinit Marwaha, retires by rotation and being eligible offers himself for re-appointment at the ensuing AGM.

The Board has re-appointed Shri Rohni Kumar Gupta as Whole-time Director of the Company, for a term of one year w.e.f. 1<sup>st</sup> April 2016, subject to the approval of the Members of the Company at the ensuing AGM. The Board recommends his re-appointment.

All the Independent Directors of the Company have given requisite declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and also Regulation 16 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## CONSERVATION OF ENERGY ETC.

The details as required under Section 134(3)(m) read with the Companies (Accounts) Rules, 2014 is annexed to this Report as **Annexure 'C'** and forms part of it.

## DEPOSITS

The Company has neither invited nor accepted any deposits from the public.

## AUDITORS

### (a) Statutory Auditors and their Report

M/s. Om Prakash S. Chaplot & Co., Chartered Accountants, have been appointed as Auditors of

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the Company to hold the office from the conclusion of the 18<sup>th</sup> Annual General Meeting held on 18<sup>th</sup> August 2014 until the conclusion of the 21<sup>st</sup> Annual General Meeting to be held in the year 2017, subject to ratification of their appointment by the members at the respective AGMs to be held in the years 2015 and 2016. Accordingly, being eligible, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting. The observations of the Auditors in their Report on Accounts and the financial statements, read with the relevant notes are self-explanatory.

#### **(b) Secretarial Auditor and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Namu Narain Agarwal, Company Secretary in Practice as Secretarial Auditor to carry out Secretarial Audit of the Company for the financial year 2015-16. The Report given by him for the said financial year in the prescribed format is annexed to this Report as **Annexure 'D'**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **(c) Cost Auditor and Cost Audit Report**

The Cost Audit for the financial year ended 31<sup>st</sup> March 2015 was conducted by M/s. HMVN & Associates, Cost Accountants, Delhi and as required, Cost Audit Report was duly filed with Ministry of Corporate Affairs, Government of India. The Audit of the cost accounts of the Company for the financial year ended 31<sup>st</sup> March 2016, is being conducted by the said firm and their Report will also be filed.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The requirement of Corporate Social Responsibility in terms of Section 135 of the Companies Act, 2013 is not applicable to the Company.

#### **PARTICULARS OF REMUNERATION**

Disclosure of the ratio of the remuneration of each director to the median employee's remuneration and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed to this Report as **Annexure 'E'**. Further, Particulars of Employees pursuant to Rule 5(2) & (3) of the above Rules, form part of this Report. However, in terms of provisions of Section 136 of the said Act, the Report and Accounts are being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. Any member interested in obtaining such particulars may write to the Company Secretary. The said information is available for inspection at the Registered Office of the Company during working hours.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the financial year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

**CORPORATE GOVERNANCE** - including details pertaining to Board Meetings, Nomination and Remuneration Policy, Performance Evaluation, Risk Management, Audit Committee and Vigil Mechanism

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are made a part of

this Report. The Corporate Governance Report also covers the following:

- (a) Particulars of the five Board Meetings held during the financial year under review.
- (b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.
- (c) The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
- (d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- (e) Details regarding Risk Management.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

#### **ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation for the continued support and co-operation received from various Central and State Government Authorities, Hon'ble Board for Industrial & Financial Reconstruction, Appellate Authority for Industrial & Financial Reconstruction, lending institutions, Employees and the esteemed Shareholders of the Company. Your Directors also express their gratitude towards valuable contributions made by JK Lakshmi Cement Limited and Hansdeep Industries & Trading Company Limited in Rehabilitation and growth of the Company.

**On behalf of the Board of Directors**

New Delhi  
Date: 11<sup>th</sup> July 2016

**Onkar Nath Rai**  
Chairman

## ANNEXURE 'A' TO BOARD'S REPORT

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March 2016**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1)**  
**of the Companies (Management and Administration) Rules, 2014]**

### I. REGISTRATION AND OTHER DETAILS :

- (i) CIN : L26943RJ1993PLC007267
- (ii) Registration Date : 15<sup>th</sup> March 1993
- (iii) Name of the Company : Udaipur Cement Works Limited
- (iv) Category / Sub-Category of the Company : Public Company / Limited by Shares
- (v) Address of the Registered Office and Contact Details- : Shripati Nagar, P.O. CFA, Udaipur -313 021(Rajasthan)
- Ph. No. - 0294 - 2655077  
Fax No. - 0294 - 2655077  
Email id: [rgupta@jkmil.com](mailto:rgupta@jkmil.com)  
Website: [www.udaipurcement.com](http://www.udaipurcement.com)
- (vi) Whether Listed Company Yes / No : Yes
- (vii) Name, Address and Contact Details of Registrar and Transfer Agent, if any- : M/s. MCS Share Transfer Agent Ltd. F-65, First Floor Okhla Industrial Area, Phase -I New Delhi- 110 020
- Ph. No. : 91-11-41406149-52  
Fax No : 91-11-41709881  
Email id : [admin@mcsdel.com](mailto:admin@mcsdel.com)  
Website : [www.mcsdel.com](http://www.mcsdel.com)

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the Company :-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ Service *	% to total turnover of the Company
1.	Cement	3242	100 %

\* As per National Industrial Classification (2008)– Ministry of Statistics and Programme Implementation.

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No	Name and Address of the Company	CIN /GNL	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1.	JK Lakshmi Cement Limited	L74999RJ1938PLC019511	Holding	72.45	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity):**

**i. Category-wise Share Holding**

Equity Share of ₹ 4 each

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 <sup>st</sup> April 2015)				No. of Shares held at the end of the year (as on 31 <sup>st</sup> March 2016)				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters **</b>									
(1)	<b>Indian</b>									
a)	Individual / HUF	-	-	-	-	-	-	-	-	-
b)	Central Govt.	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	26,16,63,413	-	26,16,63,413	88.64	22,14,00,000	-	22,14,00,000	75.00	(13.64)
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (1):</b>	<b>26,16,63,413</b>	<b>-</b>	<b>26,16,63,413</b>	<b>88.64</b>	<b>22,14,00,000</b>	<b>-</b>	<b>22,14,00,000</b>	<b>75.00</b>	<b>(13.64)</b>
(2)	<b>Foreign</b>									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Share holding of Promoter (A)=(A)(1)+(A)(2)**</b>	<b>26,16,63,413</b>	<b>-</b>	<b>26,16,63,413</b>	<b>88.64</b>	<b>22,14,00,000</b>	<b>-</b>	<b>22,14,00,000</b>	<b>75.00</b>	<b>(13.64)</b>

\*\* The total shareholding of Promoters at (A) above includes 3,88,88,413 Equity Shares (13.17%) as on 1<sup>st</sup> April 2015, 75,11,756 Equity Shares (2.54%) as on 31<sup>st</sup> March 2016 and a change of 10.63% during the year, pertaining to constituents of the Promoter Group as per SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. The same does not form part of the Promoters as defined in the Companies Act, 2013.

<b>B.</b>	<b>Public Share holding</b>									
1.	<b>Institutions</b>									
a)	Mutual Funds	3,15,048	1,65,151	4,80,199	0.16	3,15,048	1,33,651	4,48,699	0.15	(0.01)
b)	Banks / FI	98,39,734	86,541	99,26,275	3.36	15,17,633	86,541	16,04,174	0.55	(2.81)
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt. (s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	38,924	11,520	50,444	0.02	30,852	11,520	42,372	0.01	(0.01)
g)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1):</b>	<b>1,01,93,706</b>	<b>2,63,212</b>	<b>1,04,56,918</b>	<b>3.54</b>	<b>18,63,533</b>	<b>2,31,712</b>	<b>20,95,245</b>	<b>0.71</b>	<b>(2.83)</b>
2.	<b>Non-Institutions</b>									
a)	<b>Bodies Corp.</b>									
i)	Indian	1,15,24,401	17,83,352	1,33,07,753	4.51	2,42,73,598	17,41,445	2,60,15,043	8.81	4.30
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	<b>Individuals</b>									
i)	Individual Shareholders holding nominal share capital upto ₹ 1 lac	50,85,990	29,98,013	80,84,003	2.74	2,36,85,051	22,69,115	2,59,54,166	8.79	6.05
ii)	Individual Shareholders holding nominal share capital in excess of ₹ 1 lac	15,72,887	26,300	15,99,187	0.54	1,92,18,297	26,300	1,92,44,597	6.52	5.98
c)	<b>Others (Specify)</b>									
i)	NRI	94,006	-	94,006	0.03	4,91,229	-	4,91,229	0.17	0.14
ii)	Co-operative Society	-	-	-	-	5,000	-	5,000	0.00	0.00
	<b>Sub-Total (B)(2):</b>	<b>1,82,77,284</b>	<b>48,07,665</b>	<b>2,30,84,949</b>	<b>7.82</b>	<b>6,76,73,175</b>	<b>40,36,860</b>	<b>7,17,10,035</b>	<b>24.29</b>	<b>16.47</b>
	<b>Total Public shareholding (B)= (B)(1)+(B)(2)</b>	<b>2,84,70,990</b>	<b>50,70,877</b>	<b>3,35,41,867</b>	<b>11.36</b>	<b>6,95,36,708</b>	<b>42,68,572</b>	<b>7,38,05,280</b>	<b>25.00</b>	<b>13.64</b>
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>									
		-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	<b>29,01,34,403</b>	<b>50,70,877</b>	<b>29,52,05,280</b>	<b>100.00</b>	<b>29,09,36,708</b>	<b>42,68,572</b>	<b>29,52,05,280</b>	<b>100.00</b>	<b>-</b>

## ii. Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1 <sup>st</sup> April 2015)			Shareholding at the end of the year (as on 31 <sup>st</sup> March 2016)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	JK Lakshmi Cement Limited	22,27,75,000	75.46	-	21,38,88,244	72.45	-	(3.01)
	<b>Total</b>	<b>22,27,75,000</b>	<b>75.46</b>	<b>-</b>	<b>21,38,88,244</b>	<b>72.45</b>	<b>-</b>	<b>(3.01)</b>

## iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year (as on 1 <sup>st</sup> April 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>JK Lakshmi Cement Limited</b>				
	At the beginning of the year	22,27,75,000	75.46	22,27,75,000	75.46
	Date wise decrease in Promoters Shareholding during the year (Sold in OFS held on 29.12.2015)	(88,86,756)	(3.01)	21,38,88,244	72.45
	At the end of the year i.e 31 <sup>st</sup> March 2016			21,38,88,244	72.45

## iv. Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Top Ten Shareholders	Shareholding at the beginning of the year (as on 1 <sup>st</sup> April 2015)		Shareholding at the end of the year (31 <sup>st</sup> March 2016)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Florence Investech Ltd.^@	3,54,86,242	12.02	75,11,756	2.55
2	Sunflag Commercial Enterprises Limited^^	70,75,000	2.40	70,75,000	2.40
3	Jai Bhikshu Credit and Holdings Limited^^	29,25,000	0.99	29,25,000	0.99
4	Sanjay Jain@	-	-	19,88,474	0.67
5	AAnd J Industrial And Financial Consultancy Private Limited ^^	16,90,922	0.57	16,90,922	0.57
6	HEM Securities Limited@	2,40,787	0.08	13,46,138	0.46
7	Krishna Das Agarwal@	38,131	0.01	13,23,531	0.45
8	Globe Capital Market Limited@	-	-	10,75,000	0.36
9	Manisha Jain@	-	-	10,00,000	0.34
10	Asha Agrawal@	-	-	10,00,000	0.34
11	ICICI Bank Ltd.**	82,89,821	2.81	-	-
12	JK Paper Limited**	34,02,171	1.15	-	-
13	Asset Reconstruction Company(India)Ltd. (Trust H)**	4,12,420	0.14	4,12,420	0.14
14	The Hongkong and Shanghai Banking Corp. Ltd.**	3,86,200	0.13	3,86,200	0.13
15	Awanti Kumar Kankaria**	9,42,331	0.32	-	-
16	Asset Reconstruction Company(India)Ltd**	3,38,963	0.11	3,38,963	0.11

Note : More than 98% of the Shares of the Company are held in dematerialised form, and are widely traded on daily basis. Therefore, the date wise increase / decrease in shareholding is not indicated.

^^ Common Top ten Shareholders as on 1<sup>st</sup> April 2015 and 31<sup>st</sup> March 2016.

\*\* Top Ten Shareholders only as on 1<sup>st</sup> April 2015.

@ Top Ten Shareholders only as on 31<sup>st</sup> March 2016.



**v. Shareholding of Directors and Key Managerial Personnel:**

(Equity Share of ₹ 4 each)

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the year (as on 1 <sup>st</sup> April 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Shri O.N. Rai, Director</b>				
	At the beginning of the year	1	0.00	1	0.00
	Increase / Decrease in Shareholding during the year	No Change			
	At the end of the year i.e. 31.03.2016			1	0.00
2.	<b>Shri Rohni Kumar Gupta, WTD, CFO &amp; Company Secretary</b>				
	At the beginning of the year	101	0.00	101	0.00
	Increase / Decrease in Shareholding during the year	No Change			
	At the end of the year i.e. 31.03.2016			101	0.00

Note: Shri Vinit Marwaha, Shri Ganpat Singh and Ms Kumud Pahuja, Directors of the Company were not holding any shares in the Company at the beginning of the year, i.e., as on 1<sup>st</sup> April 2015 and at the end of the year i.e., as on 31<sup>st</sup> March 2016. Also, there was no increase / decrease in their shareholding during the financial year.

**V. INDEBTEDNESS:**

**Indebtedness of the Company including interest outstanding/ accrued but not due for payment**

(Amount in ₹ Crore)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (as on 1<sup>st</sup> April 2015)</b>				
(i) Principal Amount	50.00	-	-	50.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>50.00</b>	<b>-</b>	<b>-</b>	<b>50.00</b>
<b>Change in indebtedness during the financial year</b>				
• Addition	350.00	-	-	350.00
• Reduction	50.00	-	-	50.00
<b>Net Change</b>	<b>300.00</b>	<b>-</b>	<b>-</b>	<b>300.00</b>
<b>Indebtedness at the end of the financial year (as on 31<sup>st</sup> March 2016)</b>				
(i) Principal Amount	350.00	-	-	350.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	17.73	-	-	17.73
<b>Total (i+ii+iii)</b>	<b>367.73</b>	<b>-</b>	<b>-</b>	<b>367.73</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager

(Amount in ₹ Lac)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Shri Rohni Kumar Gupta, Whole-time Director, CFO, Company Secretary		
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	83.91		83.91
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.30		2.30
2.	Others	-		-
	<b>Total (A)</b>	<b>86.21</b>		<b>86.21</b>
	Ceiling as per the Act	120.00*		120.00

(The Company does not have Sweat Equity/Scheme for stock option.)

\*Based on effective capital of the Company as on 31<sup>st</sup> March 2015, as per Schedule V to the Companies Act, 2013.

### B. Remuneration to other Directors

(Amount in ₹ Lac)

Sl.No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri O.N. Rai	Shri S.K. Kinra	Ms. Kumud Pahuja	Shri Ganpat Singh	Shri Vinit Marwaha	
1.	<b>Independent Directors</b>						
	• Fee for attending Board Committee Meetings	1.08	0.32	0.55	-	-	1.95
	• Commission	-	-	-	-	-	-
	<b>Total (1)</b>	<b>1.08</b>	<b>0.32</b>	<b>0.55</b>	<b>-</b>	<b>-</b>	<b>1.95</b>
2.	<b>Other Non Executive Director</b>						
	• Fee for attending Board / Committee Meetings	-	-	-	0.38	0.85	1.23
	• Commission	-	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.38</b>	<b>0.85</b>	<b>1.23</b>
	<b>Total (B)= (1+2)</b>	<b>1.08</b>	<b>0.32</b>	<b>0.55</b>	<b>0.38</b>	<b>0.85</b>	<b>3.18</b>
	<b>Total Managerial Remuneration (A+B)</b>						<b>89.39**</b>
	Overall Ceiling as per the Act	₹ 120 lacs (excluding Sitting Fee)					

\* Ceased to be a Director w.e.f. 31<sup>st</sup> July 2015.

\*\* Total Remuneration to Whole-time Director and other Directors (being the total of A and B), includes sitting fees of ₹ 3.18 lacs

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/ WTD:

Remuneration to Shri Rohni Kumar Gupta, Whole-time Director, CFO & Company Secretary (KMP) is provided at point VI (A).

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31<sup>st</sup> March 2016.

On behalf of the Board of Directors

New Delhi  
Date: 11<sup>th</sup> July 2016

**Onkar Nath Rai**  
Chairman

**ANNEXURE 'B' TO BOARD'S REPORT**

**Form No. AOC-2**

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended 31<sup>st</sup> March 2016 are as follows :

<b>Name of Related Party and Nature of relationship</b>	<b>Nature of contracts / arrangements / transactions</b>	<b>Duration of contracts / arrangements / transactions</b>	<b>Salient terms of the Contracts or arrangements or transactions including the value, if any</b>	<b>Date (s) of approval by the Board, if any</b>	<b>Amount paid (₹Crore)</b>
JK Lakshmi Cement Limited – Holding Company (JKLC)	Purchase of Clinker	June 2013 ongoing	Purchase of Clinker at Arm's length price	N.A.*	10.56
JK Lakshmi Cement Limited – Holding Company	Brand Royalty & other goods	-	Brand Royalty @1% using Brand name of JK Lakshmi Cement and other goods at Arm's length price	N.A.*	3.10
JK Lakshmi Cement Limited – Holding Company	Sale of Cement	June 2013 ongoing	Sale of Cement at Arm's length price	N.A.*	42.30
Hansdeep Industries & Trading Co. Ltd. – Fellow subsidiary (HITCL)	Purchase of Clinker	June 2015 ongoing	Purchase of Clinker at Arm's length price	N.A.*	40.96
Hansdeep Industries & Trading Co. Ltd. – Fellow subsidiary (HITCL)	Inter-corporate Term Loan	August 2015 ongoing	Inter-corporate Term Loan for modernization & up-gradation of Cement Plant at market rate.	N.A.*	350.00
Hansdeep Industries & Trading Co. Ltd. – Fellow subsidiary (HITCL)	Finance Charges on Inter Corporate Term Loan	August 2015 ongoing	Interest @ 12% p.a. at Arm's length price and applicable Finance charges at market rate.	N.A.*	32.28

\* Not applicable since the contract was entered into in the ordinary course of business and on arm's length basis, market rate.

*Note: All transactions with JKLC & HITCL have been disclosed irrespective of whether they are covered under Section 188 of the Companies Act, 2013 or not.*

**On behalf of the Board of Directors**

New Delhi  
Date: 11<sup>th</sup> July 2016

**Onkar Nath Rai**  
Chairman

## ANNEXURE 'C' TO BOARD'S REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

### (A) Conservation of Energy

Udaipur Cement Works Ltd. took following initiatives with a view to conserve energy and reduce fuel consumption :

- Optimization of grinding media according to feed size after installation of Pre-crusher to conserve power.
- Implementation of PID loops for OPC grinding to conserve power.
- Optimization of compressor air in Cement Mill and Packing Plant to conserve power.
- Optimization of Silo aeration blower in Packing Plant to conserve power.
- Optimization of nuisance Bag filters to meet out the requirement as per packer operation in Packing Plant to conserve power.
- Mechanical Bag diverters installed in place of motorized bag diverters to conserve power.
- Increase in Fly ash absorption in blended cement by optimizing Cement Mill operations & particle size distribution with improved quality & strength.
- Provision of VVFD is kept in Vertical Coal Mill main drive, so that mill will draw optimum power on different type of fuel grinding.
- Thickness of Insulation material is increased to reduce radiation losses in Pre Heater.
- LED lights are being used for Power saving in whole Plant.

### (B) Technology absorption, adaptation and innovation by technology adaptation

- In-house development and installation of bulk loading system for PPC in Packing Plant
- Replacement of old technology electrical circuit breakers by latest vacuum circuit breakers.
- In-house fabrication of truck loader number 3 to facilitate nonstop belt changeover and minimum loading time.
- Modification in oil seal of Cement Mill Separator to avoid frequent leakages of Oil and breakdown of separator.
- Installation of high level indicator in Material feeding belt discharge chute to ensure trouble free running of Pre-crusher.
- Installation of Intelligent MCCs in the plant for better energy monitoring.

### (C) Research and Development

During the period ended 31<sup>st</sup> March 2016 there was no expenditure on research and development in view of ongoing intense project activity.

### (D) Exports, Foreign Exchange Earnings and Outgo

During the period ended 31<sup>st</sup> March 2016 there was no Export and Foreign Exchange earnings. The Foreign exchange outgo on account of import of machinery and travelling aggregates to ₹ 4731.52 lacs.

## PARTICULARS OF CONSERVATION OF ENERGY

S. No.	Particulars	Unit	Period ended 31-03-2016	Period ended 31-03-2015
<b>A.</b>	<b>POWER AND FUEL CONSUMPTION</b>			
<b>1.</b>	<b>Electricity</b>			
<b>(a)</b>	<b>Purchased:</b>			
	Units	(Kwh in Lacs)	<b>94.14</b>	92.46
	Total amount	(₹ in lacs)	<b>499.76</b>	484.08
	Rate / Unit	(₹)	<b>5.31</b>	5.24
<b>(b)</b>	<b>Own Generation:</b>		-	-
<b>2.</b>	<b>Fuel (Pet Coke / Coal)</b>	-	-	-
<b>3.</b>	<b>Other Internal Generation</b>	-	-	-
<b>B.</b>	<b>CONSUMPTION PER UNIT OF PRODUCTION</b>			
	Electricity	Kwh / MT	<b>31.37</b>	32.98

On behalf of the Board of Directors

New Delhi  
Date: 11<sup>th</sup> July 2016

**Onkar Nath Rai**  
Chairman

**ANNEXURE 'D' TO BOARD'S REPORT**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Udaipur Cement Works Limited,**  
Shripati Nagar, P.O. CFA,  
Udaipur-313021  
(Rajasthan)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Udaipur Cement Works Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2016** according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 - (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-

- 
- (Not applicable to the Company during the Audit Period),
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (Not applicable to the Company during the Audit Period); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Management has identified and confirmed the following laws as being specifically applicable to the company and complied with:-
- Limestone and Dolomite Mines Labour Welfare Fund Act, 1972 and Limestone and Dolomite Mines Labour Welfare Fund Rules, 1973
  - Mines Act, 1952 and Mines Rules, 1955
  - Mines Vocational Training Rules, 1966
  - Metalliferous Mines Regulations, 1961, Mineral Conservation and Development Rules, 1988
  - Mines and Minerals (Development and Regulation) Act, 1957 and Mineral Concession Rules, 1960
  - Bureau of Indian Standards Act, 1986 and Cement (Quality Control) Order, 2003

I have also examined compliance with the applicable clauses of the following:

- (i) Mandatory Secretarial Standard 1 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India - with effect from the dates of their applicability;
- (ii) The Listing Agreement(s) entered into by the Company with the Stock Exchange.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including one Special Director appointed under Sick Industrial Companies (Special Provisions) Act, 1985 for a part of the audit period. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate Notice is given to all directors in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were also sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that**, based on review of compliance mechanism established by the Company and on the basis of compliance certificate issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company has -

- (i) Obtained Members' approval, pursuant to Section 180(1) (c) of the Companies Act, 2013 (Act), by means of Special Resolution passed at Annual General Meeting of the Company held on 19<sup>th</sup> September, 2015 for borrowing upto ₹ 750 Crore,
- (ii) Obtained Members' approval, pursuant to section 188 of Act by means of Special Resolution passed at the aforesaid Annual General Meeting for related party transactions with its Holding company already entered during the financial year 2014-15 and also to be entered during the financial year 2015-16, in the ordinary course of business and at arm's length basis,

- (iii) Obtained Members' approval, pursuant to section 188 of Act, by means of Special Resolution passed at the aforesaid Annual General Meeting for related party transactions with Hansdeep Industries and Trading Company Limited, a co-subsiary, to be entered during the financial year 2015-16, in the ordinary course of business and at arm's length basis.
- (iv) Obtained Members' approval, pursuant to sections 186 and 188 of the Act, by means of Special Resolution passed by postal ballot on 24<sup>th</sup> September, 2015, for creating mortgage in favour of the Debenture Trustee of Non-convertible Debentures upto ₹ 475 crores issued / being issued by Hansdeep Industries and Trading Company Limited, a co-subsiary, to provide financial assistance to the company,
- (v) Obtained Members' approval, pursuant to Section 180 (1) (a) of the Act, by means of Special Resolution passed by postal ballot on 24<sup>th</sup> September, 2015, for creating Mortgage / charging all the movable and immovable properties of the Company for securing borrowing upto an amount not exceeding ₹ 750 Crores,
- (vi) Achieved the Minimum Public Shareholding of 25%, pursuant to Clause 40A of the Listing Agreement, and
- (vii) Been discharged as a sick company under Sick Industrial Companies (Special Provisions) Act, 1985.

Place: New Delhi  
Date: 10<sup>th</sup> May, 2016

**Namo Narain Agarwal**  
Secretarial Auditor  
CP No. 3331, FCS No. 234

*This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.*

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**'Annexure A'**

To,  
The Members,  
**Udaipur Cement Works Limited,**  
Shripati Nagar, P.O. CFA,  
Udaipur-313021 (Rajasthan)

My report of even date on Secretarial audit for the financial year ended 31<sup>st</sup> March, 2016 is to be read along with this letter stating that -

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: New Delhi  
Date: 10<sup>th</sup> May, 2016

**Namo Narain Agarwal**  
Secretarial Auditor  
CP No. 3331, FCS No. 234

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## ANNEXURE 'E' TO BOARD'S REPORT

**Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended vide MCA Notification dated 30<sup>th</sup> June 2016, for the FY 2015-16 ended 31<sup>st</sup> March 2016:**

The ratio of the remuneration of each director to the median remuneration of the employees of the Company - (a) Non-Executive Directors: Shri Onkar Nath Rai, 0.48; Shri Vinit Marwaha, 0.38; Ms. Kumud Pahuja, 0.24; Shri Ganpat Singh, 0.17 and Shri S.K. Kinra (BIFR Nominee)\*, 0.14; (b) Executive Director: Shri Rohni Kumar Gupta, WTD, CFO & Secretary, 39.64.

The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary - Due to inadequacy of profits for FY 2015-16, no commission was paid to the Directors. However, the KMP received normal annual increment in the Salary. Executive Director & KMP - Shri Rohni Kumar Gupta, WTD, CFO & Secretary, 4 %. Non-executive Directors - Shri Onkar Nath Rai, 16%; Shri Vinit Marwaha, 35%; Ms. Kumud Pahuja^ - Not Applicable; Shri Ganpat Singh, 27% and Shri S.K. Kinra (BIFR Nominee)\* (40%).

*\*Ceased to be a Director w.e.f. 31<sup>st</sup> July 2015.*

*^Appointed as a Director w.e.f. 21<sup>st</sup> March 2015.*

The percentage increase in the median remuneration of employees - 8%. The number of permanent employees on the rolls of Company - 210.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - On an average employee received an annual increment of 13%. There was an increase of 4% in managerial remuneration during the current financial year.

We affirm that the remuneration paid during the year 2015-16 is as per the Remuneration Policy of the Company.

**On behalf of the Board of Directors**

New Delhi  
Date: 11<sup>th</sup> July 2016

**Onkar Nath Rai**  
Chairman



## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is an integral part of values, ethics and best business practices followed by the Company. The core values of the Company are:

- commitment to excellence and customer satisfaction
- maximising long term shareholders' value
- socially valued enterprise and
- caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long term shareholders' value and commitment to high standard of business ethics by following best corporate governance norms in true letter and spirit. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

### 2. BOARD OF DIRECTORS

As at 31<sup>st</sup> March 2016, the Board of Directors of the Company, consists of Five Directors comprising of One Executive Director and Four Non-executive Directors (NED), out of four NEDs two are Independent Directors. Five Board Meetings were held during the Financial Year 2015-16 ended 31<sup>st</sup> March 2016, on 12<sup>th</sup> May 2015, 22<sup>nd</sup> July 2015, 10<sup>th</sup> August 2015, 4<sup>th</sup> November 2015 and 12<sup>th</sup> February 2016. Attendance and other details of the Directors are given below:

Name of the Directors	Category	No. of Board Meetings Attended	Whether last AGM attended (19.9.2015)	No. of other Directorships and Committee Memberships / Chairmanships		
				Directorships \$	Committee Memberships @	Committee Chairmanships @
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Shri Onkar Nath Rai*	IND	5	Yes	-	-	-
Shri Vinit Marwaha	NED	5	No	3	-	-
Shri Rohni Kumar Gupta	Executive	5	Yes	-	-	-
Shri Ganpat Singh	NED	5	Yes	-	-	-
Ms. Kumud Pahuja*#	IND	5	Yes	-	-	-
Shri Suresh Kumar Kinra (BIFR Nominee)^	IND	2	No	3	-	-

\* The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

# Pursuant to the provisions of the Companies Act, 2013, Ms. Kumud Pahuja was appointed by the shareholders as an Independent Director at the Annual General Meeting held on 19<sup>th</sup> September 2015 (AGM) for a term of three consecutive years commencing from the date of AGM and the formal letter of appointment has also been issued to her. The terms and conditions of appointment have been disclosed on the website of the Company.

\$ Excluding private companies and companies under Section 8 of the Companies Act, 2013. Independent Directorships held by the Directors are in accordance with the Listing Regulations.

@ Only covers Memberships / Chairmanships of Audit Committee and Stakeholders' Relationship Committee.

^ Ceased to be a Director w.e.f. 31<sup>st</sup> July 2015.

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The Board periodically reviews Compliance Reports of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any. With a view to foster an improved compliance reporting and monitoring in the Company, last year, the Company implemented a web based legal compliance tool called "Compliance Manager" developed by Ernst & Young (EY), which is working effectively. Further, legal risks are monitored and mitigated through regular review of changes in the regulatory framework. The Board is satisfied that plans are in place for orderly succession for appointments to the Board and to senior management.

The Company has a Code of Conduct for Management Cadre Staff (including Executive Director) which is strictly adhered to. In terms of the provisions of Regulation 17(5) of the Listing Regulations and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company and the same is available on the website of the Company ([www.udaipurcement.com](http://www.udaipurcement.com)). All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by the Chairman.

None of the Directors are related to each other within the meaning of Companies Act, 2013.

The number of Equity Shares of ₹ 4/- each held by the Non-executive Directors as on 31<sup>st</sup> March 2016 are: Shri Onkar Nath Rai - 1 share, Shri Vinit Marwaha, Shri Ganpat Singh and Ms. Kumud Pahuja do not hold any shares. The Company does not have any outstanding convertible instruments.

### **3. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS**

In accordance with the provision of Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 12<sup>th</sup> February 2016. Shri Onkar Nath Rai was unanimously elected as Chairman of the meeting. All the Independent Directors of the Company were present at the said Meeting.

### **4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarisation programmes. The details of such familiarisation programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is <http://www.udaipurcement.com/Familiarisation%20Programme.pdf>

### **5. PERFORMANCE EVALUATION**

The Board of Directors has made formal annual evaluation of its own performance and that of its committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under Listing Regulations.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board and the Nomination and Remuneration Committee also carried out evaluation of the performance of individual Directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his / her duties with due & reasonable care, skill and diligence, etc.

In a separate meeting of the Independent Directors of the Company, performance of Non-Independent Directors, performance of Board as a whole and performance of Chairman were evaluated, taking into account the views of Executive Director of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried by it and that

the Independent Directors were fully satisfied in this regard.

## 6. AUDIT COMMITTEE

The Company has an Audit Committee of Directors since 2001. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Committee consists of three Directors out of which two are Independent Directors and one is Executive Director. Four meetings of the Audit Committee were held during the Financial Year ended 31<sup>st</sup> March 2016.

Dates of the Meetings and the number of Members attended:

Dates of Meetings	Number of members attended
12 <sup>th</sup> May 2015	3
22 <sup>nd</sup> July 2015	3
4 <sup>th</sup> November 2015	3
12 <sup>th</sup> February 2016	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri Onkar Nath Rai	Chairman	4
Ms. Kumud Pahuja*	Member	2
Shri Rohni Kumar Gupta	Member	4
Shri Suresh Kumar Kinra (BIFR Nominee)**	Member	2

\* Appointed as a Member of Audit Committee w. e. f. 22<sup>nd</sup> July 2015.

\*\* Ceased to be a Member w.e.f. 31<sup>st</sup> July 2015.

The Chief Financial Officer who is also Company Secretary of the Company regularly attends the Committee meetings and acts as the Secretary of the Committee.

## 7. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has a Stakeholders' Relationship Committee at the Board Level which consists of three Directors out of which two are Non-executive Directors of which one is Independent. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Dates of the Meetings and the number of Members attended:

Dates of Meetings	Number of members attended
12 <sup>th</sup> May 2015	4
22 <sup>nd</sup> July 2015	4
4 <sup>th</sup> November 2015	3
12 <sup>th</sup> February 2016	3

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri Onkar Nath Rai	Chairman	4
Shri Vinit Marwaha	Member	4
Shri Suresh Kumar Kinra (BIFR Nominee)*	Member	2
Shri Rohni Kumar Gupta	Member	4

\*Ceased to be a Member w.e.f. 31<sup>st</sup> July 2015.

Shri Rohni Kumar Gupta, Whole-time Director, CFO & Company Secretary, is the Compliance Officer who oversees the investors' grievances including related to Transfer of shares, Non-receipt of balance sheet etc. During the Financial Year ended 31<sup>st</sup> March 2016, the Company received only 2 complaints from the investors and the same have since been resolved to the satisfaction of shareholders. Also, there are no complaints pending in respect of previous period.

The Board of Directors constituted a 'Share Transfer Committee' w.e.f. 22<sup>nd</sup> July 2015, to consider and approve transfer of shares and related matters. Before this, such powers were with the Committee of Directors. The share transfer formalities are attended as required. All valid requests for transfer of shares in physical form were processed in time and there were no pending transfers of shares. During the financial year ended 31<sup>st</sup> March 2016, 11 Meetings of the Committee of Directors and 12 Meetings of the Share Transfer Committee were held.

## 8. NOMINATION AND REMUNERATION COMMITTEE:

The Company has a Nomination and Remuneration Committee comprising of three Directors, all being Non-executive Directors and two of which are Independent Directors. The composition and the role of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Dates of the Meetings and the number of Members attended are:

Date of Meeting	Number of Members attended
22 <sup>nd</sup> July 2015	3
10 <sup>th</sup> August 2015	3
12 <sup>th</sup> February 2016	3

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri Onkar Nath Rai	Chairman	3
Shri Vinit Marwaha	Member	3
Ms. Kumud Pahuja*	Member	2
Shri Suresh Kumar Kinra (BIFR Nominee)**	Member	1

\* Appointed as a member of the Committee w.e.f. 22<sup>nd</sup> July 2015.

\*\* Ceased to be a Member w.e.f. 31<sup>st</sup> July 2015.

## 9. NOMINATION AND REMUNERATION POLICY:

In accordance with the provisions of the Companies Act, 2013 and Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board Diversity. The policy provides as follows:

- (i) The Nomination and Remuneration Committee of Directors (the Committee) shall take into consideration the following criteria for recommending to the Board for appointment as a Director of the Company: (a) Qualifications & experience. (b) Positive attributes like - respect for Company's core values, professional integrity, strategic capability with business vision, etc. (c) In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the applicable laws & regulations. (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.
- (ii) The Committee will recommend to the Board appropriate compensation to Executive Directors

subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.

- (iii) The Board will review the performance of a Director as per the structure of performance evaluation adopted by the Board for Directors including Executive Directors.
- (iv) The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board.
- (v) The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by senior personnel having relevant qualifications and experience. The Compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

#### 10. REMUNERATION PAID TO DIRECTORS:

- (i) **Executive Director** : The aggregate value of salary, perquisites and contribution to Provident Fund and Superannuation Fund for the financial year ended 31<sup>st</sup> March 2016 to Shri Rohni Kumar Gupta, Whole-time Director, CFO & Company Secretary is ₹ 89.19 lacs.

The Company does not have any Stock option Scheme. In the case of Whole-time Director, notice period is six months.

- (ii) **Non Executive Directors (NEDs)** : During the Financial Year 2015-16, the Company paid sitting fees aggregating ₹ 3,17,500 to all the Non-executive Directors (NEDs) for attending the meetings of the Board and Committees of Directors of the Company. The Non-executive Directors did not have any other material pecuniary relationship or transactions vis-à-vis the Company during the year except as stated above.

#### 11. GENERAL BODY MEETINGS:

Location and time for the last three Annual General Meetings (AGMs) of the Company were:

Year	Location	Date	Time
2011 -12	Hotel Maharani Palace, Station Road, Jaipur-302001	21.02.2013	11:30 A.M.
2012 -14	Same as above	18.08.2014	11.00 A.M.
2014 -15	Shripati Nagar, P.O. CFA, Udaipur-313021 (Rajasthan)	19.09.2015	11.00 A.M.

Special Resolutions regarding appointment of Shri O.N. Rai as Independent Director, borrowing monies and creation of security upto ₹ 600 Crore, issue of Cumulative Redeemable Preference Shares and re-appointment of Shri R.K. Gupta as whole-time Director of the Company were passed at the AGM held on 18<sup>th</sup> August 2014 for the Financial Year 2012-14. Special Resolutions regarding approval of Related Party Transactions with JK Lakshmi Cement Limited and Hansdeep Industries & Trading Company Limited, borrowing monies upto ₹ 750 Crore pursuant to Section 180(1)(c) of the Companies Act, 2013 (Act) and revision/increase in the remuneration of Shri R.K. Gupta, Whole-time Director were passed at the AGM held on 19<sup>th</sup> September 2015 for the Financial Year 2014-15.

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Two Special Resolutions for creation of mortgage in favour of IDBI Trusteeship Services Ltd. (Resolution No. 1) and creation of security upto ₹ 750 Crore pursuant to Section 180(1)(a) of the Act (Resolution No. 2) were passed by way of Postal Ballot during the Financial Year ended 31<sup>st</sup> March 2016. The Company extended e-voting facility through Central Depository Services (India) Ltd.(CDSL), as an alternate for its Members to enable them to cast their vote electronically instead of dispatching physical postal ballot forms. Shri Ronak Jhuthawat of M/s. Ronak Jhuthawat & Co., Company Secretary in Practice, was appointed as Scrutiniser for conducting the postal ballot / e-voting process. After receiving the Scrutiniser's Report, it was announced that the Special Resolutions were passed with requisite majority on 24<sup>th</sup> September 2015 . The voting result on the said resolutions is as under:

**Resolution No. 1:**

% of total valid votes cast in favour of the Resolution: 99.9995%.

% of total valid votes cast in against of the Resolution: 0.0005% .

**Resolution No. 2:**

% of total valid votes cast in favour of the Resolution: 99.9995%.

% of total valid votes cast in against of the Resolution: 0.0005% .

**12. DISCLOSURES:**

- (a) **Related Party Transactions:** Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large: None. During the Financial Year 2015-16 ended 31<sup>st</sup> March 2016, the Company has entered into material Related Party Transactions in the ordinary course of business and on arm's length basis, requisite disclosures have been made in Board's Report and in the financial statements.

Suitable disclosures as required by Accounting Standard (AS-18) - Related Party Transactions have been made in the Annual Report. All the Related Party Transactions are dealt with in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

The Company has formulated a policy on the materiality of Related Party Transactions and also on dealing with Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is [http://www.udaipurcement.com/ Related %20Party %20Policy.pdf](http://www.udaipurcement.com/Related%20Party%20Policy.pdf)

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital market, during the last three years : *There were no cases of non-compliance of any matter related to capital markets during the last three years.*
- (c) **Vigil Mechanism / Whistle Blower Policy :** The Board of Directors of the Company at its meeting held on 13<sup>th</sup> August 2014 has established a Policy on Vigil Mechanism for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns / complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action.

The details of establishment of such mechanism have been also disclosed on the website of the Company. It is affirmed that no personnel has been denied access to the Audit Committee.

- (d) **Prevention of Sexual Harassment of Women at Workplace :** Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has a formal policy to

ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its work places to redress the complaints of women employees.

During the year, no complaint has been filed with ICC with allegation of Sexual Harassment.

- (e) **Risk Management** : The Company has an elaborate risk management system to inform Board Members about risk assessment and minimization procedures. A Risk Management Committee headed by a Whole-time Director evaluates the efficacy of the framework relating to risk identification and its mitigation. Board Members are accordingly informed.
- (f) **Disclosure of commodity price risks and commodity hedging activities** : The Company manages fluctuations in raw material prices through hedging in the form of advance procurement when the prices are perceived to be low.

### 13. MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual results are normally published in the leading English newspapers, namely, The Financial Express and one regional daily "Jagruk Times" (Udaipur), having wide circulation and promptly furnished to BSE Ltd. for display on its website. The financial results are also displayed on the Company's website – [www.udaipurcement.com](http://www.udaipurcement.com) . No Presentation was made to institutional investors or to the analysts.

### 14. GENERAL SHAREHOLDERS' INFORMATION:

#### (i) Registered Office

Shripati Nagar, P.O. CFA, Udaipur-313 021, Rajasthan

#### (ii) Annual General Meeting (AGM) :

- (a) Date and Time: Please refer to notice of the AGM being sent along with the Annual Report.  
Venue: Reg. Office.: Shripati Nagar, P.O. CFA, Udaipur -313 021 (Rajasthan)
- (b) A brief resume and other particulars of Director seeking appointment or re-appointment at the aforesaid AGM are given in the Notes to the Notice convening the said AGM.

#### (iii) Financial Calendar (Tentative)

##### Financial Reporting

• for the quarter ending 30.06.2016	} Within 45 days of the end of the quarter
• for the half-year ending 30.09.2016	
• for the quarter ending 31.12.2016	
• for the year ending 31.03.2017 (Audited)	Within 60 days of the end of the financial year
• Annual General Meeting for the Financial Year ending 2016-17	between July and September 2017

(iv) **Dividend Payment Date:** No dividend is declared for the Financial Year.

(v) **Date of Book Closure:** As in the AGM Notice

(vi) **Names and address of Stock Exchanges where equity shares of the Company are listed:**  
The Equity Shares of the Company (Face Value: ₹ 4/- each) are listed on BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001.

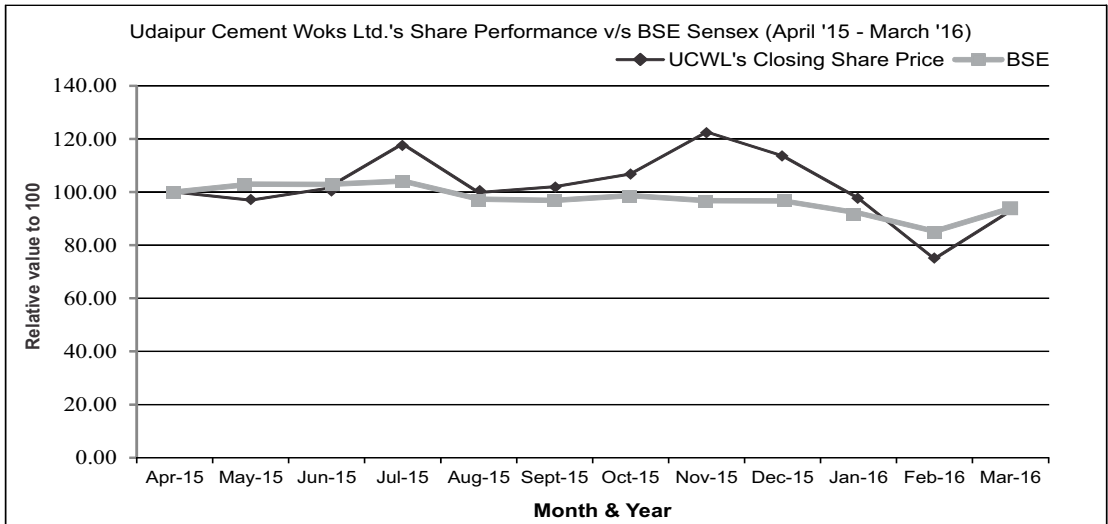
The annual listing fee for the Financial Year 2016-17 has been paid to the said Stock Exchange.

The securities of the Company are not suspended from trading.

(vii) **Security Code for Company's Equity Shares on Stock Exchange and ISIN No.:**  
BSE – 530131, ISIN No. INE225C01029

**(viii) Stock Market Price Data**

Months (2015-16)	BSE Ltd. (₹)	
	HIGH	LOW
April 2015	12.59	11.97
May 2015	12.04	11.78
June 2015	12.47	10.37
July 2015	16.53	12.33
August 2015	14.50	12.06
September 2015	12.60	11.11
October 2015	13.67	12.56
November 2015	14.90	12.43
December 2015	15.08	11.24
January 2016	14.54	10.58
February 2016	11.95	9.09
March 2016	11.71	9.21

**(ix) Udaipur Cement Works Ltd.'s Share Performance v/s BSE Sensex (April'15 - March'16)****(x) Distribution of Shareholdings as on 31<sup>st</sup> March, 2016**

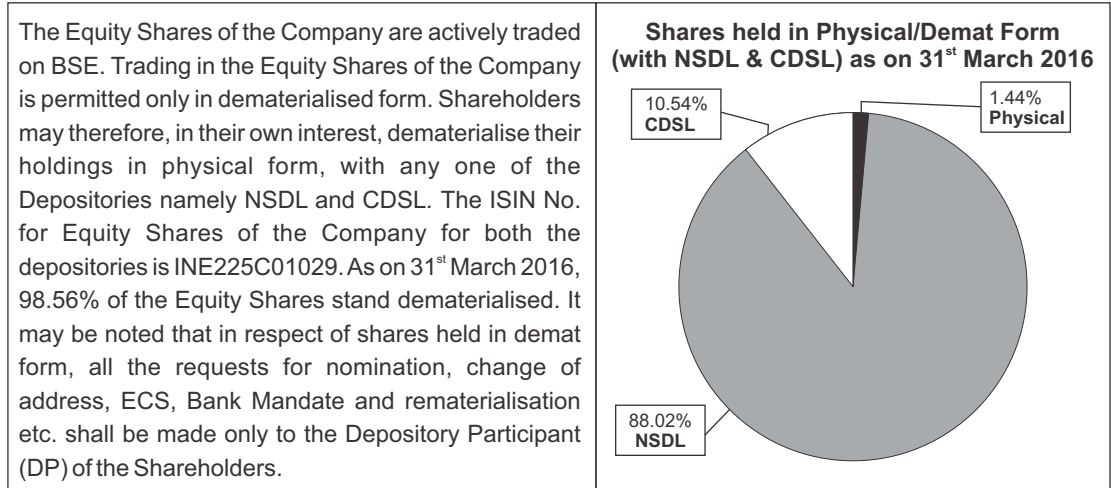
Category (No. of Shares)	No. of Equity Shares of ₹ 4/- each	%	No. of Shareholders	%
1-500	3457310	1.17	15001	66.30
501-1000	2681008	0.91	2965	13.10
1001-5000	8676273	2.94	3197	14.13
5001-10000	5726865	1.94	690	3.05
10001 & above	274663824	93.04	773	3.42
<b>TOTAL</b>	<b>29,52,05,280</b>	<b>100.00</b>	<b>22626</b>	<b>100.00</b>



**(xi) Share Transfer System :**

All valid requests for transfer/transmission of Equity shares held in physical form are processed within a period of 15 days from the date of receipt thereof and the Share Certificates duly transferred are immediately returned to the transferee / lodger. Transaction in the dematerialized Shares are processed by NSDL / CDSL through the Depository Participants with whom the shareholders have opened their demat account.

**(xii) Dematerialisation of Shares and Liquidity :**



**(xiii) Outstanding GDRs / ADRs / Warrants / Option or any Convertible instruments, conversion date and likely impact on Equity:** As on 31<sup>st</sup> March 2016 – NIL.

**(xiv) Commodity price risk or foreign Exchange risk and hedging activities:** NIL

**(xv) Plant Location:** Udaipur Cement Works Limited  
Shripati Nagar, P.O. C.F.A.,  
Distt. Udaipur-313021, Rajasthan.

**(xvi) Address for correspondence regarding share transfers and related matters:**

1. **Udaipur Cement Works Limited  
Secretarial Department,  
Gulab Bhawan (Rear Block)  
6A, Bahadur Shah Zafar Marg,  
New Delhi - 110 002.**  
  
Ph:(011) 30179862  
Fax Nos. 91-11-2373 9475  
Contact Person: Shri Ramesh Gupta  
(E-mail: [rgupta@jkm.com](mailto:rgupta@jkm.com) , [hema.kumari@jkm.com](mailto:hema.kumari@jkm.com))
2. **Registrar & Share Transfer Agent – MCS Share Transfer Agent Limited (RTA)**  
F-65, First Floor, Okhla Indl. Area, Phase – I,  
New Delhi – 110 020,  
  
Ph. (011) 41406149-52,  
Fax No. 91-11-41709881  
(E-mail: [admin@mcsdel.com](mailto:admin@mcsdel.com))  
Contact Person: Mr S. Biswas  
(E-mail: [s.biswas@mcsdel.com](mailto:s.biswas@mcsdel.com))

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- (xvii) This Corporate Governance Report of the Company for the Financial Year ended 31<sup>st</sup> March 2016 is in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges and also with the Listing Regulations, as applicable.
- (xviii) Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations- (a) The Board: The Chairman of the Company is Non-Executive; (b) Shareholder Rights: Half-yearly and other quarterly financial statements are published in newspapers and uploaded on Company's website [www.udaipurcement.com](http://www.udaipurcement.com). At present, the half yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders; (c) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements; (d) Separate posts of Chairperson and CEO: Shri O.N. Rai is the Chairman of the Company; and (e) Reporting of Internal Auditor: The Internal Auditor submits his Internal Audit Report to the Audit Committee on quarterly basis.
- (xix) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- (xx) Information in terms of Schedule V(F) of the Listing Regulations: As on 31<sup>st</sup> December 2015, the Company had 6,84,661 Equity Shares, which were unclaimed by 328 Equity Shareholders. These were lying in dematerialized mode in the suspense account. Out of the above the Company received 5 requests for 2,900 Equity Shares for crediting to the Demat Account of the Shareholders / dispatch of physical Share Certificate on rematerialization, during the year. As on 31<sup>st</sup> March 2016, the Company has 6,81,761 Equity Shares which remain unclaimed by 323 Equity Shareholders.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. The "Unclaimed Suspense Account" is held by the Company purely on behalf of the allottees and the Shares held in such Suspense Account shall not be transferred except to the allottees as and when they approach the Company.

## **15. DECLARATION:**

This is to confirm that for the financial year ended 31<sup>st</sup> March 2016, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board.

**Onkar Nath Rai**  
Chairman

## **AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

### **To the Members of UDAIPUR CEMENT WORKS LIMITED**

We have examined the compliance of regulations of Corporate Governance by UDAIPUR CEMENT WORKS LIMITED ("Company") for the Financial Year 2015-2016 ended 31<sup>st</sup> March, 2016, as stipulated in regulations Part C of Schedule V (E) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 ("Listing Regulations").

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For OM PRAKASH S. CHAPLOT & CO.**  
**Chartered Accountants**  
**FRN: 000127C**

Place of signature : Udaipur  
Dated : 13<sup>th</sup> May, 2016

**O.P. CHAPLOT**  
Partner  
M.No. 010184

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## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of Udaipur Cement Works Limited**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements (Standalone) of Udaipur Cement Works Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the (Standalone) Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the (Standalone) financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the

Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its Profit and its cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of subsection (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A**, a statement on the matters specified in paragraph 3 and 4 of the Order.
- 2) As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the

information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure - B"**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- 
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 29 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For OM PRAKASH S. CHAPLOT & CO.**  
**Chartered Accountants**  
**FRN: 000127C**

**O.P. CHAPLOT**

Place: Udaipur  
Date : 13<sup>th</sup> May, 2016

Partner  
M. NO. 010184

## "Annexure - A" to the Independent Auditors' Report

[Referred to in paragraph 1 under the heading "Report on Other Legal & Regulatory Requirement" of our report of even date to the members of Udaipur Cement Works Limited on the accounts of the Company for the year ended 31<sup>st</sup> March, 2016]

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management at the end of the year, no material discrepancies between book records and physical fixed assets were noticed on such verification.
  - (c) The title deeds of immovable properties are held in the name of the Company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
  - (b) The discrepancies noticed on such physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. As informed to us, no order has been passed by the Company Law Board or National Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.
- 6) We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the central government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of accounts and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Entry Tax,

Sales tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the records and information and explanations given to us there are following dues under various taxes which has not been deposited on account of any dispute and the amounts involved and the forum where dispute is pending are given below:

Name of the Statute	Nature of The Dues	Period	Forum where dispute is pending	Amount (In ₹)
Central Excise Act	Excise Duty	1995-96	High Court	4,40,017
	Excise Duty (Interest)	2000-01	Assistant Commissioner Central Excise, Udaipur	2,81,325
Service Tax Act	Service Tax	1997-98	Assistant Commissioner of Excise (S.T.)	66,05,892
Sales Tax Act	Sales Tax	1999-2000	Assistant Commissioner (Comm. Tax)	8,14,000
	Sales Tax (Interest)	1996-97, 1997-98 & 1998-99	Assistant Commissioner (Comm. Tax)	9,11,000
	Sales Tax	1996-97	Assistant Commissioner (Comm. Tax) Circle 'B' Jammu	25,04,900

- 8) On the basis of records made available and information and explanations given to us, the Company has not defaulted in repayment of dues, to financial institutions, banks and debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans except for Inter Corporate Loan taken from a fellow subsidiary and the same was utilized for the purpose for which it was raised.

- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of

clause 3 (xii) of the Order are not applicable to the Company.

- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible



debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For OM PRAKASH S. CHAPLOT & CO.**  
**Chartered Accountants**  
**FRN: 000127C**

**O.P. CHAPLOT**

Place: Udaipur  
Date : 13<sup>th</sup> May, 2016

Partner  
M. NO. 010184

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## **"Annexure - B" to the Independent Auditor's Report of even date on the (Standalone) Financial Statements of Udaipur Cement Works Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Udaipur Cement Works Limited ("the Company") as on 31<sup>st</sup> March, 2016 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the

"Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over

financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper

management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For OM PRAKASH S. CHAPLOT & CO.**  
**Chartered Accountants**  
**FRN: 000127C**

Place: Udaipur  
Date : 13<sup>th</sup> May, 2016

**O.P. CHAPLOT**  
Partner  
M. NO. 010184

# BALANCE SHEET

## As at 31<sup>st</sup> March 2016

(Amount in ₹ Lacs)

Particulars	Note	31 <sup>st</sup> Mar. 2016	31 <sup>st</sup> Mar. 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	2	18,317.73	18,317.73
(b) Reserves and Surplus	3	(7,739.76)	(8,942.13)
		<u>10,577.97</u>	<u>9,375.60</u>
<b>(2) NON-CURRENT LIABILITIES</b>			
(a) Long-Term Borrowings	4	35,000.00	5,000.00
(b) Other Long-Term Liabilities	5	24.00	309.10
(c) Long-Term Provisions	6	34.50	27.10
		<u>35,058.50</u>	<u>5,336.20</u>
<b>(3) CURRENT LIABILITIES</b>			
(a) Trade Payables		521.88	2,098.27
(b) Other Current Liabilities	7	3,960.94	1,414.38
(c) Short-Term Provisions	8	94.51	86.41
		<u>4,577.33</u>	<u>3,599.06</u>
<b>Total</b>		<u><u>50,213.80</u></u>	<u><u>18,310.86</u></u>
<b>II. ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	4,962.30	4,932.88
(ii) Intangible Assets	9	10.92	16.38
(iii) Capital Work-in-Progress		35,824.81	9,347.85
(b) Deferred Tax Assets	10	2,398.13	1,211.28
(c) Long-Term Loans and Advances	11	1,505.06	1,228.27
(d) Other Non-Current Assets	12	46.44	38.40
		<u>44,747.66</u>	<u>16,775.06</u>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	13	640.33	438.02
(b) Trade Receivables	14	60.53	31.84
(c) Cash and Bank Balances	15	2,077.40	356.66
(d) Short-Term Loans and Advances	16	2,352.64	298.46
(e) Other Current Assets	17	335.24	410.82
		<u>5,466.14</u>	<u>1,535.80</u>
<b>Total</b>		<u><u>50,213.80</u></u>	<u><u>18,310.86</u></u>
Significant Accounting Policies	1		
Notes on Financial Statements	2-45		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For Om Prakash S. Chaplot & Co.  
Chartered Accountants  
FRN : 000127C

**O.P. Chaplot**

Partner

M. No. : 010184

Place : Udaipur

Date : 13<sup>th</sup> May 2016

**R.K. GUPTA**

Whole Time Director, CFO  
& Company Secretary

For and on behalf of the Board

**Onkar Nath Rai** Chairman

**Vinit Marwaha**

**Ganpat Singh**

**Kumud Pahuja**

Directors

**STATEMENT OF PROFIT AND LOSS**  
**For the Year Ended 31<sup>st</sup> March 2016**

(Amount in ₹ Lacs)

Particulars	Note	2015-16	2014-15
<b>I. Revenue from Operations</b>	18	<b>10,016.16</b>	10,540.24
Less : Excise Duty		<b>1,218.13</b>	1,297.37
Revenue from Operations (Net)		<b>8,798.03</b>	9,242.87
<b>II. Other Income</b>	19	<b>39.87</b>	26.42
<b>III. Total Revenue (I + II)</b>		<b>8,837.90</b>	9,269.29
<b>IV. Expenses</b>			
(a) Cost of Materials consumed	20	<b>6,407.49</b>	6,661.85
(b) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	21	<b>(79.49)</b>	94.97
(c) Employee benefits expense	22	<b>286.27</b>	284.50
(d) Other expenses	23	<b>2,091.96</b>	1,930.01
<b>Total Expenses</b>		<b>8,706.23</b>	8,971.33
<b>V. Profit / (Loss) before Interest, Depreciation &amp; Tax (PBITD) (III - IV)</b>		<b>131.67</b>	297.96
Finance Costs	24	<b>92.73</b>	374.25
Depreciation and Amortisation Expense	25	<b>267.69</b>	265.87
<b>VI. Profit / (Loss) before Exceptional Items &amp; Tax</b>		<b>(228.75)</b>	(342.16)
<b>VII. Exceptional Items - Gain / (Loss)</b>		<b>244.27</b>	126.04
<b>VIII. Profit / (Loss) before Tax (VI + VII)</b>		<b>15.52</b>	(216.12)
<b>IX. Tax Expense</b>			
Deferred Tax		<b>(1,186.85)</b>	(1,211.28)
<b>X. Profit / (Loss) for the period</b>		<b>1,202.37</b>	995.16
<b>XI. Earning per Equity Share (₹) :</b>	26		
Cash		<b>0.50</b>	0.43
Basic & Diluted		<b>0.41</b>	0.34
Notes on Financial Statements	2-45		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For Om Prakash S. Chaplot & Co.  
Chartered Accountants  
FRN : 000127C

**O.P. Chaplot**

Partner

M. No. : 010184

Place : Udaipur

Date : 13<sup>th</sup> May 2016

**R.K. GUPTA**  
Whole Time Director, CFO  
& Company Secretary

For and on behalf of the Board

**Onkar Nath Rai** Chairman

**Vinit Marwaha**

**Ganpat Singh** Directors

**Kumud Pahuja**

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## NOTE 1

### SIGNIFICANT ACCOUNTING POLICIES

- 1.1 The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards specified under section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rule, 2014 and the relevant provisions of the Act. Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- 1.2 Fixed Assets are stated at cost of acquisition / purchase subject to impairment.
- 1.3 Expenditure during construction / erection period is included under Capital Work-in-Progress and is allocated to the respective fixed assets on completion of construction / erection.
- 1.4 Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary Assets and liabilities related to foreign currency transactions are stated at exchange rate prevailing at the end of the year and exchange difference in respect thereof is charged to Statement of Profit & Loss. Premium in respect of forward contracts is recognized over the life of the contract.
- 1.5 Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management. The current investments are stated at lower of cost and quoted / fair value computed category wise.
- 1.6 Inventories are valued at lower of cost and net realisable value (except scrap / waste which is valued at net realisable value). The cost is computed on weighted average basis. Finished Goods and Process stock include cost of conversion and other costs incurred in bringing the Inventories to their present location and condition.
- 1.7 Revenue is recognized when significant risk and reward of ownership have been passed on to the Customer. Export incentives, Duty drawbacks and other benefits are recognized in the Statement of Profit and Loss and other revenue incentives are netted from respective head. Investment Subsidy is considered as Other Operating Revenue.
- 1.8 Revenue expenditure on research and development is charged to Statement of profit and loss and capital expenditure is added to the fixed assets.
- 1.9 Borrowing cost is charged to Statement of Profit and Loss except cost of borrowing for acquisition of qualifying assets, which is capitalised till the date of commercial use of the assets.
- 1.10 (i) Depreciation on Buildings, Plant & Machinery and Railway Siding is provided as per Straight Line Method (SLM), as per useful life specified in Schedule II to the Companies Act, 2013. Depreciation on Furniture & Fixtures, Office Equipments,

Vehicles and Locomotives is provided on Written Down Value (WDV) method as per the said Schedule. The useful lives of Continuous Process Plants as defined in Schedule II, have been considered based on technical evaluation and depreciation is provided accordingly. Depreciation on impaired assets is provided on the basis of their residual useful life.

(ii) Leasehold land is being amortised over the lease period.

- 1.11 The carrying amounts of Assets are reviewed at each Balance Sheet date to assess impairment, if any, based on internal / external factors. An impairment loss is recognised, as an expense in the Statement of Profit & Loss, wherever the carrying amount of the Asset exceeds its recoverable amount. The impairment loss recognized in prior accounting period is reversed, if there has been improvement in recoverable amount in subsequent years.
- 1.12 Intangible Assets are being recognized if the future economic benefits attributable to the Assets are expected to flow to the Company and cost of the Asset can be measured reliably. The same are being amortised over the expected duration of benefits.
- 1.13 Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961. Deferred Tax Assets and Liabilities are recognised in respect of current year and prospective years. Deferred Tax Assets is recognized on the basis of reasonable / virtual certainty that sufficient future taxable income will be available against which the same can be realised.
- 1.14 Employee Benefits:
- (i) Defined Contribution Plan
- Contributions to the Employees' Regional Provident Fund (PF), Employees' State Insurance (ESI), Superannuation Fund, and Pension Fund are recognized as defined contribution plan and charged as expenses in the year in which the employees rendered the services.
- Defined Benefit Plan
- Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and are determined on the basis of actuarial valuation, using the Projected Unit Credit method, as at the date of the Balance Sheet. Actuarial gains / losses, if any, are immediately recognized in the Statement of Profit and Loss.
- (ii) Short Term Employee Benefits
- Short term compensated absences are provided based on past experience of the leave availed.
- 1.15 Provisions in respect of present obligation arising out of past events are made in accounts when reliable estimates can be made of the amount of the obligation. Contingent Liabilities are not recognized but are disclosed by way of Notes to Accounts. Contingent Assets are not recognised or disclosed in Financial Statements.

(Amount in ₹ Lacs)

31<sup>st</sup> Mar. 2016 31<sup>st</sup> Mar. 2015**NOTE 2****SHARE CAPITAL****Authorised :****Equity Shares**

- 31,25,00,000 of ₹ 4 each (Previous year 31,25,00,000 of ₹ 4 each)	<b>12,500.00</b>	12,500.00
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**Preference Shares**

- 60,00,000 of ₹ 10 each (Previous year 60,00,000 of ₹ 10 each)	<b>600.00</b>	600.00
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- 6,900 of ₹ 1,00,000 each (Previous year 6,900 of ₹ 1,00,000 each)	<b>6,900.00</b>	6,900.00
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	<b><u>20,000.00</u></b>	<u>20,000.00</u>
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**Issued, Subscribed & Paid up:****Equity Shares**

- 29,52,05,280 of ₹ 4 each (Previous year 29,52,05,280 of ₹ 4 each) fully paid up	<b>11,808.21</b>	11,808.21
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**Zero Coupon Preference Shares**

- 45,31,948 Shares of ₹ 10 each (Previous year 45,31,948 of ₹ 10 each) fully paid up (series-I) (Issued in consideration other than cash)	<b>453.19</b>	453.19
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- 563,282 Shares of ₹ 10 each (Previous year 563,282 of ₹ 10 each) fully paid up (series-II) (Issued in consideration other than cash)	<b>56.33</b>	56.33
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**5% Cumulative Redeemable Preference Shares (CRPS)**

- 4,700 Shares of ₹ 1,00,000 each (Previous year 4,700 Shares of ₹ 1,00,000 each) fully paid up (series-I)	<b>4,700.00</b>	4,700.00
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- 1,300 Shares of ₹ 1,00,000 each (Previous year 1,300 Shares of ₹ 1,00,000 each) fully paid up (series-II)	<b>1,300.00</b>	1,300.00
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	<b><u>18,317.73</u></b>	<u>18,317.73</u>
--	-------------------------	------------------

31<sup>st</sup> Mar. 2016 31<sup>st</sup> Mar. 2015**a. Reconciliation of number of Share Outstanding :****Equity Shares**

Opening Balance	<b>29,52,05,280</b>	29,52,05,280
-----------------	---------------------	--------------

Shares Issued during the year	-	-
-------------------------------	---	---

Shares Bought back during the year	-	-
------------------------------------	---	---

Shares Outstanding at the end of the year	<b><u>29,52,05,280</u></b>	<u>29,52,05,280</u>
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**Zero Coupon Preference Shares****Series - I**

Opening Balance	<b>45,31,948</b>	45,31,948
-----------------	------------------	-----------

Shares Issued during the year	-	-
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Shares Bought back during the year	-	-
------------------------------------	---	---

Shares Outstanding at the end of the year	<b><u>45,31,948</u></b>	<u>45,31,948</u>
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**Series - II**

Opening Balance	<b>5,63,282</b>	5,63,282
-----------------	-----------------	----------

Shares Issued during the year	-	-
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Shares Bought back during the year	-	-
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Shares Outstanding at the end of the year	<b><u>5,63,282</u></b>	<u>5,63,282</u>
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UDAIPUR CEMENT WORKS LIMITED

(Amount in ₹ Lacs)

	31 <sup>st</sup> Mar. 2016	31 <sup>st</sup> Mar. 2015
	<b>Number</b>	Number
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>		
<b>Series - I</b>		
Opening Balance	4,700	-
Shares Issued during the year	-	4,700
Shares Bought back during the year	-	-
Shares Outstanding at the end of the year	4,700	4,700
<b>Series - II</b>		
Opening Balance	1,300	-
Shares Issued during the year	-	1,300
Shares Bought back during the year	-	-
Shares Outstanding at the end of the year	1,300	1,300

(Amount in ₹ Lacs)

	31 <sup>st</sup> Mar. 2016	31 <sup>st</sup> Mar. 2015
<b>b. Shares held by Holding Company</b>		
21,38,88,244 Equity Shares (Previous year 22,27,75,000 Shares)	8,556	8,911
6,000 5% Cumulative Redeemable Preference Shares (Previous year 6,000 Shares)	6,000	6,000

	31 <sup>st</sup> Mar. 2016	31 <sup>st</sup> Mar. 2015
<b>c. List of Shareholders holding more than 5% of the aggregate shares of the Company:</b>		
<b>Shareholders Name</b>		
<b>Equity Shares</b>		
JK Lakshmi Cement Ltd.	21,38,88,244	22,27,75,000
<b>Zero Coupon Preference Shares</b>		
ICICI Bank Ltd.	22,15,670	22,15,670
Unit Trust of India	14,81,560	14,81,560
Life Insurance Corporation of India	3,62,550	3,62,550
<b>5% Cumulative Redeemable Preference Shares (CRPS)</b>		
JK Lakshmi Cement Ltd.	6,000	6,000

**d. Terms / right attached to Equity Shareholders:**

1. The Company has only one class of equity shares having a par value of ₹ 4 per share. Each holder of equity shares is entitled to one vote per share.
  2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- e. The 5% Cumulative Redeemable Preference Shares (CRPS) carries a Put option. In the event of the Company being unable to pay dividend for a consecutive period of 3 years after it is out of the purview of BIFR and unable to pay the Capital back, CRPS holders have the right to get them converted into Equity Shares subject to statutory approvals.
- The 5% CRPS also carries a Call option. In case there being any Liquidity Event of the Company, if it fails to redeem the CRPS at par within 3 months, CRPS holders shall have the right to get them converted into Equity Shares subject to statutory approvals.
- If the Put / Call option is not exercised, the 5% CRPS are redeemable in 3 annual installments of 30%, 30% & 40% of face value at the end of 18<sup>th</sup>, 19<sup>th</sup> & 20<sup>th</sup> year from the date of allotment.
- f. The Zero Coupon Redeemable Preference Shares (ZCPS) aggregating to ₹ 509.52 lacs are redeemable on March 31, 2017 i.e. at the end of 7 years from the cut off date as per the Scheme.

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(Amount in ₹ Lacs)

31<sup>st</sup> Mar. 2016    31<sup>st</sup> Mar. 2015

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**NOTE 3**

**RESERVES AND SURPLUS**

**Surplus / (Deficit) in the Statement of Profit and Loss**

Balance as per last Financial Statement	<b>(8,942.13)</b>	(9,887.06)
Add: Transfer from Statement of Profit and Loss	<b>1,202.37</b>	995.16
Add: Depreciation of Fixed Assets	-	(50.23)
	<b>(7,739.76)</b>	(8,942.13)
	<b>(7,739.76)</b>	(8,942.13)

(Amount in ₹ Lacs)

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Non-Current		Current*	
31 <sup>st</sup> Mar. 2016	31 <sup>st</sup> Mar. 2015	31 <sup>st</sup> Mar. 2016	31 <sup>st</sup> Mar. 2015

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**NOTE 4**

**LONG-TERM BORROWINGS**

**SECURED LOANS**

**Term Loans:**

From Banks	-	5,000.00	-	-
From Related Party (Inter Corporate Loan)	<b>35,000.00</b>	-	-	-
	<b>35,000.00</b>	5,000.00	-	-
Amount disclosed under the head "Other Current Liabilities"	-	-	-	-
	<b>35,000.00</b>	5,000.00	-	-

\* Due & payable within one year

- Inter Corporate Loan of ₹ 350 Crore from a Fellow-Subsidiary Company consist of:
  - Inter Corporate Loan of ₹ 225 Crore repayable in 3 annual installments on 29.07.2018 (20%), on 29.07.2019 (20%) and on 29.07.2020 (60%).
  - Inter Corporate Loan of ₹ 125 Crore be repayable in 3 annual installments on 13.09.2018 (20%), on 13.09.2019 (20%) and on 13.09.2020 (60%).
- Inter Corporate Loan of ₹ 350 Crore from a Fellow-Subsidiary Company is secured by:
  - First ranking pari passu charge on all the movable & immovable fixed assets of the Company situated at Shripati Nagar in the state of Rajasthan.
  - Second pari passu charge on current assets of the Company.

(Amount in ₹ Lacs)

31<sup>st</sup> Mar. 2016 31<sup>st</sup> Mar. 2015

**NOTE 5**

**OTHER LONG-TERM LIABILITIES**

Govt. and other dues	-	278.97
Trade Deposits	<b>24.00</b>	30.13
	<u><b>24.00</b></u>	<u>309.10</u>

**NOTE 6**

**LONG-TERM PROVISIONS**

Provision for Employees' Benefits	<b>34.50</b>	27.10
	<u><b>34.50</b></u>	<u>27.10</u>

**NOTE 7**

**OTHER CURRENT LIABILITIES**

Interest accrued but not due on borrowings	<b>1,772.90</b>	-
Advance from Customers	<b>76.98</b>	248.83
Govt. and other dues	<b>459.34</b>	531.44
Capital Creditors	<b>1,469.57</b>	507.66
Other Liabilities	<b>179.97</b>	126.45
Trade and other Deposits	<b>2.18</b>	-
	<u><b>3,960.94</b></u>	<u>1,414.38</u>

**NOTE 8**

**SHORT-TERM PROVISIONS**

Provision for Employees' Benefits	<b>94.51</b>	86.41
	<u><b>94.51</b></u>	<u>86.41</u>

**NOTE 9**

**TANGIBLE ASSETS**

(Amount in ₹ Lacs)

PARTICULARS	Gross Block (At Cost)		Depreciation / Amortization			Net Block				
	1-Apr-15	Additions/ Adjustments	Sales/ Adjustments	31-Mar-16	Upto Last Year	During the year	On Sales/ Adjustments	To Date	31-Mar-16	31-Mar-15
Freehold Land	115.87	2.33	-	118.20	-	-	-	-	118.20	115.87
Leasehold Land	85.03	-	-	85.03	65.35	0.17	-	65.52	19.51	19.68
Building	1,621.37	-	-	1,621.37	779.98	59.57	-	839.55	781.82	841.39
Plant & Machinery	10,987.90	283.58	-	11,271.48	7,109.22	176.21	-	7,285.43	3,986.05	3,878.68
Furniture & Fixtures	85.35	2.46	-	87.81	44.98	10.80	-	55.78	32.03	40.37
Office Equipments	49.45	3.28	-	52.73	24.98	11.62	-	36.60	16.13	24.47
Vehicles	19.72	-	-	19.72	7.30	3.86	-	11.16	8.56	12.42
Total	12,964.69	291.65	-	13,256.34	8,031.81	262.23	-	8,294.04	4,962.30	4,932.88
Previous Year	15,556.14	59.29	2,650.74	12,964.69	10,237.33	310.64	2,516.16	8,031.81	4,932.88	-

**INTANGIBLE ASSETS**

Computer Software*	27.30	-	-	27.30	10.92	5.46	-	16.38	10.92	16.38
Previous Year	27.30	-	-	27.30	5.46	5.46	-	10.92	16.38	-

\*Being amortised over a period of 5 years.

UDAIPUR CEMENT WORKS LIMITED

(Amount in ₹ Lacs)

31<sup>st</sup> Mar. 2016      31<sup>st</sup> Mar. 2015

**NOTE 10**

**DEFERRED TAX ASSETS**

Unabsorbed Depreciation	<u>2,398.13</u>	1,211.28
	<u>2,398.13</u>	<u>1,211.28</u>

**NOTE 11**

**LONG-TERM LOANS AND ADVANCES**

**Unsecured, considered good**

Capital Advances	987.95	829.69
Deposits / Balances with Govt. Authorities and Others*	517.11	398.58
	<u>1,505.06</u>	<u>1,228.27</u>

\*Includes Land Tax paid under Protest of ₹ 238.74 Lacs  
(Previous Year ₹ 119.37 Lacs)

**NOTE 12**

**OTHER NON-CURRENT ASSETS**

**Unsecured, considered good unless otherwise stated**

Non-Current Bank Balances (Refer Note 15)	<u>46.44</u>	38.40
	<u>46.44</u>	<u>38.40</u>

**NOTE 13**

**INVENTORIES**

(As certified by the Management)

Raw Materials {Includes Stock in Transit of ₹ 13.18 Lacs (Previous year ₹ 11.85 Lacs)}	258.01	152.81
Finished Goods	224.12	131.77
Stores and Spares	158.20	153.44
	<u>640.33</u>	<u>438.02</u>

**NOTE 14**

**TRADE RECEIVABLES**

**Unsecured, considered good unless otherwise stated**

Outstanding for period exceeding Six months from the date they are due for payment

Considered Good	-	0.80
Doubtful	-	-
Other	60.53	31.04
	<u>60.53</u>	<u>31.84</u>

**NOTE 15**

**CASH AND BANK BALANCES**

Cash and Cash Equivalents

Balances with Banks

On Current Accounts	161.80	306.09
Deposits with original maturity of less than 3 months	203.91	49.19
Deposits with original maturity of less than 3 months*	700.00	-
Cash on Hand	1.66	1.38
	<u>1,067.37</u>	<u>356.66</u>

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(Amount in ₹ Lacs)

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31<sup>st</sup> Mar. 2016      31<sup>st</sup> Mar. 2015

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**Other Bank Balances**

Deposits with original maturity of more than 3 months but less than 12 months*	<b>1,010.03</b>	-
Deposits with original maturity of more than 12 months*	<b>46.44</b>	38.40
	<b>1,056.47</b>	38.40
Less : Amount disclosed under Non-Current Assets (Refer Note 12)	<b>(46.44)</b>	(38.40)
	<b>2,077.40</b>	356.66

\*Under lien with Bank

**NOTE 16**

**SHORT-TERM LOANS & ADVANCES**

**Unsecured, considered good**

TDS / TCS Recoverable	<b>15.52</b>	7.00
Prepaid Expenses	<b>7.20</b>	14.09
Balance with Govt. Authorities and Others	<b>2,110.38</b>	118.16
Other Advances	<b>219.54</b>	159.21
	<b>2,352.64</b>	298.46

**NOTE 17**

**OTHER CURRENT ASSETS**

Assets held for Sale	<b>335.24</b>	410.82
	<b>335.24</b>	410.82

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2015-16      2014-15

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**NOTE 18**

**REVENUE FROM OPERATIONS**

Sale of Products		
Cement (Refer Note 33 a)	<b>9,759.57</b>	10,217.29
Others	-	-
Other Operating Revenues (Refer Note 33 b)	<b>256.59</b>	322.95
Revenue from Operations (Gross)	<b>10,016.16</b>	10,540.24
Less : Excise Duty	<b>1,218.13</b>	1,297.37
Revenue from Operations (Net)	<b>8,798.03</b>	9,242.87

**NOTE 19**

**OTHER INCOME**

Interest Income	<b>38.40</b>	26.42
Other Non-Operating Income	<b>1.47</b>	-
	<b>39.87</b>	26.42

UDAIPUR CEMENT WORKS LIMITED

(Amount in ₹ Lacs)

	2015-16	2014-15
<b>NOTE 20</b>		
<b>COST OF MATERIALS CONSUMED *</b>		
Clinker	4,880.10	5,177.41
Gypsum	299.83	266.82
Fly Ash	806.78	744.02
Packing Material	420.78	473.60
	<u>6,407.49</u>	<u>6,661.85</u>
*		
Indigenous	6,407.49	6,661.85
Imported	-	-
Total	<u>6,407.49</u>	<u>6,661.85</u>
	<b>% of Total</b>	<b>% of Total</b>
Indigenous	100.00%	100.00%
Imported	-	-
Total	<u>100.00%</u>	<u>100.00%</u>

**NOTE 21**  
**CHANGES IN INVENTORIES OF FINISHED GOODS,  
WORK-IN-PROGRESS AND STOCK-IN-TRADE**

**Opening Stocks**

Work-in-Progress	-	-
Finished Goods	131.77	251.26
	<u>131.77</u>	<u>251.26</u>

**Closing Stocks**

Work-in-Progress	-	-
Finished Goods	224.12	131.77
	<u>224.12</u>	<u>131.77</u>

Add / (Less) : Excise Duty Variance on Stock	12.86	(24.52)
(Increase) / Decrease in Stocks	<u>(79.49)</u>	<u>94.97</u>

**NOTE 22**  
**EMPLOYEE BENEFITS EXPENSE**

Salaries and Wages	214.53	217.38
Contribution to Provident and Other Funds (Refer Note 42)	26.49	22.75
Staff Welfare Expenses	45.25	44.37
	<u>286.27</u>	<u>284.50</u>

(Amount in ₹ Lacs)

	2015-16	2014-15
<b>NOTE 23</b>		
<b>OTHER EXPENSES</b>		
Consumption of Stores and Spares* (Refer Note 34)	160.12	180.63
Transport, Clearing and Forwarding Charges	1,139.48	975.14
Power & Fuel	499.76	484.09
Insurance	1.90	1.18
Rent (Net)	1.37	1.14
Repairs to Buildings	20.18	17.80
Repairs to Machinery	29.39	42.82
Rates and Taxes	19.97	20.82
Advertisement, Travelling, Consultancy etc.	219.79	206.39
	<u>2,091.96</u>	<u>1,930.01</u>
*		
Indigenous	160.12	180.63
Imported	-	-
Total	<u>160.12</u>	<u>180.63</u>
	<b>% of Total</b>	<b>% of Total</b>
Indigenous	100.00%	100.00%
Imported	-	-
Total	<u>100.00%</u>	<u>100.00%</u>
<b>NOTE 24</b>		
<b>FINANCE COSTS</b>		
Interest expenses	92.68	374.25
Other Borrowing Cost	0.05	-
	<u>92.73</u>	<u>374.25</u>
<b>NOTE 25</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Tangible Assets	262.23	310.64
Amortisation on Intangible Assets	5.46	5.46
Less: Depreciation of Fixed Assets	-	50.23
	<u>267.69</u>	<u>265.87</u>
<b>NOTE 26</b>		
<b>EARNING PER SHARE</b>		
Profit / (Loss) after tax available for Equity Shareholders	1,202.37	995.16
Weighted average number of Equity Shares	2,952.05	2,952.05
Earning Per Share (₹) (Face Value of ₹ 4 each)		
- Cash	0.50	0.43
- Basic and diluted	0.41	0.34



**NOTES TO ACCOUNTS**

- 27 The Net Worth of the Company being consistently positive, the Company has come out of the purview of BIFR pursuant to the order of the Hon'ble AAIFR dated 22<sup>nd</sup> January, 2016. The Rehabilitation & Resettlement Scheme of the Company is progressing satisfactorily.
- 28 Estimated amount of contracts remaining to be executed on capital account (Net of Advances) ₹ 10,548.27 lacs (Previous year - ₹ 23,158.46 lacs)
- 29 Contingent Liability in respect of claims not accepted by the Company (matters in appeals) and not provided for are as follows:

	(Amount in ₹ Lacs)	
	31 <sup>st</sup> Mar'16	31 <sup>st</sup> Mar'15
a) Excise duty	7.21	7.21
b) Sales Tax	42.30	42.30
c) Service tax	66.06	66.06
d) Land Tax	1029.29	1029.29
e) Other matters	102.90	102.90
	<u>1,247.76</u>	<u>1,247.76</u>

- 30 The relief from Minimum Alternate Tax (MAT) is available to the Company as provided in explanation (iii) to Section 115 JB (2) of Income Tax Act, 1961.
- 31 Contingent liability for non-use of Jute bags for Cement packing upto 30<sup>th</sup> June, 1997, as per Jute Packaging Materials (Compulsory use of Packaging Commodities) Act, 1987 is not ascertained and the matter is subjudice. The Government has excluded Cement Industry from application of the said Order from 1<sup>st</sup> July, 1997.
- 32 Exceptional Items comprises of Profit on Sale of Old & Obsolete Fixed Assets amounting to ₹ 244.27 lacs which were scrapped due to complete suspension of operation since 2002.
- 33 a) Sales include own consumption at cost ₹ 151.70 lacs (Previous year - ₹ 177.53 lacs).  
 b) Other Operating Revenue includes Sales Tax / Value added Tax subsidy of ₹ 255.49 lacs (Previous year - ₹ 319.90 lacs) and Bad Debts written off now recovered of ₹ 1.10 lacs (Previous year - ₹ 3.05 lacs).
- 34 Consumption of Stores & Spares is net of Scrap Sale ₹ 8.59 lacs (Previous year - ₹ 2.10 lacs)
- 35 a) Forward Contracts of ₹ 627.81 lacs - Euro 0.87 Mn (Previous year - Nil) taken for the purpose of hedging of payables.  
 b) Un-hedged ₹ 409.27 lacs - Euro 0.55 Mn (Previous year - Nil) against letter of credit outstanding as at 31<sup>st</sup> March 2016.

- 36 The liabilities pertaining to the statutory levies and pending legal cases prior to 01.12.1993 (date of takeover of the cement undertaking from Bajaj Hindustan Limited) will be borne by Bajaj Hindustan Limited.
- 37 The Company has only one business segment namely Cementitious Materials.
- 38 a) Based on information available with the Company in respect of MSME ( "The Micro Small & Medium Enterprises Development Act, 2006" ). The details are as under :
- i) Principal and Interest amount due and remaining unpaid as at 31<sup>st</sup> March, 2016 - Nil (Previous year - Nil).
  - ii) Interest paid in terms of section 16 of the MSME Act during the year - Nil (Previous year - Nil).
  - iii) The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified - Nil (Previous year - Nil).
  - iv) Payment made beyond the appointed day during the year - Nil (Previous year - Nil).
  - v) Interest Accrued and unpaid as at 31<sup>st</sup> March, 2016 - Nil (Previous year - Nil).
- b) Some of the Balances of debtors and creditors are in process of confirmation.

39 Amount Paid to Auditors

	(Amount in ₹ Lacs)	
	2015-16	2014-15
(i) Statutory Auditors		
Audit Fee	1.25	1.00
Tax Audit	0.60	0.50
Other Services	0.72	0.76
Limited Review Fee	0.23	0.23
Reimbursement of Expenses	-	0.02
	<u>2.80</u>	<u>2.51</u>
(ii) Cost Auditors		
Cost Audit Fee	0.35	0.35
	<u>0.35</u>	<u>0.35</u>

40 Capital Work-in-Progress includes Machinery in stock, construction / erection materials & services and also includes the following pre-operation expenses pending allocation.

(Amount in ₹ Lacs)

	31 <sup>st</sup> Mar'16	31 <sup>st</sup> Mar'15
Power & Fuel	115.39	56.88
Salaries and Wages	961.45	955.22
Staff Welfare Expenses	22.38	71.36
Insurance	14.35	11.16
Travelling, Consultancy & Miscellaneous Expenses	179.30	196.06
Finance Costs	3,244.82	167.95
	<b>4,537.69</b>	1,458.63
Add : Expenditure upto previous year	2,842.17	1,383.54
Less : Transferred to Fixed Assets	-	-
	<b><u>7,379.86</u></b>	<b><u>2,842.17</u></b>

41 Related Party Disclosure

List of Related Parties:

- Holding Company:  
JK Lakshmi Cement Ltd (JKLC)
- Fellow Subsidiary:  
Hansdeep Industries & Trading Company Limited (HITCL)
- Key Management Personnel (KMP):  
Shri R.K. Gupta – Whole Time Director, CFO & Company Secretary
- The following transactions were carried out with related parties in the ordinary course of business:

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management Personnel	Holding Company	Key Management Personnel
	2015-16			2014-15	
(i) Remuneration to KMP*	-	-	89.19	-	85.94
(ii) Purchase of Clinker	1,056.12	4,096.36	-	5,134.90	-
(iii) Royalty Charges & Other Goods	309.56	-	-	59.95	-
(iv) Sales of Cement	4,230.03	-	-	5,633.33	-
(v) Inter Corporate Loan	-	35,000.00	-	-	-
(vi) Finance Charges on Inter Corporate Loan	-	3,237.87	-	-	-
(vii) Advance against Shares	-	-	-	2,621.47	-
(viii) Outstanding as at year end					
- Payable					
HITCL	-	36,669.07	-	-	-
Remuneration to KMP	-	-	5.38	-	4.02
JKLC	-	-	-	1370.10	-
- Receivable					
JKLC	31.74	-	-	-	-
KMP (Net)	-	-	0.12	-	-

\*Remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall Company basis.

## 42 Employee Defined Benefits:

(a) Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuation on 31<sup>st</sup> March, 2016.

(Amount in ₹ Lacs)

		2015-16		2014-15	
		Gratuity Funded	Leave Encashment Non Funded	Gratuity Funded	Leave Encashment Non Funded
<b>I</b>	<b>Expenses recognised in the Statement of Profit &amp; Loss for the year ended 31<sup>st</sup> March, 2016</b>				
1	Current Service Cost	15.26	11.35	13.18	9.07
2	Interest Cost	14.51	2.32	12.25	1.33
3	Expected return on plan assets	(10.13)	-	(8.98)	-
4	Actuarial (Gains) / Losses	6.73	3.93	13.08	8.25
5	Total expense	26.37	17.60	29.53	18.65
<b>II</b>	<b>Net Asset / (Liability) recognised in the Balance Sheet as at 31<sup>st</sup> March, 2016</b>				
1	Present Value of Defined Benefit Obligation as at 31 <sup>st</sup> March, 2016	214.52	47.31	207.34	33.09
2	Fair value of plan assets as at 31 <sup>st</sup> March, 2016	132.52	-	126.63	-
3	Funded status [Surplus / (Deficit)]	(82.00)	(47.31)	(80.71)	(33.09)
4	Net Asset / (Liability) as at 31 <sup>st</sup> March, 2016	(82.00)	(47.31)	(80.71)	(33.09)
<b>III</b>	<b>Change in obligation during the year ended 31<sup>st</sup> March, 2016</b>				
1	Present Value of Defined Benefit Obligation at the beginning of the year	207.34	33.09	175.04	18.96
2	Current Service Cost	15.26	11.35	13.18	9.06
3	Interest Cost	14.51	2.32	12.25	1.33
4	Actuarial (Gains) / Losses	7.60	3.93	14.12	8.25
5	Benefits Payments	(30.19)	(3.38)	(7.25)	(4.51)
6	Present Value of Defined Benefit Obligation at the end of the year	214.52	47.31	207.34	33.09
<b>IV</b>	<b>Change in Assets during the year ended 31<sup>st</sup> March, 2016</b>				
1	Fair value of plan assets at the beginning of the year	126.63	-	112.30	-
2	Expected return on plan assets	10.13	-	8.98	-
3	Contributions by employers	25.10	-	11.56	-
4	Actual benefits paid	(30.19)	-	(7.25)	-
5	Actuarial gains / (Loss)	0.85	-	1.04	-
6	Fair value of plan assets at the end of the year	132.52	-	126.63	-
7	Actual return on plan assets	10.98	-	10.02	-
<b>V</b>	<b>Actuarial Assumptions :</b>				
1	Discount Rate	7.00%		7.00%	
2	Expected rate of return on plan assets	8.00%	-	8.00%	-
3	Mortality	IALM (2006-08)		IALM (2006-08)	
4	Turnover rate	Age up to 30 -3% from 31 to 44 - 2%, above 44 -1%		Age up to 30 -3% from 31 to 44 - 2%, above 44 -1%	
5	Salary Escalation	5.00%		5.00%	

## a) Defined Benefit Plan

Amount recognised as expenses in Note 22 and included herein above.

Item "Salaries and Wages" includes ₹ 4.50 lacs (Previous year - ₹ 5.76 lacs) for Leave Encashment.

Item "Contributions to Provident and Other Funds" includes ₹ 7.44 lacs (Previous year - ₹ 8.69 lacs) for Gratuity.

(b) Defined Contribution Plans

Amount recognised as an expense and included in Note 22 "Contributions to Provident and other Funds" of Statement of Profit and Loss ₹ 15.63 lacs (Previous year - ₹ 11.23 lacs)

(c) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of assets management, historical results of return on plan assets and the policy for plan assets management.

(d) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(e) Experience Adjustments

(Amount in ₹ Lacs)

Particulars	2015-16	2014-15
<b>I) Gratuity Funded</b>		
Defined Benefit Obligation	<b>214.52</b>	207.34
Fair Value of Plan Assets	<b>132.52</b>	126.63
Surplus / (Deficit)	<b>(82.00)</b>	(80.71)
Expected Adjustments on Plan Liabilities	<b>(7.60)</b>	(14.12)
Expected Adjustments on Plan Assets	<b>0.85</b>	1.04
<b>II) Leave Encashment</b>		
Defined Benefit Obligation	<b>47.31</b>	33.09
Fair Value of Plan Assets	-	-
Surplus / (Deficit)	<b>(47.31)</b>	(33.09)
Expected Adjustments on Plan Liabilities	-	-

43. During the year, the Company has received subsidy of ₹ 23.14 lacs (Previous year - ₹ 21.12 lacs) in terms of State Investment Promotion Scheme towards exemption from electricity duty which has been netted from Power & Fuel expenses.

44. a) Expenditure in Foreign Currency on account of :

i) Travelling Expenditure - ₹ 4.47 lacs (Previous year - ₹ 15.72 lacs)

ii) C.I.F. Value of Imports of Capital Goods - ₹ 4,727.05 lacs (Previous year - Nil)

b) Earning in Foreign Currency - Nil (Previous year - Nil)

45. Current year Accounts have been prepared in accordance with the Revised Schedule-VI and previous year's figures have been regrouped / re-classified wherever necessary.

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For Om Prakash S. Chaplot & Co.  
Chartered Accountants  
FRN : 000127C

**O.P. Chaplot**

Partner

M. No. : 010184

Place : Udaipur

Date : 13<sup>th</sup> May 2016

**R.K. GUPTA**  
Whole Time Director, CFO  
& Company Secretary

For and on behalf of the Board

**Onkar Nath Rai** Chairman

**Vinit Marwaha**

**Ganpat Singh**

**Kumud Pahuja**

Directors

# CASH FLOW STATEMENT

## For the year ended March 31, 2016

(Amount in ₹ Lacs)

Particulars	31 <sup>st</sup> Mar. 2016	31 <sup>st</sup> Mar. 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before Tax and Exceptional Items	(228.75)	(342.16)
Adjustments for:		
Depreciation and Amortisation	267.69	265.87
Interest Income	(39.87)	(26.42)
Finance Cost	92.73	374.25
Exceptional Items	244.27	126.04
Operating Profit before Working Capital changes	<u>336.07</u>	<u>397.58</u>
Adjustments for :		
Trade & Other Receivables	(1,292.47)	(511.17)
Inventories	(202.31)	133.41
Trade & Other Payables	<u>700.57</u>	<u>1,266.17</u>
<b>Net Cash from Operating Activities</b>	<b>(458.14)</b>	<b>1,285.99</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(27,756.56)	(8,420.34)
Sales of Fixed Assets	-	-
Interest received	<u>36.21</u>	<u>11.36</u>
<b>Net Cash from / (used in) Investing Activities</b>	<b>(27,720.35)</b>	<b>(8,408.98)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long-Term Borrowings	30,000.00	-
Advance against Shares	-	(3,378.53)
Increase in Share Capital	-	6,000.00
Interest Paid	<u>(92.73)</u>	<u>(374.25)</u>
<b>Net Cash from / (used in) Financing Activities</b>	<b>29,907.27</b>	<b>2,247.22</b>
<b>D. Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>1,728.78</b>	<b>(4,875.77)</b>
<b>E. Cash &amp; Cash Equivalents as at the beginning of the year</b>	<b><u>395.06</u></b>	<b><u>5,270.83</u></b>
<b>F. Cash &amp; Cash Equivalents as at the close of the year</b>	<b><u>2,123.84</u></b>	<b><u>395.06</u></b>
<b>Notes :</b>		
Cash and Cash Equivalents include :		
- Cash, Cheques in hand and remittance in transit	1.66	1.38
- Balance with Scheduled Banks	<u>2,122.18</u>	<u>393.68</u>
	<u>2,123.84</u>	<u>395.06</u>

Previous year's figures have been re-arranged and re-casted wherever necessary.

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For Om Prakash S. Chaplot & Co.  
Chartered Accountants  
FRN : 000127C

**O.P. Chaplot**

Partner

M. No. : 010184

Place : Udaipur

Date : 13<sup>th</sup> May 2016

**R.K. GUPTA**  
Whole Time Director, CFO  
& Company Secretary

For and on behalf of the Board

**Onkar Nath Rai** Chairman

**Vinit Marwaha**

**Ganpat Singh**

**Kumud Pahuja**

Directors

# UDAIPUR CEMENT WORKS LIMITED

(CIN: L26943RJ1993PLC007267)

Regd. Office: Shripati Nagar, P.O. CFA, Udaipur-313 021(Rajasthan)  
Secretarial Office: Gulab Bhawan, 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg  
New Delhi-110 002

Email: [bkdaga@jksmail.com](mailto:bkdaga@jksmail.com), Website: [www.udaipurcement.com](http://www.udaipurcement.com)

Phone: 30179860, Fax: 91-11-23739475

ADMISSION SLIP

Folio No. / DP ID / Client ID#	
No. of Equity Shares held	

I hereby record my presence at the **20<sup>th</sup> Annual General Meeting** of the Company being held at **Shripati Nagar, P.O. CFA, Udaipur-313021 (Rajasthan)** on **Saturday, the 17<sup>th</sup> September 2016, at 11.00 A.M.**

Name of the Shareholder (in block letter)
Name of Proxy / Authorised Representative attending* (in block letter)

\*Strike out whichever is not applicable

#Applicable for shareholders holding shares in dematerialised form.

Signature of the attending Shareholder / Proxy / Authorised Representative\*

**Note: Please produce this Admission Slip duly filled and signed at the entrance of the meeting hall. Shareholders intending to appoint a proxy may use the Proxy Form given on next page.**





## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

### UDAIPUR CEMENT WORKS LIMITED

(CIN: L26943RJ1993PLC007267)

Regd. Office: Shripati Nagar, P.O. CFA, Udaipur-313 021(Rajasthan)  
Secretarial Deptt.: Gulab Bhawan, 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg  
New Delhi-110 002

Email: [bkdaga@jksmail.com](mailto:bkdaga@jksmail.com), Website: [www.udaipurcement.com](http://www.udaipurcement.com)

Phone: 30179860, Fax: 91-11-23739475

Name of the member(s) :

Registered Address :

Email ID :

Folio No./ Client ID

DP ID

I / We, being the member(s) of \_\_\_\_\_ Shares of the above named company, hereby appoint

Name : ..... Email : .....

Address : .....

Signature: \_\_\_\_\_

*or failing him / her*

Name : ..... Email : .....

Address : .....

Signature: \_\_\_\_\_

*or failing him / her*

Name : ..... Email : .....

Address : .....

Signature: \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 20<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, the 17<sup>th</sup> September 2015 at 11:00 A.M. at Shripati Nagar, P.O. CFA, Udaipur-313021 (Rajasthan) and at any adjournment thereof

(contd. ...)

in respect of such resolutions as are indicated below:

<b>Resolution Number</b>	<b>Resolution(s)</b>
1	Consideration and adoption of the financial statements of the Company for the financial year 2015-16 ended 31 <sup>st</sup> March 2016 and the Reports of the Board of Directors and Auditors thereon.
2	Re-appointment of Shri Vinit Marwaha (DIN: 00051403), who retires by rotation.
3	Ratification of appointment of Statutory Auditors and fixing their remuneration
4	Ratification of Remuneration of the Cost Auditors.
5	Approval of Related Party Transaction with JK Lakshmi Cement Limited
6	Approval of Related Party Transaction with Hansdeep Industries & Trading Company Limited
7	Re-appointment and determination of the remuneration of Whole-time Director

Signed this .....day of .....2016

Signature of Shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

**Note :** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Shripati Nagar P.O. CFA, Udaipur-313 021 (Rajasthan), not less than 48 hours before the commencement of the Meeting.



Blood Donation Camp at UCWL Plant



Sneh Bhoj on New Year 2016



Directors on Dias attending 19th AGM



Members at High Tea after 19th AGM



Members attending 19th AGM



**Rain water harvesting at Daroli Limestone Mines**

## **UDAIPUR CEMENT WORKS LIMITED**

Registered Office & Works: Shripatinagar, P.O: C.F.A.

Dist: Udaipur – 313021, Rajasthan, (India)