





## FORM A

### Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	The India Cements Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March 2015
3.	Type of Audit observation	Unqualified-/ Matter of Emphasis
(a)	<p>Note No.33.2 (g) to the Standalone financial statements, regarding the appeal filed by the Company against the order of the Competition Commission of India (CCI), imposing a penalty of Rs.18,748 lakhs before the Competition Appellate Tribunal concerning the alleged contravention of provisions of Competition Act, 2002. CCI in its interim order dated 17<sup>th</sup> May 2013 directed the Company to pay 10% of the imposed penalty. The Company is advised by legal experts that it has good case before appellate tribunal and accordingly no provision has been considered necessary by the Company in this regard.</p>	
(b)	<p>As explained in note No.33.17 to the Standalone financial statements which explain the matters relating to the transfer of Chennai super kings cricket limited (an IPL franchisee owned by the Company prior to its transfer). No impact is considered in the financial statements arising on account of guarantee given by the Company assuring the compliance with franchise covenants as entered into by the Company prior to its transfer. The impact, if any, arising on account, of the same is not ascertainable at this stage.</p>	
(c)	<p>As explained in note No.33.18 to the Standalone financial statements regarding the order of attachment issued by authorities under Prevention of Money laundering Act through which certain assets of the Company amounting to Rs.12,034.18 lakhs have been attached vide order dated 25<sup>th</sup> February 2015. In this regard proceedings have also been initiated in respect of certain investments made by the Company alleging that the Company committed certain irregularities in making such investments and charges have been levelled against the Company and its Managing Director in this regard. The Company is disputing the same before judicial forums against the allegations and has been legally advised that the Company has strong case to defend its position, pending the outcome of the proceedings the impact if any is not ascertainable at this stage and the investments and assets are carried at respective values in the standalone financial statements.</p>	
(d) (i)	<p>As explained in note No.33.19(a) to the Standalone financial statements the Company at its shareholders meeting held on 26<sup>th</sup> September 2014 obtained the required approval for making payment of managerial remuneration in the event of inadequacy of profits for the year ending 31<sup>st</sup> March 2015, pursuant to which the managerial remuneration paid for the financial year ending 31<sup>st</sup> March 2015 which is in excess of the limits stipulated under 197 of Companies Act 2013 by Rs.267.35 lakhs is subject to approval by Central Government pending the outcome of the same no adjustments have been made in the financial results.</p>	
(ii)	<p>As explained in Note No.33.19(b) to the Standalone financial statements, the appointment of whole time director for a period of 5 years from March 05, 2015 is subject to the approval of the shareholders.</p>	

(e)	<p>Note 33.25 to the Standalone financial statements, which explain the implementation of Schedule II of Companies Act, 2013 and adoption of new useful life in respect of fixed assets. In regard to depreciation on revalued assets, the Company continued its existing practice of dealing with incremental depreciation on account of revaluation by drawing similar amount from revaluation Reserves amounting to Rs.5261 lakhs for the year ending March 31, 2015. Had the Company not drawn the said amount from revaluation reserve, the profit for the year ending March 31, 2015 would have been lower by Rs.5261 lakhs consequently it would have resulted in a loss of Rs.2317 lakhs with a corresponding impact on the retained earnings. The Company is seeking clarification on the method adopted.</p>
<p>Our opinion is not qualified in respect of the Emphasis of Matter.</p>	
4.	<p>Frequency of observation:</p> <p>3(a) - repetitive i.e. in the Independent Auditor's Report for the financial year 2014-15, 2013-14 and 2012-13.</p> <p>3(b), (c), (d) &amp; (e) - appeared first time i.e. in the Independent Auditor's Report for the financial year 2014-15.</p>
5.	<p>To be signed by:</p>
<input type="checkbox"/> CEO/Managing Director	 (N.SRINIVASAN)
<input type="checkbox"/> CFO	 (R.SRINIVASAN)
<input type="checkbox"/> Auditor of the Company	 (N.SRIKRISHNA)
<input type="checkbox"/> Audit Committee Chairman	 (N.SRINIVASAN)



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THE

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INDIA CEMENTS

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LIMITED

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ANNUAL REPORT

**2015**



**DALAVOI PLANT RECEIVED A LICENCE IN JUNE, 2015 FROM BUREAU OF INDIAN STANDARDS FOR THE OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEMS CERTIFICATION**

## **69<sup>th</sup> Annual General Meeting**

**Date :** 7<sup>th</sup> December, 2015  
**Time :** 9.30 A.M.  
**Venue :** Sathguru Gnanananda Hall,  
 (Narada Gana Sabha),  
 No.314, T.T.K.Road,  
 Alwarpet,  
 Chennai 600018.

### **A REQUEST**

The practice of distributing copies of Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. Shareholders are, therefore, requested to bring their copy of the Annual Report to the meeting.

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# THE INDIA CEMENTS LIMITED



## BOARD OF DIRECTORS

<b>Sri N.Srinivasan</b>	Vice Chairman & Managing Director
<b>Smt. Chitra Srinivasan</b>	
<b>Smt. Rupa Gurunath</b>	Wholetime Director
<b>Sri Arun Datta</b>	
<b>Sri Basavaraju</b>	(Nominee of Life Insurance Corporation of India)
<b>Sri R.K.Das</b>	
<b>Sri N.R.Krishnan</b>	
<b>Sri V.Manickam</b>	
<b>Sri Nagaraj Garla</b>	(Nominee of IDBI Bank Limited)
<b>Sri N.Srinivasan</b>	
<b>Sri PL.Subramanian</b>	

## AUDITORS

Messrs Brahmayya & Co.  
Chartered Accountants  
48, Masilamani Road, Balaji Nagar,  
Royapettah, Chennai - 600 014.

Messrs P.S. Subramania Iyer & Co.  
Chartered Accountants  
103, P.S.Sivaswamy Salai, Mylapore,  
Chennai - 600 004.

## REGISTERED OFFICE

"Dhun Building"  
827, Anna Salai,  
Chennai - 600 002.

## CORPORATE OFFICE

"Coromandel Towers"  
93, Santhome High Road,  
Karpagam Avenue,  
R.A. Puram,  
Chennai - 600 028.

Website: [www.indiacements.co.in](http://www.indiacements.co.in)

## CEMENT FACTORIES

### TAMIL NADU

**Sankarnagar,**  
Tirunelveli District.

**Sankari,**  
Salem District.

**Dalavoi,**  
Ariyalur District.

### TAMIL NADU

**Vallur Village,**  
Tiruvallur District.

### ANDHRA PRADESH

**Chilamakur,** Kadapa District.  
**Yerraguntla,** Kadapa District.

### TELANGANA

**Vishnupuram,**  
Nalgonda District.

**Malkapur,**  
Ranga Reddy District.

## GRINDING UNITS

### MAHARASHTRA

**Parli Vaijnath,**  
Beed District.



# THE INDIA CEMENTS LIMITED

CIN : L26942TN1946PLC000931

Registered Office: "Dhun Building", 827, Anna Salai, Chennai 600 002.

Corporate Office : "Coromandel Towers", 93, Santhome High Road,  
Karpagam Avenue, R.A.Puram, Chennai 600 028.

Website: www.indiacements.co.in E-mail Id: investor@indiacements.co.in

Tel: 044-2852 1526 / 28572 100 / 400 Fax: 044-2851 7198

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixty-ninth Annual General Meeting of The India Cements Limited will be held at 9.30 A.M. on Monday, the 7<sup>th</sup> December, 2015, at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K.Road, Alwarpet, Chennai 600018, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt standalone Balance Sheet as at 31<sup>st</sup> March 2015, Statement of Profit and Loss for the financial year ended on 31<sup>st</sup> March 2015, Cash Flow Statement for the financial year ended 31<sup>st</sup> March 2015 and reports of Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated Balance Sheet as at 31<sup>st</sup> March 2015, Statement of Profit and Loss for the financial year ended on 31<sup>st</sup> March 2015, Cash Flow Statement for the financial year ended 31<sup>st</sup> March 2015 and Report of Auditors thereon.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT Smt. Chitra Srinivasan (DIN:01094213) who retires by rotation and is eligible for reappointment be and is hereby reappointed as a Director of the Company, subject to retirement by rotation."

4. To ratify the appointment of Auditors:

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) the appointment of M/s.Brahmayya & Co. (Registration No.000511S) and M/s.P.S.Subramania Iyer & Co. (Registration No.004104S), Chartered Accountants, Chennai, Auditors of the Company to hold Office from the conclusion of this Annual General Meeting until the conclusion of the Seventieth Annual General Meeting of the Company to be held in the year 2016, be and is hereby ratified on remuneration of Rs.40 lakhs (Rupees Forty Lakhs only) each, exclusive of service tax and all travelling and out of pocket expenses, which shall be reimbursed to them."

### SPECIAL BUSINESS:

5. To appoint Sri Basavaraju as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a Member of the Company as required under Section 160 of the Companies Act, 2013:

"RESOLVED THAT Sri Basavaraju (DIN: 01252772) be and is hereby appointed as a Director of the Company subject to retirement by rotation."

6. To appoint Sri PL.Subramanian as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a Member of the Company as required under Section 160 of the Companies Act, 2013:

"RESOLVED THAT Sri PL.Subramanian (DIN:00549992) be and is hereby appointed as a Director of the Company subject to retirement by rotation."

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

"RESOLVED THAT subject to requisite approvals, as may be required and pursuant to Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed thereunder, the Company hereby accords its approval and consent for the reappointment of Smt. Rupa Gurunath (DIN: 01711965) as Wholetime Director of the Company for a period of five years with effect from 5<sup>th</sup> March 2015 and for the payment of remuneration to her for her services as Wholetime Director as set out hereunder:

(a) Salary: Rs.12,50,000/- per month for the first two years.

Rs.15,00,000/- per month for the remaining three years.

(b) Commission:

Such percentage of commission (in addition to salary, allowances, perquisites and benefits hereinafter stated) calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors which together with salary and monetary value of allowances, perquisites and benefits shall not exceed the ceiling laid down under Section 197 of the Companies Act, 2013.

(c) Allowances and other Perquisites:

(i) Housing:

Rent free accommodation will be provided to the Wholetime Director for which 10% of salary will be recovered. In case no accommodation is provided by the Company, house rent allowance at 30% of salary, shall be paid. In addition, the Wholetime Director shall be allowed free use of the Company owned furniture and other consumer durables, as required.

(ii) Others:

The Wholetime Director will also be entitled to other allowances and perquisites together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel allowance for self and family, club fees, personal accident insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors with the Wholetime Director, so however, that the value of such perquisites and allowances will be subject to a maximum of 45% of the annual salary.

Perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Provision for the use of Company's car for official duties and telephone, telefax, audio / video conferencing and other communication facilities at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the rules of the Company applicable to senior management personnel and encashment of leave at the end of tenure shall not be included in the computation of limits for the perquisites and allowances as aforesaid."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company will pay remuneration by way of salary, allowances, perquisites and benefits as specified above as minimum remuneration, subject to obtaining any other requisite approvals."

8. To consider and if thought fit, to pass with or without modification, the following resolutions as SPECIAL RESOLUTIONS for creation of charges on the Company's properties to secure the financial assistance availed / to be availed by the Company:





"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force, to mortgaging and / or charging by the Board of Directors (which expression shall include a committee thereof) of the Company and / or conferring power to enter upon and take possession of the assets of the Company in certain events, in such form and manner and with such ranking and at such time and on such terms as the Board of Directors may determine, on all or any of the movable and / or immovable properties of the Company, both present and future and / or whole or any part of undertaking(s) of the Company in favour of the Financial Institutions, Investment Institutions, Banks, Mutual Funds, Trusts, other Bodies Corporate and/or any other Entities (hereinafter referred to as "Lenders"), Security Trustees and Trustees for the holders of Debentures / Bonds and / or other instruments (hereinafter referred to as "Trustees"), including IDBI Bank Limited, ICICI Bank Limited and IFCI Limited to secure the loans, debentures, bonds, other instruments, working capital facilities and other financial assistance in Indian and / or foreign currency(ies) (hereinafter referred to as "borrowings") of an outstanding aggregate value not exceeding Rs.2,900 crores over and above the paid-up share capital and free reserves of the Company for the time being, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, which are lent and advanced or to be lent and advanced by the Lenders, together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, costs, charges, expenses and other monies payable by the Company in relation to such borrowings to the Lenders and / or Trustees in terms of their heads of agreements, loan agreements, hypothecation agreements, subscription agreements, letters of sanction, Working Capital Consortium Agreement, Trust Deed(s), memorandum of terms and conditions or any other document, Deed, writing or thing entered into and / or to be entered into between the Company and the Lenders and / or Trustees in respect of the said borrowings and on such terms and conditions in respect of creation of security as may be stipulated in that behalf and agreed to between the Board of Directors and the Lenders and / or Trustees."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the Lenders and / or Trustees the movable and / or immovable properties of the Company to be mortgaged and / or charged and the documents for creating such mortgage and/or charge and to do all such acts, deeds and things as may be necessary for giving effect to the above resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), the remuneration of Rs.15,00,000/-(Rupees Fifteen Lakhs only) payable to Sri S.A.Murali Prasad, Cost Accountant (Membership No.2730), as Cost Auditor, besides reimbursement of service tax and out of pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors for auditing the cost accounts of the Company in respect of cement plants, power plants and the grinding units for the year ending 31<sup>st</sup> March 2016, be and is hereby ratified."

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

"RESOLVED THAT in supersession of the Resolution passed at the Annual General Meeting of the Company held on 15.12.1999 and pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 and the rules as may be prescribed (including any statutory modifications or re-enactments thereof for the time being in force) consent of the Members be and is hereby accorded to the Board of Directors of the Company to contribute such amount or amounts, in any financial year, to bonafide charitable and other funds, including contribution to The India Cements Educational Trust and The India Cements Educational Society,



provided that aggregate of such amounts will not exceed Rs.12 Crores or five per cent of average net profits for the three immediately preceding financial years, whichever is greater."

#### **NOTES:**

1. Explanatory Statement is annexed to the Notice dated 02.11.2015 of the Sixty-ninth Annual General Meeting of the Company as required by Section 102 of the Companies Act, 2013 in respect of items No.4 to 10.
2. Details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment / re-appointment at the Annual General Meeting are annexed hereto for Items No.3, 5 to 7 of the Notice dated 02.11.2015.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights; provided that a member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder.

The Proxy Form, duly completed and signed, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

Members / Proxies should bring the Attendance Slip, duly filled-in and signed, to attend the meeting.

4. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from 01.12.2015 to 07.12.2015 (both days inclusive).
6. Members are requested to contact the Registrar and Share Transfer Agent for all matters connected with the Company's shares at Integrated Enterprises (India) Limited, 2<sup>nd</sup> Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai 600017, Tel.: 044-28140801 to 28140803 & Fax: 044-28142479; Email: corp-serv@integratedindia.in.

Members holding shares in physical form are requested to notify change of address, if any, to the Registrar and Share Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their Share Certificates for consolidation of their holdings into one folio.

7. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
8. Unclaimed dividends up to and including for the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants relating to financial year(s) up to 1994-95 may claim the same from the Registrar of Companies, Tamil Nadu-I, Chennai, No.26, Haddows Road, Chennai 600006, in the prescribed form which will be supplied by the Company / RTA on request.
9. Unclaimed dividends for the financial years from 1995-96 to 2000-01 & 2006-07 have been transferred to Investor Education and Protection Fund. Dividend for the financial years ended 31<sup>st</sup> March 2008 to 31<sup>st</sup> March 2013



which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund established under Section 125 of the Companies Act, 2013. Shareholders who have not encashed the dividend warrant(s) so far for the financial years ended 31<sup>st</sup> March 2008 to 31<sup>st</sup> March 2013 are requested to make their claim forthwith to the Registered / Corporate Office of the Company / RTA. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, as above, no claim shall lie in respect thereof against the Company.

10. Under the provisions of Section 72 of the Companies Act, 2013, shareholder(s) is / are entitled to nominate in the prescribed manner, a person to whom his / her / their shares in the Company, shall vest after his / her / their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company / RTA.
11. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transfer / transmission / transposition, is mandatory.
12. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies(Management and Administration) Rules, 2014, Annual Report along with this Notice of the Annual General Meeting, Attendance Slip and Proxy Form is sent by e-mail to those Members who have registered their e-mail address with the Company / Registrar and Share Transfer Agent (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories.

Shareholders are requested to note that the said documents would also be available on the Company's website 'www.indiacements.co.in' from where it can be downloaded. In case any Shareholder desires to receive the above document(s) in Physical form, such Shareholder is required to send an e-mail to investor@indiacements.co.in quoting DP ID and Client ID Number in case the shares are held in electronic form and Folio Number in case the shares are held in physical form.

Members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with (i) the Depository Participant(s), if the shares are held in electronic form and (ii) with the Company / Registrar & Share Transfer Agent (RTA) of the Company, if the shares are held in physical form.

### **13. Electronic Voting (e-Voting)**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 69<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-Voting period commences on 03.12.2015 (9.00 A.M.) and ends on 06.12.2015 (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 of 01.12. 2015, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-Voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)]:

- (i) Open email and open PDF file viz. "ICL AGM 2015 e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-Voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: [https:// www.evoting.nsdl.com](https://www.evoting.nsdl.com).
- (iii) Click on "Shareholder - Login".
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-Voting opens. Click on remote e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of The India Cements Limited.
- (viii) Now you are ready for remote e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [sudha.pr2@gmail.com](mailto:sudha.pr2@gmail.com) or [sudha\\_pr@yahoo.com](mailto:sudha_pr@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

<b>EVEN (Remote e-Voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-Voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll free No.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password / PIN for casting your vote.



- VIII You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. 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. 01.12.2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 01.12.2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company / RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A Member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.
- XII. 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 only shall be entitled to avail the facility of remote e-Voting or voting at the AGM through ballot paper.
- XIII. Smt. P.R.Sudha, Company Secretary in Practice (Membership No.F6046), has been appointed as the Scrutinizer to scrutinize the voting and remote e-Voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.indiacements.co.in](http://www.indiacements.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, where equity shares are listed.

(By order of the Board)  
for THE INDIA CEMENTS LIMITED

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

G. BALAKRISHNAN  
Senior President & Company Secretary

**PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / REAPPOINTED, VIDE ITEMS NO.3, 5 to 7 OF NOTICE DATED 02.11.2015**

(i) Name of the Director	: Smt. Chitra Srinivasan
Date of Birth	: 31 <sup>st</sup> July 1949
Date of appointment on the Board as Director	: 5 <sup>th</sup> March 2010
Date of last reappointment as Director	: 26 <sup>th</sup> December 2014
Expertise in specific functional areas	: Industry
Qualification	: B.Sc.
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 78580
List of outside Directorships held in Public Companies	: Nil
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which she is a Director	: Not Applicable
Relationship with other Directors	: Wife of Sri N. Srinivasan, Vice Chairman & Managing Director and Mother of Smt. Rupa Gurunath, Wholetime Director
(ii) Name of the Director	: Sri Basavaraju
Date of Birth	: 25 <sup>th</sup> January 1951
Date of appointment on the Board as Director	: 14 <sup>th</sup> February 2013
Date of last reappointment as Director	: Not Applicable
Expertise in specific functional areas	: Marketing and Administration
Qualification	: M.A. (English)
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
List of outside Directorships held in Public Companies	: Lakshmi Machine Works Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Lakshmi Machine Works Limited Audit Committee - Member Stakeholders Relationship Committee - Member
Relationship with other Directors	: Nil



(iii) Name of the Director	: Sri PL.Subramanian
Date of Birth	: 16 <sup>th</sup> May 1945
Date of appointment on the Board as Director	: 8 <sup>th</sup> June 2015
Date of last reappointment as Director	: –
Expertise in specific functional areas	: Technical
Qualification	: B.E. (Mechanical)
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 18440
List of outside Directorships held in Public Companies	: Coromandel Electric Company Limited India Cements Infrastructures Limited Trishul Concrete Products Limited Trinetra Cement Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Coromandel Electric Company Limited Audit Committee - Member
Relationship with other Directors	: Nil
(iv) Name of the Director	: Smt. Rupa Gurunath
Date of Birth	: 15 <sup>th</sup> February 1973
Date of appointment on the Board as Director	: 24 <sup>th</sup> September 2007
Date of last reappointment as Wholetime Director	: 5 <sup>th</sup> March 2010
Expertise in specific functional areas	: Industry
Qualification	: B.Sc., Post Graduate Diploma in Computer Application
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 36440
List of outside Directorships held in Public Companies	: Coromandel Electric Company Limited Coromandel Travels Limited ICL Shipping Limited India Cements Infrastructures Limited Raasi Cement Limited Trinetra Cement Limited Trishul Concrete Products Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which she is a Director	: Coromandel Electric Company Limited Audit Committee - Member
Relationship with other Directors	: Daughter of Sri N.Srinivasan, Vice Chairman & Managing Director & Smt. Chitra Srinivasan, Director



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE SIXTYNINTH ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEMS NO.4 TO 10 OF THE NOTICE DATED 02.11.2015**

**Item No.4:**

In terms of provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Members of the Company at the Annual General Meeting held on 26<sup>th</sup> December 2014 appointed M/s.Brahmayya & Co. (Registration No.000511S) and M/s.P.S.Subramania Iyer & Co. (Registration No.004104S), Chartered Accountants, Chennai, as Statutory Auditors of the Company for a period of 3 years to hold office from the conclusion of the Sixtyeighth Annual General Meeting until the conclusion of the Seventyfirst Annual General Meeting to be held in the year 2017.

The Board of Directors at its meeting held on 12<sup>th</sup> August, 2015, based on the recommendation of the Audit Committee approved the payment of remuneration to the statutory auditors of Rs.40 lakhs (Rupees forty lakhs only) each for the year 2015-16, besides reimbursement of service tax and all travelling and out of pocket expenses.

The Company has obtained a written consent and certificate from the Auditors confirming that their appointments, if made, shall be in accordance with the conditions and criteria laid down under the Companies Act, 2013.

In terms of the aforesaid Section, the Company is required to place the matter relating to such appointment for ratification by members at every Annual General Meeting.

The Board recommends the resolution as set out in Item No.4 of the Notice for approval of the Members.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors or other Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

**Item No.5:**

Sri Basavaraju (DIN: 01252772) was appointed by the Board as a Director with effect from 14.02.2013 in the casual vacancy caused by withdrawal of nomination of Sri V.Manickam by Life Insurance Corporation of India. Sri Basavaraju will hold office upto the date of 69<sup>th</sup> Annual General Meeting. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri Basavaraju as Director of the Company liable to retire by rotation. The Board recommends the Ordinary Resolution as set out in Item No.5 of the Notice for approval of the Members.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors except Sri Basavaraju and none of Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

**Item No.6:**

Sri PL.Subramanian was co-opted as an additional Director on the Company's Board with effect from 8<sup>th</sup> June, 2015. Under provisions of Article 103 of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013, Sri PL.Subramanian will hold the office upto the date of Sixty ninth Annual General Meeting. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a Member signifying his intention to propose the appointment of Sri PL.Subramanian as a Director at the Sixty ninth Annual General Meeting.

The Board recommends the Ordinary Resolution as set out in Item No.6 of the Notice for approval of the Members.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors except Sri PL. Subramanian and none of Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

**Item No.7:**

The period of appointment of Smt. Rupa Gurunath as Wholetime Director, approved by the shareholders at the Annual General Meeting of the Company held on 2<sup>nd</sup> August 2010 expired by the close of 4<sup>th</sup> March 2015. The Board of Directors of the Company at its meeting held on 11<sup>th</sup> February 2015 has reappointed Smt. Rupa Gurunath as Wholetime Director for a further period of 5 years with effect from 5<sup>th</sup> March 2015.





The terms of reappointment of the Wholetime Director have been finalised by the Nomination and Remuneration Committee of the Board of Directors at its meeting held on 11<sup>th</sup> February 2015. The terms finalised by the Nomination and Remuneration Committee and recommended for approval by the Board of Directors are specified in the resolutions. The reappointment of Smt. Rupa Gurunath as Wholetime Director and the terms of her appointment are proposed after considering the following:

Smt. Rupa Gurunath, Wholetime Director is a B.Sc. and holds a Post Graduate Diploma in Computer Science. Smt. Rupa Gurunath has been associated with the Company as a Director from 2007 and Wholetime Director since 2010.

Smt. Rupa Gurunath holds directorship in a Listed Company viz., Trinetra Cement Limited besides chairmanships / directorships in Coromandel Travels Limited, Coromandel Electric Company Limited, ICL Shipping Limited, India Cements Infrastructures Limited, Raasi Cement Limited and Trishul Concrete Products Limited. She is Vice President of The India Cements Educational Society and Trustee of The India Cements Educational Trust and The India Cements Gratuity Fund.

Our Company today is the largest cement Company in the South and one of the largest in India with a turnover of more than Rs.4,400 crores. We have 7 cement plants in Tamil Nadu, Telangana and Andhra Pradesh and our group as such (including Trinetra Cement Limited, Company's subsidiary) has 8 plants with capacity of 15.55 Million Tonnes per annum. This is apart from the 2 cement grinding plants - one at Chennai, Tamil Nadu and other at Parli, Maharashtra.

Smt. Rupa Gurunath as Wholetime Director assists the Managing Director in the day today management and administration of the Company and is instrumental in successful and timely completion of the Company's various expansion projects besides laying down systems and processes resulting in huge cost savings and overall improvement in the performance of the Company.

Further, there is need for formulation of strategies on continuous basis and periodical review thereof for successful implementation and for sustained development of the Company in the light of highly competitive conditions prevailing in the industry necessitating increased managerial attention given to such matters. Hence the continued leadership of Smt. Rupa Gurunath, under the guidance of Managing Director of the Company, in the years ahead will be in the best interests of the Company.

Smt. Rupa Gurunath will function subject to the superintendence and direction and control of the Managing Director and also the Board of Directors.

Members' approval is sought by way of ordinary resolutions for appointing Smt. Rupa Gurunath as a Wholetime Director for a period of 5 years with effect from 5<sup>th</sup> March, 2015 and payment of remuneration including commission as set out in Item No.7.

The Board of Directors recommends the resolutions set out in Item No.7 of the accompanying notice for your approval.

#### **Interest of Directors and Key Managerial Personnel:**

Smt. Rupa Gurunath, Wholetime Director, is interested in these resolutions as it concerns her appointment and Sri N.Srinivasan, Managing Director and Smt. Chitra Srinivasan, Director, are interested in these resolutions as Smt. Rupa Gurunath is related to them. None of the Directors or other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in these resolutions.

#### **Item No.8:**

The Company has been availing financial assistance in the form of term loans, debentures, bonds, other instruments, working capital term loans and other financial assistance in Indian and / or foreign currency(ies) (hereinafter referred to as "borrowings") from Financial Institutions, Investment Institutions, Banks, Mutual Funds, other Bodies Corporate and other entities, including IDBI Bank Limited, ICICI Bank Limited and IFCI Limited (hereinafter referred to as "Lenders") for various purposes. A standard condition of Lenders is that the borrowings from them is required to be secured by a mortgage and / or charge on all or any of the movable and / or immovable properties of the Company, both present and future and / or on whole or any part of undertaking(s) of the Company in their favour and / or in favour of Trustees in such form and manner and with such ranking and at such time and on such terms as may be determined between the Board of Directors and Lenders and / or Trustees.

Section 180(1)(a) of the Companies Act, 2013 provides, inter alia, that the Board of Directors of the Company shall not without the consent of such Company by a Special Resolution in general meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. Since the mortgaging by the Company of its immovable and movable properties, as aforesaid, may be regarded as disposal of the Company's properties / undertakings, it is necessary for the members to pass a Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of the said mortgage and / or charge.

The members at the extraordinary general meeting of the Company held on 26<sup>th</sup> September, 2014 passed special resolutions, under Section 180(1)(c) of the Companies Act, 2013, fixing the borrowing limit of Rs.2,900 crores, over and above the paid-up share capital and free reserves of the Company for the time being, apart from temporary loans obtained from the Company's bankers in the ordinary course of business. It is now proposed that such borrowings be secured depending on the necessity by the Company's movable and immovable assets to the extent of the borrowing limit approved by the members already. (i.e) Rs.2,900 crores, over and above the paid-up share capital and free reserves of the Company for the time being, apart from temporary loans obtained from the Company's bankers in the ordinary course.

The resolutions proposed under item No.8 are only enabling resolutions for providing security for the borrowings that are availed / to be availed from time to time.

**Interest of Directors:**

None of the Directors except Sri Nagaraj Garla (Nominee of IDBI Bank Limited) and Sri Basavaraju (Nominee of Life Insurance Corporation of India) and none of Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in these resolutions.

**Item No.9:**

The Board of Directors at its meeting held on 12<sup>th</sup> August, 2015 based on the recommendation of the Audit Committee approved the appointment of Sri S.A.Murali Prasad, Cost Accountant (Membership No.2730), as Cost Auditor for auditing the cost accounts of the Company in respect of Cement Plants, Power Plants and Grinding Units for the financial year ending 31.03.2016 at a remuneration of Rs.15 lakhs, besides reimbursement of service tax and out of pocket expenses. In terms of Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor is required to be ratified by the shareholders. Hence the resolution.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors or other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

**Item No.10:**

Under Section 181 of the Companies Act, 2013, the Board of Directors of the Company is authorised to make contributions to bonafide charitable and other funds, provided that prior permission of the Company in General Meeting is obtained for such contributions in case any amount, the aggregate of which, in any financial year, exceeds five per cent of its average net profits for the three immediately preceding financial years.

The Company had promoted in the past a Polytechnic College at Sankarnagar and an Arts and Science College at Chennai for running of which, it has to pay regular contribution every year, besides contributions to bonafide charitable and other funds.

The approval of the Shareholders is sought, pursuant to Section 181 of the Act, for authorising the Board of Directors of the Company to make contributions to bonafide charitable and other funds including The India Cements Educational Society and The India Cements Educational Trust, the aggregate of which, in any financial year, shall not exceed Rs.12 crores or five per cent of its average net profits for the three immediately preceding financial years, whichever is greater.

**Interest of Directors and Key Managerial Personnel:**

None of the Directors, except Sri N.Srinivasan, Vice Chairman and Managing Director and Smt. Rupa Gurunath, who are Trustees and office bearers of The India Cements Educational Trust ("Trust") and The India Cements Educational Society ("Society") respectively and Smt. Chitra Srinivasan, relative of Sri N.Srinivasan and Smt. Rupa Gurunath and Sri N.Srinivasan (F&R), Trustee of the Trust, or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution. No Key Managerial Personnel, except Sri G.Balakrishnan, who is the Secretary and Treasurer of the Society, or his relatives is directly or indirectly concerned or interested financially or otherwise in this resolution.

(By order of the Board)  
for THE INDIA CEMENTS LIMITED

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

G.BALAKRISHNAN  
Senior President & Company Secretary



## TEN YEARS IN BRIEF - FINANCIAL INFORMATION

### YEAR ENDED 31<sup>ST</sup> MARCH

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Sales &amp; Earnings</b>											
1. Sales and other Income	Rs.Lakhs	183669	262088	360561	395454	422169	401134	474181	523155	512324	<b>502857</b>
2. Profit/(Loss) before tax	Rs.Lakhs	4998	49196	84464	64830	53132	8987	38098	25236	(16240)	<b>2945</b>
3. Cash Generated (internally) (before tax)	Rs.Lakhs	12652	59459	96243	93097	72087	33158	63228	53420	11399	<b>28736</b>
<b>Assets<sup>@</sup></b>											
4. Fixed Assets (Net)	Rs.Lakhs	211497	293858	403937	471229	462151	487431	427802	448128	426250	<b>367484</b>
5. Capital Investments	Rs.Lakhs	4896	14870	91990	95426	29625	56896	85196	95783	94554	<b>158522</b>
6. Current Assets	Rs.Lakhs	49803	73889	108735	83010	100726	80523	119664	147383	144567	<b>152018</b>
7. Loans and Advances	Rs.Lakhs	101439	97862	106206	131343	186919	209863	237283	239738	255230	<b>197440</b>
<b>Capital &amp; Reserves</b>											
8. Share Capital	Rs.Lakhs	21577	26037	28187	28243	30717	30718	30718	30718	30718	<b>30718</b>
9. Reserves and Surplus *	Rs.Lakhs	57567	108319	224427	262559	318019	319457	322934	331945	315716	<b>295533</b>
10. Shareholders Fund	Rs.Lakhs	79144	134356	252614	290802	348736	350175	353652	362663	346434	<b>326251</b>
<b>Net worth, EPS &amp; Dividend</b>											
11. Net worth per equity share	(Rs.)	40.18	51.60	89.62	102.96	113.53	114.00	115.13	118.06	112.78	<b>106.21</b>
12. Earnings per equity share	(Rs.)	2.61	19.65	23.97	15.32	12.49	2.22	9.54	5.32	(5.29)	<b>0.96</b>
13. Equity Dividend Per share	(Rs.)	-	1	2	2	2	1.50	2	2	-	-

\* Figures exclude revaluation reserve and deferred income and after adjustment of deferred revenue expenditure.

@ The figures shown for the years 2012 to 2015 are as per the revised Schedule VI / Schedule III format and hence are not comparable to previous years' figures.

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their **Sixty-ninth Annual Report** together with audited accounts for the year ended 31<sup>st</sup> March 2015.

	Rs. in Crore	
	For the year ended 31 <sup>st</sup> March	
	2015	2014
<b>FINANCIAL RESULTS</b>		
Profit / (Loss) before Interest, Depreciation & Exceptional Items	<b>713.35</b>	594.20
Less : Finance costs	<b>425.99</b>	353.65
Less : Depreciation / Amortization	<b>257.91</b>	276.39
Less : Exceptional Items	<b>—</b>	126.56
Profit / (Loss) Before Tax	<b>29.45</b>	(162.40)
Current Tax	<b>6.40</b>	0.00
Mat credit entitlement	<b>(6.40)</b>	0.00
Profit / (Loss) After Tax	<b>29.45</b>	(162.40)
Add : Surplus brought forward from last year	<b>1030.17</b>	1192.57
Less: Proposed dividend on Equity Capital (including Dividend Distribution Tax)	<b>0.00</b>	0.00
Less: Transfer to General Reserve	<b>0.00</b>	0.00
Less: Transfer to / (from) Debenture Redemption Reserve	<b>0.00</b>	0.00
Less: Transfer to Depreciation Account	<b>232.67</b>	0.00
Surplus carried forward	<b>826.95</b>	1030.17

## DIVIDEND

The Board of Directors has not declared any dividend for the year ended 31<sup>st</sup> March, 2015.

## MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis Report is given as addition to this report.

## CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, a report on Corporate Governance along with Auditors' Certificate of its compliance is included as part of the Annual Report and is given in Annexure 'C' and Annexure 'D' respectively. Further, a declaration on Code of Conduct signed by the Vice Chairman & Managing Director in his capacity as Chief Executive Officer of the Company is given as Annexure 'E'.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

A report on CSR activities of the Company during 2014-15 is given in Annexure 'F'.

## LICENCES & RECOGNITIONS

The Company's Sankarnagar and Sankari plants have been selected by the Director of Industrial Safety and Health for the second and third prize for the longest accident free period for the year 2012.



The Company's Dalavoi Plant has been granted licence for the Occupational Health and Safety Management Systems Certification in accordance with IS/ISO 18001:2007 by BIS valid till 17.05.2018.

At the Conference SAFECON 2015, organized by the Directorate of Industrial Safety and Health, Tamil Nadu and Confederation of Indian Industry (CII), held at Trichy on 22.08.2015, the Company was awarded a Certificate of Merit for adopting best safety practices at its Dalavoi factory.

The Company's in-house magazine, "Compass" has been awarded First Runner up Certificate for the best In house Communication Excellence (ICE) coverage, by ICE Awards 2015, instituted by Shailaja Nair Foundation Institute. The Company's in-house communique "Compass News" was awarded a Certificate of Merit in the contest for in-house magazines held during 2015.

## **OPERATIONS**

The Company's performance has been discussed in the Management Discussion and Analysis section.

With the subdued growth in cement demand of around 5% only during the year over the flat growth in the previous year, the performance of the Industry in general was severely affected for the year under review. Based on the information published by Department of Industrial Policy and Promotion (DIPP), it can be inferred that the industry was facing practically a nil growth situation and the South with huge capacity faced a decline in growth in the market place. In this background, the performance of the Company can be considered satisfactory. The overall sales volume, including clinker, was lower by 9% at 91.10 Lakh Ts (100.37 Lakh Ts). With improvement in selling price of cement from the 3<sup>rd</sup> quarter of 2014-15, the total sales and other income was marginally lower at Rs.4454 Crores against Rs.4530 Crores, a drop of only 2%. The cost of production was impacted by increase in royalty on limestone, higher transport charges due to restrictions imposed by transport authorities, increase in the tariff imposed by the electricity boards compounded by the increase in cost of living index and a further dosage of 30% royalty amount by way of contributions to District Mineral Foundation as per the revised notification under Mines and Minerals (Development and Regulation) Act, 1957. This was, however, more than offset by the improvement in selling prices and consequently the EBIDTA was higher at Rs.713.35 Crores against Rs.594.20 Crores. The interest charges including forex fluctuation and one time charges were higher at Rs.425.99 Crores (Rs.353.65 Crores) while depreciation was lower at Rs.257.91 Crores (Rs.276.39 Crores). The Company earned a profit before tax of Rs.29.45 Crores as compared to a loss of Rs.162.40 Crores in the previous year.

## **CURRENT PERFORMANCE**

With no major significant change in the market place, the weak demand for cement persisted during the first five months of this year with a meager growth of 2% as per the information published by DIPP. The negative growth in the South continued depressing capacity utilization further. Given this back drop, the performance of the Company was in line with the market conditions and the cement production was at 41.53 lakh tons upto September 2015 (46.01 lakh tons) a drop of 9%. The cement prices however remained stable during the period under review.

## **EXPANSION / MODERNISATION**

The Company has got necessary approvals of environmental authorities for installing new energy efficient cement grinding facility at Sankar Nagar, replacing some of the old cement mills. The Company has also got the approvals from the authorities for the enhanced capacity at Sankari and also for expansion of the capacity at Dalavoi Plant in Tamil Nadu.

## **SHIPPING DIVISION**

The year under review saw 41 voyages being performed by two vessels owned by the Division mainly deployed in Coastal Trade and tramping. The total earning of the Division was Rs.46.97 Crores as compared to Rs.67.72 Crores in the previous year which included the proceeds of the sold out vessel Chennai Perumai in the previous year. The operations of the Division continued to be satisfactory during the year under review.

## **MERGER OF TWO SUBSIDIARIES WITH THE COMPANY**

The shareholders and creditors of the Company and of Trinetra Cement Limited (TCL) (First Transferor Company) and Trishul Concrete Products Limited (TCPL) (Second Transferor Company) have approved the Scheme of Amalgamation and Arrangement between TCL and TCPL with the Company. Petitions have been filed in the Honorable High Court of Judicature at Madras under Sections 391 to 394 of the Companies Act, 1956 for getting the sanction of the Hon'ble High Court.

## **CHENNAI SUPER KINGS CRICKET LIMITED**

The franchise rights in Indian Premier League (IPL) were transferred to Chennai Super Kings Cricket Limited (CSKCL), a wholly owned subsidiary at its Net Asset Value (NAV as at March 31, 2014) as per books at Rs.7.83 Crores during the financial year ended March 31, 2015.

As per the conditions imposed by the Board of Control for Cricket in India (BCCI) for the said transfer, The India Cements Limited (India Cements) provided a guarantee for the purpose of guaranteeing performance / compliance by CSKCL of the obligations of the franchise under the Franchise Agreement and entered into a tripartite Novation Agreement with BCCI - IPL whereby from the effective date, CSKCL shall, inter alia, step into all obligations of India Cements under the Franchise Agreement without any further act or deed.

The Board of Directors of the Company at its meeting held on 23.02.2015 approved the sale of entire shareholding in CSKCL aggregating to 50,000 equity shares of Rs.10/- each to a Trust called "India Cements Shareholders Trust", (Trust). Three of the Independent Directors of the Company are the Trustees of the Trust. The Trust has been established for the purpose of distribution of the said shares, in due course to :

- I. All non-promoter shareholders of India Cements; and
- II. The shares that the promoters are entitled to shall be allotted to another Trust established for the benefit of ex-cricketers of India Cements.

The BCCI approved the transfer of 50,000 equity shares held by the company in CSKCL to the India Cements Shareholders Trust (Trust) subject to the condition that CSKCL make a fresh application for distribution of shares from the Trust to the ultimate beneficiaries (as explained above) together with all the necessary documents, details, information that are necessary for the proposed transaction. The Company was informed that CSKCL has sought the approval of BCCI for distribution of its shares by India Cements Shareholders Trust to the shareholders of India Cements and India Cements Ex-cricketers Trust as on October 9, 2015, being the Record Date fixed for the same.

Certain proceedings which were in progress prior to the transfer of franchise, by the company to CSKCL had been referred to a Three member panel appointed by the Apex court. The said Three Member Panel has suspended ICL (franchise) for a period of 2 years from the league. CSKCL is contesting the said suspension order in the High Court of Madras.

## **SUBSIDIARIES**

### **CONSOLIDATED FINANCIAL STATEMENTS**

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rules, the audited consolidated financial statement of the Company and of all the subsidiary and associate Companies is enclosed. A separate statement containing the salient features of the audited financial statement of all the subsidiary and associate Companies is also enclosed in Form AOC-1, (Annexure 'G') prescribed under the Companies Act, 2013.

### **POLICY ON DETERMINATION OF MATERIAL SUBSIDIARIES**

The India Cements Limited (India Cements) has, as on date, 10 subsidiaries controlled through shareholdings in such Companies. India Cements has one 'material' and listed subsidiary namely Trinetra Cement Limited (TCL), in terms of Clause 49(V)(E) of the Listing Agreement. Four independent directors of India Cements are also on the Board of TCL. TCL is managed by Board of Directors consisting of non-executive directors. A Scheme of amalgamation of TCL along with Trishul Concrete Products Limited with India Cements has been filed in the Hon'ble High Court of Judicature at Madras for approval, as stated elsewhere in this Report. The Appointed Date is 1<sup>st</sup> January, 2014. The statutory records and books of accounts of TCL are overseen from time to time by the concerned departments of India Cements.

### **TRINETRA CEMENT LIMITED**

While cement industry in general witnessing a very meager growth on an all India basis, the western and northern markets served by this factory registered a growth of around 7%, which enabled maintenance of better capacity utilization of 81% as that of previous year. The clinker production was at 8.68 Lakh Ts (8.82 Lakh Ts) while the cement sales was at 12.22 Lakh Ts as compared to 12.13 Lakh Ts in the previous year. The operating parameters improved during the year under review. The financials are given in Annexure - G.

### **TRISHUL CONCRETE PRODUCTS LIMITED**

With a weak demand growth for cement, in the South, the sale of Ready Mix Concrete was also affected and the unit achieved a volume of 3.04 Lakh Cu.M as compared to 3.38 Lakh Cu.M. in the previous year. While the revenue was at Rs.121 Crores against Rs.120 Crores in the previous year, with a tight control on costs, the Company achieved a net profit of Rs.1.85 Crores against Rs.84 lakhs in the previous year.





### **COROMANDEL ELECTRIC COMPANY LIMITED**

During the year, the generation of power for a few months was affected due to restrictions imposed on evacuation by the State Load Despatch Centre of Tamil Nadu Transmission Corporation and consequently the plant was able to generate only 187 Million KWH as against 204 million KWH in the last financial year. The Company had sold 74 million KWH of power to the cement plants of ICL located in Tamil Nadu while the balance power of 113 million units was sold to other group captive and third party consumers. The net income from operations earned by the Company was at Rs.85.44 Crores (Rs.94.71 Crores) and the net profit after tax was at Rs.6.80 Crores against Rs.13.72 Crores in the previous year. As per the existing practice, equity dividend was maintained at 9% while the dividend for the participating and non-participating preference share capital was at the respective coupon rates. The Company also redeemed the 4<sup>th</sup> and 5<sup>th</sup> instalments of redeemable cumulative non-participating preference shares on the respective due dates.

### **INDIA CEMENTS INFRASTRUCTURES LIMITED**

The Company during the year has taken up for joint development a property in Coimbatore. The necessary approvals for the project have been obtained and the work has already commenced. During the current year, depending on the market, the Company is expected to take up additional projects. The financials are given in Annexure - G.

### **PT. COROMANDEL MINERALS RESOURCES, INDONESIA AND COROMANDEL MINERALS PTE LIMITED, SINGAPORE**

In view of the significant reduction in the international price of coal, it was felt prudent to conserve the reserves of our mines. The Company is taking steps to secure the mines fully to derive the benefits when once the international price of coal begins to harden. The financials are given in Annexure - G.

### **ASSOCIATE COMPANIES**

#### **COROMANDEL SUGARS LIMITED**

With marginal improvement in cane availability, the Company achieved a crushing of 7.61 Lakh Ts during the year as compared to 7.02 Lakh Ts in the previous year. The sugar recovery was marginally lower at 9.69% (9.73%). The quantum of sugar produced was up at 73767 Ts against 68240 Ts in the previous year - an increase of 8%. The Company sold 81414 Ts of sugar as compared to 61170 Ts in the previous year. Molasses production also rose to 34128 Ts against 32020 Ts in the previous year. During the year under review, the Company exported 267.90 Lakh units of power as compared to 258.55 Lakh units in the previous year. As per the audited financial results, the sales and other income was more at Rs.259.54 Crores (Rs.198.85 Crores) but due to cost pressure and drawal of stocks, the EBIDTA was lower at Rs.22.41 Crores as compared to Rs.22.56 Crores in the previous year. Interest was higher at Rs.19.47 Crores (Rs.16.12 Crores) while depreciation was lower at Rs.2.62 Crores (Rs.5.64 Crores). The net profit before tax was Rs.32 lakhs as compared to Rs.79 lakhs in the previous year. The Company has completed installation of 30 MW cogeneration project and expects to derive the benefit of the project in the current season.

#### **INDIA CEMENTS CAPITAL LIMITED (ICCL)**

The Company continues to engage on its focus areas of fee based activities such as full-fledged money changing, travel, tours and forex advisory services. The Company's subsidiary namely India Cements Investment Services Limited (ICISL) continues in stock broking. The gross income from operations of ICCL was Rs.412.43 lakhs and of ICISL was Rs.162.58 lakhs.

### **MATERIAL CHANGES AND COMMITMENTS SINCE 31<sup>ST</sup> MARCH, 2015**

The Authorities had issued a provisional attachment Order under the Prevention of Money Laundering Act, 2002 (PMLA) attaching certain assets of the Company for an aggregate value of Rs.120.34 Crores. The Adjudicating Authority Specified under PMLA has confirmed the said Provisional Attachment Order. The Company has appealed against the said Order to the Appellate Authority.

Certain proceedings which were in progress prior to the transfer of IPL T20 Chennai Super Kings franchise, by the company to Chennai Super Kings Cricket Limited (CSKCL) had been referred to a three member panel appointed by the Apex court. The said Three Member Panel has suspended the said franchise for a period of 2 years from the League (IPL). CSKCL is contesting the said suspension order in the High Court of Madras.

### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

In accordance with Section 134(5)(e) of the Companies Act, 2013 and Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, the Company has an Internal Financial Control Policy and Procedures commensurate with the size and nature of operations and financial reporting.



The Company has defined standard operating procedures covering all functional areas like sales, marketing, materials, fixed assets etc. The Company has engaged the services of Chartered Accountant firms for carrying out internal audit of all its plants as well as marketing offices. The internal auditors have been given the specific responsibility to verify and report on compliance of standard operating procedures. The auditors have reported that there are adequate financial controls in place and are being followed by the Company. This has been further explained in the Management Discussion and Analysis Report.

## **RISK MANAGEMENT POLICY**

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Clause 49 of the listing agreement, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and mitigation of risk thereof.

## **MARKET CAPITALISATION OF THE COMPANY**

The details are given in Annexure 'H'.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Clause 49(II)(F) of the Listing Agreement, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The policy has been uploaded at the Company's website [www.indiacements.co.in](http://www.indiacements.co.in).

In terms of Section 177(9) of the Companies Act, 2013, every listed Company shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.

India Cements has always been encouraging its employees to give constructive criticism and suggestions, which will better the overall prospects of the Company and its various stakeholders. India Cements will continue to adopt this as a corner stone of its personnel Policy.

## **THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an anti-sexual harassment policy in line with the requirements of the captioned Act and Rules made thereunder. There was no complaint of harassment, reported during the year.

## **POLICY ON DEALING WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

## **TRANSACTIONS WITH RELATED PARTIES**

Particulars of contracts or arrangements with related parties in Form AOC-2 along with justification are given in Annexure 'I'.

## **LOANS / INVESTMENTS / GUARANTEES ETC UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of loans, investments and guarantees covered under Section 186 of the Companies Act, 2013 are given in Notes No.33.5 and 33.21 to the Notes on accounts for the financial year 2014-15.

## **ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

There has been no Order passed by any Regulatory or Court or Tribunal impacting the going concern status and future operations of the Company.

## **ANNUAL RETURN**

Extract of the Annual Return in Form No.MGT-9 is attached with this Report as Annexure 'J'.



## **PUBLIC DEPOSITS**

Your Company has not been accepting deposits from public and shareholders since 16<sup>th</sup> September 2013. The total amount of fixed deposits, including cumulative deposits, outstanding as at 31.03.2015 was Rs.79.12 lakhs. The Company has been repaying all the outstanding deposits as at 31.03.2015, on receipt of claim from deposit holders for which an intimation is sent to the depositors. The Company has repaid Rs.8 lakhs since 31.03.2015 on receipt of such claims. Deposits totaling Rs.71.12 lakhs have not so far been claimed by the depositors.

## **CONSERVATION OF ENERGY, ETC.**

Necessary particulars regarding conservation of energy etc. as per provisions of Section 134 of the Companies Act, 2013 are set out in the Annexure 'A'.

## **RESEARCH & DEVELOPMENT**

During the year, your Company spent Rs.134.97 Lakhs towards revenue expenditure on the R&D Department besides a contribution of Rs.64.40 lakhs to NCCBM which carries out research on behalf of the Industry as a whole.

## **DIRECTORS**

Under Section 149(6) of the Companies Act, 2013, Sri Arun Datta, Sri R.K.Das, Sri N.R.Krishnan, Sri V.Manickam and Sri N.Srinivasan (F&R), all being independent directors, were reappointed to hold office for a term of two consecutive years with effect from 26<sup>th</sup> December, 2014 to 25<sup>th</sup> December, 2016 or the date of Seventieth Annual General Meeting of the Company, whichever would be earlier.

Under Article 109 of the Articles of Association of the Company, Smt. Chitra Srinivasan retires by rotation at the ensuing Annual General Meeting of the Company and she is eligible for re-appointment.

Sri Basavaraju was appointed as a Nominee Director by Life Insurance Corporation of India in the place of Sri V.Manickam and he will hold the office upto the date of the ensuing Annual General Meeting and the resolution for his election as director liable to retire by rotation is included under Special Business in the Notice dated 2<sup>nd</sup> November, 2015 convening the 69<sup>th</sup> Annual General Meeting of the Company.

Sri PL.Subramanian, who retired as Executive President (Operations) of the Company in May 2015, was co-opted on the Board as an additional Director with effect from 08.06.2015 and he will hold the office upto the date of the ensuing Annual General Meeting and the resolution for his election as director liable to retire by rotation is included under Special Business in the Notice dated 2<sup>nd</sup> November, 2015 convening the 69<sup>th</sup> Annual General Meeting of the Company.

The Board has reappointed Smt. Rupa Gurunath as Wholetime Director for a period of 5 years from 5<sup>th</sup> March, 2015 and resolutions for approval of her reappointment and terms of reappointment have been included in the Notice dated 2<sup>nd</sup> November, 2015 convening the 69<sup>th</sup> Annual General Meeting of the Company.

Brief particulars of Directors eligible for appointment/reappointment in terms of Clause 49 of Listing Agreement are annexed to the Notice dated 2<sup>nd</sup> November, 2015, convening the 69<sup>th</sup> Annual General Meeting.

Smt. Chitra Srinivasan and Smt. Rupa Gurunath are related to Sri N.Srinivasan, Vice Chairman & Managing Director of the Company. No other director is related to them or each other.

The details of shares and convertible instruments held by non-executive directors are given in Page 35 (Annexure 'C').

## **INDEPENDENT DIRECTORS**

A statement on declaration given by independent directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, has been received by the Company. The Company has started sponsoring independent directors for training programmes in a phased manner. The details of familiarization programme for independent directors are as under:

### **OBJECTIVE**

In terms of Clause 49(II)(B)(7) of the Listing Agreement with the Stock Exchanges, the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

The Familiarization Programme aims to provide insights into the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in contributing significantly to the development of the Company.

The Company follows an informal orientation programme on a continuous basis for Independent Directors to understand and get updated on the business and operations of the Company.

#### **FAMILIARIZATION PROCESS**

At the time of appointing Independent Directors, an Appointment Letter incorporating their role, duties and responsibilities and the various terms and conditions of their engagement is issued for the acceptance of the Independent Directors. When a new Independent Director is appointed the Vice Chairman & Managing Director and Key Managerial Personnel of the Company brief him on the functioning of the Board and the nature of operations of the Company.

Independent Directors are provided with a copy of the latest Memorandum and Articles of Association of the Company, the latest Annual Report, ICL Code of Conduct for Directors and ICL Code of Conduct for prevention of Insider Trading and details of various Committees of the Board and the Company's in-house journal "Çompass".

Independent Directors are also advised from time to time, of the compliances required from them under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant rules and regulations. The provision of access on a structured basis to senior managerial personnel at Board / Board Committee meetings enables Independent Directors to interact with them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.

The Senior Management also makes presentations on different areas to the Board / Board Committees for informed appreciation of issues being discussed. Audio visual presentations on operations are made to the Board / Audit Committee at the meetings.

#### **OTHER INITIATIVES**

- The Chairman of the Committee of Independent Directors was nominated to a SEMINAR on Board Evaluation conducted by National Stock Exchange, Mumbai, during March 2015.
- Another independent director has been nominated as 'Occupier' for purposes of Factories Act and 'Owner' for purposes of Mines Act and is given periodical briefing by the Operating Management.
- Independent Directors held an exclusive meeting without the presence of any management personnel in March 2015 when matters pertaining to the Company's affairs were discussed independently.
- A booklet on the 'role and responsibility' based on the Companies Act, 2013 along with Letter of Appointment has been given to each independent director;
- Letters calling for various 'periodical disclosures' under various regulations are sent to directors;
- Presentation on "Industry Status" at each Board Meeting;
- Communication with directors on matters relating to the Company other than at Board Meetings;
- Facility to directors for attending general meetings;
- Nomination of / facility to Chairman of the Committee of Independent Directors on The Employers' Federation of Southern India, Chennai and facility for his attending All India Chamber meetings;
- Meetings of CFO and Company Secretary with Chairman of Committee of Independent Directors before every Board / Audit Committee meeting.

#### **DISCLOSURE**

The aforesaid familiarization programme for independent directors has been uploaded in the Company's website [www.indiacements.co.in](http://www.indiacements.co.in).

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

Your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013.



"We confirm

1. That in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That such Accounting Policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profit of the Company for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31<sup>st</sup> March, 2015 have been prepared on a going concern basis.
5. That internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and are operating effectively.
6. That proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively."

Similar Responsibility Statements have also been furnished by the Directors of the subsidiary Companies.

#### **REMUNERATION**

As prescribed under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details are given in Annexure H1.

#### **BOARD MEETINGS**

During the year, six Board Meetings were held. The details of the meetings of the Board and its Committees are given in the Corporate Governance Report.

#### **EVALUATION OF BOARD / BOARD COMMITTEES**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as evaluation of the working of its Audit, Nomination and Remuneration and other Committees.

#### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a Policy for selection and appointment of Directors, Key Managerial Personnel and other employees and their remuneration for implementation.

Broadly, the performance of the employee concerned and the performance of the Company are the fundamental parameters determining the remuneration payable to such an employee. More specifically, there will be reciprocity in the matter of remunerating executive directors, KMPs and other employees.

At the middle and lower levels of management, the yardsticks of assessment are different. The ability to speedily execute policy decisions, sincerity and devotion and discipline are the main attributes expected.

#### **KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of the Company for purposes of Companies Act, 2013, are Sri N.Srinivasan, Vice Chairman & Managing Director (Chief Executive Officer), Smt. Rupa Gurunath, Wholetime Director, Sri G.Balakrishnan, Senior President & Company Secretary and Sri R.Srinivasan, President (Finance & Accounts) and Chief Financial Officer.

#### **PERSONNEL**

Industrial relations continued to remain cordial during the year.

In terms of the provisions of Section 197(12) of the Companies Act, 2013, read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 the particulars relating to the employees' remuneration are annexed to the Directors' Report (Annexure H1).

## **EMPLOYEES STOCK OPTION SCHEME**

No fresh options have been granted under India Cements Employees Stock Option Scheme, 2006 during the financial year.

No options at all have been granted under India Cements Employees Stock Option Scheme, 2007.

## **VOLUNTARY DELISTING OF EQUITY SHARES / GDRs**

The Company's equity shares were voluntarily delisted from Madras Stock Exchange Limited with effect from 22.12.2014.

The Company's Global Depository Receipts (GDRs) were voluntarily delisted from Luxembourg Stock Exchange in February 2015.

## **AUDITORS**

The Shareholders of the Company at the 68<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> December, 2014, have appointed Messers Brahmayya & Co., and P.S.Subramania Iyer & Co., Chennai, the Auditors of the Company, to hold office for a period of 3 years from the conclusion of the 68<sup>th</sup> Annual General Meeting until the conclusion of the 71<sup>st</sup> Annual General Meeting. Their appointment is subject to ratification by members every year at the Annual General Meeting and hence is included in the Notice dated 2<sup>nd</sup> November, 2015, convening the 69<sup>th</sup> Annual General Meeting of the Company.

## **INTERNAL AUDITORS**

Messers Capri, Gopalaier & Subramanian, Kalyanasundaram & Associates and Bala & Co., Chennai have been appointed as Internal Auditors for the year 2015-16.

## **COST AUDITOR**

Sri S.A.Murali Prasad, Cost Accountant, Chennai has been appointed as Cost Auditor for the year 2015-16 at a remuneration of Rs.15 lakhs. The remuneration is subject to ratification of members and hence is included in the Notice dated 2<sup>nd</sup> November, 2015, convening the 69<sup>th</sup> Annual General Meeting of the Company.

## **SECRETARIAL AUDITOR**

Smt. P.R.Sudha, Practising Company Secretary, has been appointed as Secretarial Auditor of the Company for the year 2015-16.

Secretarial Auditor's Report in Form MR-3, as prescribed under Section 204(1) of the Companies Act, 2013 read with Rule-9 of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014 is enclosed as Annexure - K. The Secretarial Audit Report does not contain any qualification, reservation or other remarks.

## **ACKNOWLEDGEMENT**

The Directors are thankful to the Financial Institutions and the Bankers for their continued support. The Directors also thank the Central Government and the various State Governments for their support. The stockists continued their excellent performance during the year and the Directors are appreciative of this. The continued dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

On behalf of the Board

N.SRINIVASAN  
Vice Chairman & Managing Director

RUPA GURUNATH  
Wholetime Director

N.SRINIVASAN  
Director

Place : Chennai

Date : 2<sup>nd</sup> November, 2015



## ANNEXURE 'A' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

[Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014]

### A. Conservation of Energy:

- (i) The steps taken or impact on conservation of energy:
  - (a) Installation of Variable Speed Drive for Coal Mill and Cement Mill Vent Fans.
  - (b) Conversion to classified liners in Cement Mills to improve the efficiency.
  - (c) Installation of new high efficiency PA fan along with VFD for kiln.
  - (d) Replacement of worn out ducts in GCT outlet to bagfilter to improve air flow with consequent reduction of load on pre-heater fan.
  - (e) Lighting replacement done at plants with LED lamps to save power.
  - (f) SPRS system commissioned in one of the plants for the preheater fans resulting in power saving.
  - (g) Installation of dynamic separator in coal mill circuit for usage of petcoke.
  - (h) Installation of VFDs for coal mill booster fans.
  - (i) Further improvement in power factor achieved through additional capacitor banks.
  - (j) Modification of kiln inlet venturi area resulting in increased production and reduction in energy consumption.
  - (k) Process diagnostic studies undertaken at two of the plants to improve the power and fuel consumption.
  - (l) Removal of preheater fan inlet damper and installation of slide gate resulting in savings in power.
- (ii) The steps taken by the company for utilising alternate sources of energy:
  - (a) The company uses the power from the waste heat recovery system at one of its plants.
  - (b) The company also uses the power generated from Windmills.
  - (c) The company uses alternative fuels at some of its plants.
- (iii) The capital investment on energy conservation equipment:
  - (a) Dynamic Separator in Coal Mill section in one more plant to reduce power consumption and to enable usage of alternate fuels like Petcoke.
  - (b) Gradual installation of VFDs for the various circuits in the Andhra Pradesh plants to optimize power consumption.
  - (c) Installation of new energy efficient cement grinding system at one of the plants replacing the old conventional ball mills.
  - (d) Automation of Crusher and Packing Plant to avoid idle running and save power and keep.
  - (e) Belt Bucket Elevator system for blending silo feeding from Raw Mill instead of Aeropol to save on power consumption.
  - (f) Replacement of hot air fan and the booster fan with high efficiency fans to reduce power consumption.

Impact of measures at (i), (ii) and (iii) above for reduction of energy consumption and consequent impact on cost of production of goods:

The above measures that have been undertaken have already resulted in reduction of 3 units of power and around 5 R.cals per Kg of clinker in heat consumption. Further measures proposed to be undertaken are expected to reduce the overall heat consumption by 10 R.cals and power by a further 2 Units/Tn of cement.

### B. Technology Absorption:

Particulars given in Form 'B' annexed.

### C. Foreign exchange earnings and outgo:

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products & services and export plans:  
There was no significant export sales during the year under review.
- (b) Total foreign exchange used and earned:

	Current Year	Previous Year
Earned Rs. /Crores	171.33	91.67
Used Rs. /Crores	42.21	39.30

**FORM B**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION**

Research and Development (R & D):

1. Specific areas in which R&D carried out by the Company
2. Benefits derived as a result of above R & D
3. Future plan of action
4. Expenditure on R & D:

The Company has started an in-house R&D department during December 1999 with a specified objective of carrying of R&D Projects in development of expert systems for the mills and kilns optimisation, Benchmark studies of our Cement Plants, optimisation of process systems and parameters ensuring product improvement and cost reduction.

(a) Capital : Nil

(b) Recurring : A sum of Rs.134.97 lakhs has been spent during the year for the functioning of R & D department. Besides this, a sum of Rs.64.40 lakhs is the contribution to National Council for Cement and Building Materials (NCCBM) which carries out Research on behalf of the Industry.

(c) Total : Rs.199.37 lakhs

(d) Total R&D expenditure as a percentage of total turnover : 0.04

Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:
  - (a) Technology imported
  - (b) Year of import
  - (c) Has technology been fully absorbed
  - (d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action.

Not applicable





## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OVERVIEW OF THE ECONOMY**

During the year under review (2014-15) uncertainty continued to grip the world economy. Barring the US, which reported a strong growth, most economies including the Euro Zone, China and Japan reeled under slow down. Outlook for Indian economy improved with a decisive verdict in Lok Sabha Elections in 2014 and the new NDA Government focusing on turnaround of the economy, ushering in reforms and implementing the stalled projects.

Last year, the economy was insulated from "external shocks" and macro-economic conditions improved considerably raising hopes for regaining the growth momentum. Global commodity and crude prices considerably cooled helping the country to cut current account deficit.

Both core and retail inflation rates also eased prompting RBI to cut rates twice.

During the year, the sluggish global economy and tardy growth in foreign trade led to stagnation in Indian exports. With changed perception about India and Global agencies betting big on India growth story, the country attracted substantial foreign funds including from FIIs.

However, On the domestic front, the expected pick-up in demand and investment recovery did not materialise. This along with sluggish exports, huge debt, high interest cost, higher freight and power charges affected core industry growth.

### **GDP GROWTH, INDUSTRIAL OUTPUT**

The Central Statistical Office (CSO) revised GDP estimate at 6.9% for 2013-14 adopting 2011-12 as the base year for computation of national income at market price against 4.7% with 2004-05 as the base year.

During 2014-15, GDP growth improved to 7.4% (2011-12 base year). On the same basis farm sector growth was below normal at 1.1% against 3.7% in 2013-14. With stagnation in manufacturing activity, Industrial growth marginally improved to 5.9% (4.5%). While the services sector posted a strong growth of 10.6% (9.1%).

### **CORE SECTOR GROWTH, IIP WITH 2004-05 AS BASE YEAR**

According to figures released by Ministry of Commerce & Industry, the eight core sectors recorded a growth of 3.5% (2004-05 base year) which is lower than 4.2% posted in 2013-14 and the index of industrial production grew marginally at 2.8% during 2014-15 from a contraction of 0.1% in 2013-14.

### **EXPORTS / IMPORTS**

During 2014-15, overall exports contracted by 1.23% in Dollar terms to \$310.5 Billion compared with \$314.4 Billion in the previous fiscal year as demand for goods from key markets such as Europe, China and Japan remained low. The country missed the export target of \$325 Billion. The decline in exports was across various sectors.

Overall imports fell 0.59% in Dollar terms to \$447.54 Billion from \$450.21 Billion mainly due to drop in the oil bill as global crude prices declined. The trade deficit slightly rose to \$137.01 Billion against \$135.79 Billion. Forex reserves increased to a record high of \$343.9 Billion during the year from \$303.7 Billion.

The current account deficit (CAD), the gap between forex inflows and outflows, further declined to 1.3% of GDP from 1.7% in 2013-14. It was a record 4.7% in 2012-13.

### **FISCAL DEFICIT**

With the NDA Government firm on fiscal consolidation, the fiscal deficit was at 4% against target of 4.1% of GDP and the level of 4.4% in 2013-14. It was made possible by curtailing expenditure and mopping up revenue from Telecom auction.

### **INFLATION**

Last year, the inflationary pressure considerably eased due to the softening in oil, commodity and food prices. The average rate of inflation in terms of WPI declined to two per cent compared to six per cent in 2013-14. The average rate of inflation in terms of CPI also eased to 5.9% (9.5%).

## CEMENT INDUSTRY

The working environment for the cement industry did not show any significant improvement during the year under review with the industry reeling under a low growth scenario. As per the information published by the Department of Industrial Policy and Promotion (DIPP), the industry registered a growth of around 5% for the year under review as compared to a NIL growth in the previous year. Even this growth was possible due to better growth in East and West while South registered practically a NIL growth with a negative growth in Tamilnadu and Andhra Pradesh. The cement industry, second largest in the world with a capacity of over 360 Mn. Tns had to be content with a capacity utilisation of around 70% only on an All India basis while it was much lower in the South with a huge capacity overhang. The industry was also saddled with annual bout of cost increase which was mitigated to a certain extent by the sharp fall in oil prices and thereby reduction in prices of coal. But the raw material cost was significantly influenced with the increase in Royalty during the year and also increase in the cost of other input materials caused by the steep increase in freight on account of load restrictions imposed by the transport authorities in the state of Tamil Nadu.

The railway freight which was increased steeply had also its impact on the inward and outward movement of materials cost. The new Mines and Minerals Development Regulation (MMDR) ordinance has also added to the woes of the industry with a further dosage of increase in royalty by 30% by way of contribution to District Mineral Foundation and additional 2% of the royalty as contribution to National Minerals Exploration Trust. The Industry also had to bear the impact of non availability of construction materials like sand, bricks and water in various states.

As mentioned elsewhere, however, there seems to be some prospects of improvement in the situation with a turnaround of the Infrastructure and Reality sectors on the back of various initiatives and announcements and it could be reasonably assumed that there would be a reversal in the fortunes of the industry to the favourable side in the medium term. A reasonable growth of 6 to 7% in cement consumption in the medium term as projected by experts based on the GDP growth can be expected.

## COMPANY PERFORMANCE

Given such a back drop of poor demand in the market, the performance of the Company was in line with the trend and it was as under:

	In Lakh Ts	
	2014-15	2013-14
Clinker	67.65	78.14
Cement	85.92	98.03
Cement Sales	86.12	97.93
Clinker Sales	4.98	2.44
Total including Clinker Sales	91.10	100.37

As earlier mentioned the lack of demand resulting in nil growth in the southern markets with even negative growth in Tamil Nadu and Andhra Pradesh, led to a lower capacity utilisation of 62% as compared to 70% in the previous year. The average capacity utilisation in the South was less than 60% during the year under review with a huge supply overhang. With thrust on exports, the Company could achieve clinker export of 4.95 Lakh Tons and cement export of 0.83 Lakh Tons for the year. The power and fuel consumption further improved during the year under review with a focussed approach on cost reduction.

The Company as part of ongoing exercise also installed bag filters in place of ESPs at some of its plant to comply with revised norms prescribed by authorities.

On the sales front, the prices went down in South in the first two quarters of the year resulting in substantial erosion of the bottom line. However, with gradual improvement in the prices from the month of December' 14, some of the lost ground could be recovered. The average net plant realization for the Company stood at 3587 as compared to 3185 in the previous year. With poor demand for cement in the markets in the South, the Company had to move outside its traditional markets to ensure a reasonable capacity utilization, in addition to resorting to marginal contribution areas of clinker and cement export.



## **COST REDUCTION MEASURES**

With the stabilisation of the thermal power plants at Vishnupuram alongwith the power plant at Sankar Nagar, the power requirements could be met fully without any recourse to high cost power purchase as in the earlier years. The Company could derive better economies in power cost with the fuller operations of the power plants yielding a total 4629 lakh units of power to its cement plant as against 3422 lakh units in the previous year. With the reduced capacity utilisation of the cement plants, the surplus power of 675 lakh units was also sold during the year to the state grid yielding additional contribution. The power consumption at its plants was brought down by 3.5 units during the year under review and the heat consumption was also maintained at its plants which however was varying between plants depending on its vintage and capacity utilisation.

The performance of Chilamkur plant further improved with sizable increase in kiln output during the year under review.

With the improved utilisation of imported coal and petcoke at its plants, the high cost indigenous coal usage was also brought down substantially during the year.

The blended cement proportion also improved further to 70% from 67.7% in the previous year thereby improving the conversion ratio which also paved way for substantial economies in cost. The Company's innovative Voluntary Retirement scheme announced and implemented during the earlier years and the strict control on contract labour deployment had also its impact on the overall cost of manpower.

## **RENEWABLE ENERGY AND CLEAN DEVELOPMENT MECHANISM (CDM)**

During the year the Company's windmills in Tamil Nadu generated a quantum of 250.47 Lakh KWH (251.48 Lakh units) which was used by the Company's plants. The Waste Heat Recovery System at Vishnupuram also contributed with a higher generation of 559 Lakh KWH (508 L KWH) which was consumed by that unit. To reduce the carbon emission further, the Company focussed on increasing blended cement proportion which was improved further during the year. The Company is also taking steps to comply with the latest stringent new emission standards as notified recently.

## **OPPORTUNITIES, THREATS, RISKS AND CONCERNS**

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Business Risk Management Committee. The Company has also laid down a risk management mechanism which is very well defined covering risk exposure and mitigation process. The Board of Directors will periodically review the risks and suggest the mitigation process through various steps to be taken. The risk management policy has also been defined identifying key risk areas of project risks, competition risk, Occupational health and safety risk, environmental and regulatory risk, operational and business risk to name a few.

The biggest risk today facing the industry in general is the very poor demand for cement - The impact of the poor economic growth in the previous year and which has gone up only marginally in the year under review. The industry had to wait for longer time in this cycle than usual for the fortunes to reverse. However, as mentioned elsewhere, based on the projections by various agencies and experts, reasonable economic growth is expected in the medium term of over 7% and given the strong fundamentals of the country, the industry can expect the trends to move upwards. This is supported by the various announcements by the new NDA Government of developing infrastructure, roads, buildings, ports in their manifesto as well as in the budget which augur well for a pickup in demand for cement.

With the containment of the fiscal deficit and with reasonable reduction in the interest rates the atmosphere could favourably pave way for further growth of the Industry. This will address the poor capacity utilisation of the Industry hovering around 70% only currently to normative utilisation levels as in the previous decade. While a reasonable pickup in demand and growth pattern may spur the Industry on all India basis, South will take a longer time to see the light as they have got nearly 40% of the capacity of the country with very poor demand in that area. With the implementation of the infrastructure development, including creation of new State capital in Andhra Pradesh and materialisation of the irrigation projects as announced, South could also see a reasonable growth in demand leading to better capacity utilisation in the medium term but the utilisation levels will be lower.

The second major challenge facing the Industry is the ever changing infrastructure regulations calling for stringent pollution control norms and regulations covering land acquisition and clearances for mining. The Company on its part has also proposed to address the recently announced stringent pollution control norms through investments at its plants. However, the impact of amendments to granting of mining leases has to be seen in reality.

Another risk facing the industry is the availability of key materials like coal, Gypsum, etc. together with variation in their quality. To overcome this, the Company has gradually reduced its dependence on high cost indigenous coal through various alternative routes like Petcoke and Imported coal, etc.

The Company has also taken mining rights in Indonesia to mine its captive coal to ensure security for fuel availability. To ensure availability of adequate fly ash, the Company has installed Collecting systems at the nearby state owned Thermal Power plants but the risk being associated is the volatility in the price of fly ash being charged by such thermal power stations. Based on the indications of new thermal plants commissioning in the southern states, it is expected that such risk associated with the pricing is expected to be mitigated with the surplus availability of fly ash in the region.

Another risk is the volatility in the dollar rate which affects the input materials cost. This is partially addressed through taking steps at appropriate time through hedging.

As regards electrical energy, since the Southern States are deficient in power availability, the Company took conscious steps to increase its own captive power by installing thermal power plants in Tamil Nadu and in Andhra Pradesh which caters to the major requirements of power for our plants. The Company is also insulated with availability of power from its subsidiary namely, Coromandel Electric Company Limited, wind power from its own wind mills and Waste Heat Recovery System at Vishnupuram. Based on the current levels of utilisation at our plants, the surplus power has also been sold out to the state grids/LEX, yielding additional contribution.

Logistics cost is also an area of concern impacting the industry in general and this was compounded by the restrictions imposed by the transport authorities in Tamil Nadu during the year resulting in substantial increase in the freight cost of inward and outward materials. The impact was partially nullified with a fall in the diesel price during the year but the volatility in the prices of petroleum products is likely to have an impact on the logistics cost. Railways on their part have also hiked their freight steeply during the year under review and the Company based on the lead judiciously employs the least cost transport mode.

## **OUTLOOK**

Major global markets are still grappling with slow down and weak recovery. It is the only the US, which is expected to sustain the positive growth. At the same time, Indian economy is expected to continue the turnaround.

Most growth forecasts have upgraded Indian economic growth rate while downgrading global growth. The Economic Survey and the Union Budget for 2015-16 expect GDP growth to accelerate to over 8% in 2015-16 on the back of macro economic stability, pick up in domestic demand and revival in domestic savings and investment.

RBI expects the growth to be slightly lower at 7.8% while IMF and World Bank are upbeat on the growth prospects for India and raised the growth target to 7.5% in the current year. RBI and Government have also moved to limit retail inflation to below 6% and the Central Bank is expected to further ease interest rates.

The Government is striving hard to build a consensus on implementing major reforms like GST and engaging the States in the growth story. Steps have been taken in right direction through unblocking of coal mines and allocation of telecoms spectrum. The two bifurcated States- Andhra Pradesh and Telangana are engaged in resurrecting their economies and triggering growth.

With increased allocation for infrastructure, roads and housing plus initiatives like "ease of doing business", "Make in India", promoting 100 smart cities, housing for all by 2022 and building cement concrete roads, an optimistic view can be taken for accelerating economic growth, which will augur well for the industry.

## **VALUE ENHANCING STRATEGIES**

With the recent announcement of creation of new capital and substantial investments in infrastructure by the Andhra Pradesh and Telangana governments towards reasonable growth in demand, the Company with substantial capacity in the region, is well placed to take part in the development. With the investment in the thermal power plants, Gas based power plants of Andhra Pradesh Gas Power Corporation Limited (APGPCL), Coromandel Electric Company Limited (CECL) and the Waste Heat Recovery System (WHRS), the Company is well insured for power availability and with the states reeling under power cuts, there will not be any bottlenecks in the operation on account of power shortage.



The Company has also insured against the risk of non-availability of fuel by securing mining rights for coal in Indonesia. However, based on the current market prices, the Company proposes to use its own resource judiciously taking advantage of current market availability at low prices. To insure against volatility of the international freight rates, the Company has acquired two ships which are currently on charters which could be diverted for bringing coal and other important raw materials. In order to improve the capacity utilisation, the Company has been exporting clinker and cement on marginal contribution basis and has also been exploring the long lead markets in West and East which offer reasonable contribution.

The Company has also got the necessary clearances for enhancing the capacity at one of its plants and action plans are being drawn up to evaluate a clinker with split grinding facility or a full-fledged integrated plant in the south. The Company has also installed bag filters in place of Electrostatic Precipitator (ESP) in a phased manner at its plants to comply with the pollution control norms. Further investments are also proposed to comply with the latest regulations prescribing stringent pollution control norms. The Company also gives a thrust on meeting the quality of its products and better customer satisfaction and in this direction action plans are taken to supply premium quality products in highly competitive and remunerative markets. To comply with this, the Company has also taken steps for installing suitable cement grinding systems at one of its plant replacing the existing energy in-efficient old mills. The Company has also been constantly improving the clinker conversion ratio which has further improved during the year under review.

#### **COMPETITION COMMISSION**

On a complaint filed by the Builders' Association of India against 11 Cement Manufacturers in India including our Company alleging cartelization and abuse of dominance, the Office of the Director General of the Competition Commission was ordered to investigate the matter. Based on the investigation by Director General, an order imposing a penalty of Rs.187.48 Crores equal to 0.5 times of our profit from 20<sup>th</sup> May 2009 to 31<sup>st</sup> March 2011 was ordered and served on us. We, besides the other cement companies filed appeals before the Competition Appellate Tribunal challenging the said order on various grounds. The Hon'ble Competition Commission Appellate Tribunal after elaborate hearing by its order dated 17/5/2013 directed us among others to deposit 10% of the penalty as a condition precedent for the maintainability of the appeal. On compliance of the order by depositing 10% of the penalty imposed in a Fixed Deposit with Bank of India for a sum of Rs.18.75 Crores which is being renewed periodically, we enjoy the stay of the recovery of the penalty. The appeal itself is listed for final hearing. The Management backed by legal opinion from learned Senior Counsels' strength believes that the Company has a good case on merits to succeed and hence no provision has been made in the books of accounts but the amount of penalty is shown as a contingent liability.

#### **HUMAN RESOURCES & INDUSTRIAL RELATIONS**

The industrial relations remained cordial throughout the year at all our units. The Company believes in improving talents at every level and towards this, various training programmes and leadership development programmes are being conducted internally and many employees are also sent for management development programmes and leadership development programmes to hone their talent. The Company has also developed strong HR process and strategy to improve the overall organisational effectiveness with rewards through performance appraisal schemes. With the constriction of man power, multi tasking also assumes primary importance. The overall number of employees on the rolls of the Company at the end of the year under review was 2750 (2901).

#### **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

Your Company has a well-defined internal control system commensurate with size, scale and complexity of operation to support the business operations to ensure statutory compliance. External auditors carry out concurrent audit of all the plants and offices adding to the stability of the internal control systems. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides for checks and balances at every stage. The Company has a strong system of budgetary control which covers all aspects of operations, finance, capital expenditure at a macro level on a monthly basis reporting directly to top management. All the physical performances and efficiency parameters are monitored on a daily basis and actions are taken then and there. The Company has an Audit Committee of Directors to review financial statements to shareholders. The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement with Stock exchanges and Section 177 of the Companies Act, 2013 besides other terms as may be referred to by the Board of Directors from time to time.

## FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### HIGHLIGHTS OF FINANCIAL PERFORMANCE

	Rs. Crore	
	2014-15	2013-14
Net Sales / Income from operations	4423.61	4440.88
Other Income	30.79	88.96
Total Income	4454.40	4529.84
Total Expenditure	3741.05	3935.64
Operating Profit	713.35	594.20
Operating Margin %	16.01%	13.12%
Interest & Finance Charges	425.99	353.65
Gross Profit after Interest but before Depreciation and tax	287.36	240.55
Depreciation	257.91	276.39
Profit / (Loss) before Exceptional items	29.45	(35.84)
Exceptional items	–	126.56
Profit / (Loss) before tax	29.45	(162.40)
Current Tax	6.40	–
Deferred Tax	(6.40)	–
Profit / (Loss) after tax	29.45	(162.40)

### FINANCIAL PERFORMANCE

The net sales was marginally lower than last year primarily on account of reduction in cement sales volume by 12%, after accounting for the increase in cement price realisation. Total expenditure was driven by volume and it was lower by 5% despite increase in the input prices of raw materials, increase in freight cost etc. as detailed elsewhere. Consequently operating margin was higher than last year. Finance cost was higher on account of one time charges and higher working capital needs due to tight market condition while depreciation was lower than last year. This resulted in a net profit for the year against a loss during the previous year, primarily driven by improved selling prices and tight control on costs.

### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.





## ANNEXURE 'C' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement with the Stock Exchanges)

#### A. MANDATORY REQUIREMENTS

##### 1] Company's Philosophy:

The Company's Philosophy on Corporate Governance aims at the attainment of the highest levels of transparency, accountability and responsibility in all operations and all interactions with its Shareholders, Investors, Lenders, Employees, Government and other stakeholders.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, consistently over a sustained period of time.

##### 2] Board of Directors:

The Board has 11 members consisting of a Vice Chairman & Managing Director and a Wholtime Director, five Independent Directors and four Non-executive directors of whom two have been nominated by IDBI Bank Limited and Life Insurance Corporation of India.

The Board functions both as a full Board and through Committees. The Board and Committees meet at regular intervals.

The Board has constituted seven Committees viz., Audit Committee, Share Transfer Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Compensation Committee and Committee of Directors.

During the year 2014-2015, Six Board Meetings were held on 26.05.2014, 07.08.2014, 26.09.2014, 12.11.2014, 11.02.2015 and 23.02.2015.

The composition of the Board, attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee memberships are given below:

Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.14 to 31.03.15)	Attendance at last AGM	No. of other Directorships held in public companies	No. of Membership (M) / Chairmanship(C) in other Board Committee(s)*
						(As on 31/03/2015)
1.	Sri N.Srinivasan <i>Vice Chairman &amp; Managing Director</i>	Promoter, Executive Director	5	Yes	7	4 (C)
2.	Smt. Chitra Srinivasan	Promoter, Non-Executive Director	3	Yes	Nil	Nil
3.	Smt. Rupa Gurunath <i>Wholtime Director</i>	Promoter, Executive Director	4	Yes	8	1 (M)
4.	Sri Arun Datta	Independent, Non-Executive Director	5	No	5	1 (M)
5.	Sri Basavaraju Nominee of Life Insurance Corporation of India in its capacity as Lender / Shareholder	Independent, Non-Executive Director	6	No	1	2 (M)
6.	Sri R.K.Das	Independent, Non-Executive Director	6	No	9	Nil
7.	Sri N.R.Krishnan	Independent, Non-Executive Director	6	Yes	6	3 (M) & 3 (C)



Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.14 to 31.03.15)	Attendance at last AGM	No. of other Directorships held in public companies	No. of Membership (M) / Chairmanship(C) in other Board Committee(s)*
						(As on 31/03/2015)
8.	Sri V.Manickam	Independent, Non-Executive Director	5	No	6	1 (M)
9.	Sri N. Srinivasan (F&R)	Independent, Non-Executive Director	6	Yes	9	4 (C) & 3 (M)
10.	Sri Nagaraj Garla* <sup>1</sup> Nominee of IDBI Bank Ltd., in its capacity as Lender	Non-Executive Director	4	No	1	Nil
11.	Sri PL. Subramanian* <sup>2</sup>	Non-Executive Director	NA	NA	NA	NA
12.	Sri G.M. Yadwadkar* <sup>3</sup> Nominee of IDBI Bank Ltd., in its capacity as Lender	Non-Executive Director	Nil	NA	NA	NA

\* Only Audit Committee and Stakeholders Relationship Committee are considered for the purpose.

\*1 Appointed as a Director of the Board w.e.f. 25.09.2014 by IDBI Bank Limited.

\*2 Appointed as a Director of the Board w.e.f. 08.06.2015.

\*3 Ceased to be a Director of the Board w.e.f. 26.08.2014, consequent to withdrawal of nomination by IDBI Bank Limited.

#### Independent Directors:

As required under Section 149(4) of the Companies Act, 2013, Sri Arun Datta, Sri R.K.Das, Sri N.R.Krishnan, Sri V.Manickam and Sri N. Srinivasan (F&R), Directors, have been appointed as Independent Directors by the Shareholders at their Annual General Meeting held on 26<sup>th</sup> December 2014.

The Board has framed a 'Code for Independent Directors' as required under the Companies Act, 2013, at its meeting held on 07.08.2014.

Independent Directors are issued Letters of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

The Company has a familiarisation programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the Cement Industry, the business models of the Company etc. and the details are available on the website of the Company ([weblinkhttp://www.indiacements.co.in/Admin/Images/fpid.pdf](http://www.indiacements.co.in/Admin/Images/fpid.pdf)).

During the financial year 2014-2015, Independent Directors met once i.e., on 09.03.2015, inter alia, to:

- review the performance of non- independent Directors and the Board of Directors as a Whole;
- review the performance of the Vice Chairman & Managing Director of the Company, taking into account the views of the executive and non-executive directors; and
- assess the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The composition of and attendance at Committee of Independent Directors meeting are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N. Srinivasan (F&R), Chairman	1	1
2.	Sri Arun Datta	1	1
3.	Sri R.K.Das	1	–
4.	Sri N.R.Krishnan	1	1
5.	Sri V.Manickam	1	–



### 3] Audit Committee:

The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

The Board at its meeting held on 07.08.2014 reaffirmed the constitution of Audit Committee.

The Audit Committee met five times during the year i.e., on 26.05.2014, 07.08.2014, 01.10.2014, 12.11.2014 and 11.02.2015.

The composition of and attendance at Audit Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.Srinivasan (F&R), Chairman	5	5
2.	Sri Arun Datta	5	5
3.	Sri R.K. Das	5	5

The Company Secretary is also Secretary to the Audit Committee.

There has been no instance, where the Board has not accepted any recommendation of Audit Committee.

### 4] Nomination and Remuneration Committee & Policy:

In compliance with Section 178 of the Companies Act, 2013 read with Rules framed thereunder and revised Clause 49 of the Listing Agreement, the Board has at its meeting held on 26.05.2014 renamed and reconstituted the existing 'Remuneration Committee' as 'Nomination and Remuneration Committee' for the purpose of:

- identifying persons qualified to become directors and recommending to the Board their appointment and removal.
- evaluating the performance of every director and formulating the criteria for determining qualification, positive attributes and independence of a director, and
- recommending to the Board a policy relating to the remuneration for the directors, Key Managerial Personnel (KMP) and other employees.

During the year 2014-2015, Nomination and Remuneration Committee met three times i.e., on 07.08.2014, 12.11.2014 and 11.02.2015 to consider and recommend to the Board the

- appointment of Key Managerial Personnel (KMPs) and 'minimum Remuneration' payable / paid to the Managing Director and Wholetime Director for 2013-14 in view of absence of profits;
- Remuneration Policy;
- appointment of independent directors; and
- reappointment of Smt. Rupa Gurunath as 'Wholetime Director' for a further period of 5 years w.e.f. 05.03.2015.

The composition of and attendance at Nomination and Remuneration Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.R.Krishnan, Chairman	3	3
2.	Sri Arun Datta	3	3
3.	Sri N.Srinivasan (F&R)	3	3

In view of absence of profits for the financial year 2013-14, applications were made to Government of India (GOI), Ministry of Corporate Affairs, for seeking their approval for waiver of recovery of excess remuneration amounting to Rs. 426.21 lakhs paid to Sri N.Srinivasan, Managing Director and Rs.108.00 lakhs paid to Smt. Rupa Gurunath, Wholetime Director and GOI, vide its letter nos. SRN C41638750/5/2015-CL.VII and SRN C41639709/5/ 2015/CL VII, both dated 17.07.2015, accorded its approval, respectively.

#### Details of remuneration paid to the Directors for the year ended 31<sup>st</sup> March, 2015:

##### (i) Executive Directors:

The two executive Directors (Managing Director and Wholetime Director) are paid remuneration as decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee of the Board, with the approval of Shareholders and other necessary approvals.

There are no stock options available / issued to the Managing Director or Wholetime Director.

**Details of remuneration paid to the Executive Directors for the year ended 31<sup>st</sup> March, 2015:**

(Rs. lakhs)

Name & Position	Salary	Perquisites & allowances	Provident Fund	Retirement Benefits	Others	Total
Sri N.Srinivasan Vice Chairman & Managing Director	360.00	108.00	43.20	69.00	6.47	586.67*
Smt. Rupa Gurunath Wholetime Director	120.00	36.00	14.40	23.00	0.00	193.40
<b>Total</b>	<b>480.00</b>	<b>144.00</b>	<b>57.60</b>	<b>92.00</b>	<b>6.47</b>	<b>780.07*</b>

\* subject to approval of Government of India.

**(ii) Non-Executive Directors:**

Remuneration by way of sitting fees is paid to all non-executive directors at the rate of Rs.20,000/- for attending each meeting of the Board and Rs.10,000/- for attending each committee meeting.

Particulars of sitting fees including for committee meetings paid to non-executive directors during the financial year 2014-2015 are as follows:

Name of the Director	Sitting Fees Paid (Rs.)
Smt. Chitra Srinivasan	60000
Sri Arun Datta	230000
Sri Basavaraju	120000
Sri R.K.Das	170000
Sri N.R.Krishnan	170000
Sri V.Manickam	100000
Sri Nagaraj Garla (Paid to IDBI Bank Ltd)	80000
Sri N.Srinivasan (F&R)	320000

No remuneration other than sitting fee as aforesaid is paid to non-executive Directors.

There has been no pecuniary relationship or transactions between the Company and non-executive Directors during the year 2014-2015.

There are no stock options available/issued to any non-executive Director of the Company.

There are no convertible instruments issued to any of the non-executive Directors of the Company. The details of Equity Shares of the Company held by the non-executive Directors as on 31<sup>st</sup> March 2015, are as follows:

Name of the Director	No. of Equity Shares
Smt. Chitra Srinivasan	78580
Sri Arun Datta	4000
Sri Basavaraju	Nil
Sri R.K.Das	1500
Sri N.R.Krishnan	Nil
Sri V.Manickam	Nil
Sri Nagaraj Garla	Nil
Sri N.Srinivasan (F&R)	Nil

**5] Corporate Social Responsibility (CSR) Committee:**

In terms of Section 135 of the Companies Act, 2013, the Board of Directors at its meeting held on 10.02.2014 constituted a CSR Committee for formulating and monitoring CSR Policy / Activities.



During the financial year 2014-2015, the CSR Committee met once i.e., on 07.08.2014 to consider and recommend to the Board CSR Policy and budget for CSR activities for the year 2014-15 and the same have been approved by the Board at its meeting held on 07.08.2014. The approved CSR Policy is available on the Company's website: [www.indiacements.co.in](http://www.indiacements.co.in).

The composition of and attendance at CSR Committee meeting are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.Srinivasan, Chairman	1	1
2.	Sri N.R. Krishnan	1	1
3.	Sri N.Srinivasan (F&R)	1	1

**6] a) Share Transfer Committee:**

All shares received for transfer were registered in favour of transferees and certificates despatched within prescribed time, wherever the documents received were in order and complete.

During the year 2014-2015, 26,899 Equity Shares were transferred in physical mode in favour of transferees and share certificates were despatched within prescribed time from the date of receipt.

During the financial year 2014-2015, the Committee met 10 times.

The composition of and attendance at the Share Transfer Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.Srinivasan, Chairman	10	10
2.	Sri N.Srinivasan (F&R)	10	10
3.	Smt.Rupa Gurunath	10	10

**b) Stakeholders Relationship Committee:**

In compliance with Section 178 (5) of the Companies Act, 2013 read with Rules framed thereunder and revised Clause 49 of the Listing Agreement, the Board at its meeting held on 26.05.2014 has renamed and reconstituted the existing 'Shareholders' / Investors' Grievance Committee' as the 'Stakeholders Relationship Committee'.

During the year 2014-2015, 70 complaints were received from shareholders and investors. All the complaints have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts / Forums where they are pending.

During the financial year 2014-2015, the Stakeholders Relationship Committee met 4 times i.e., on 26.05.2014, 07.08.2014, 12.11.2014 and 11.02.2015.

The composition of and attendance at the Stakeholders Relationship Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri Arun Datta, Chairman	4	4
2.	Sri N.Srinivasan	4	4
3.	Smt. Rupa Gurunath *	3	3

\* Appointed as a Member of the Committee w.e.f. 26.05.2014.

Sri G.Balakrishnan, Company Secretary is the Compliance Officer.

**c) Compensation Committee of Board of Directors:**

Compensation Committee of Board of Directors has been constituted for administration of India Cements Employees Stock Option Scheme (ICL ESOS).

During the year, no stock options / shares were granted / allotted to employees and hence no Compensation Committee meeting was held.

The composition of the Compensation Committee of Board of Directors is given below:

Sl. No.	Name of the Member
1.	Sri N.Srinivasan, Chairman
2.	Sri N.Srinivasan (F&R)

**d] Committee of Directors:**

During the year 2014-15, a Committee of Directors has been constituted for purpose of issuing securities. No meeting was held during the year 2014-15.

The composition of the Committee of Directors is given below:

Sl. No.	Name of the Member
1.	Sri N.Srinivasan, Chairman
2.	Sri N.R. Krishnan
3.	Sri N.Srinivasan (F&R)

**7] a] Annual General Meetings:**

The last three Annual General Meetings were held as under:

Year	Type	Location	Date	Time	Special Resolutions passed in the AGM by the Shareholders
2012	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	13.08.2012	10.00 A.M.	No
2013	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	18.09.2013	9.40 A.M.	No
2014	AGM	IMAGE Auditorium No. 3, Thandavarayan Street, MRC Nagar, R.A. Puram, Chennai - 600 028.	26.12.2014	9.15 A.M.	Yes

There were no resolutions requiring voting by Postal Ballot passed during the year. None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing resolution through postal ballot.

**b] Scheme of Amalgamation and Arrangement between Trinetra Cement Limited and Trishul Concrete Products Limited with The India Cements Limited:**

**Court Convened Meeting:**

Pursuant to the order dated 02.02.2015 of the Hon'ble High Court of Judicature at Madras, a Court convened meeting of the Equity shareholders of the Company was held on 25.03.2015 for approving the Scheme of Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited with the Company. The said Scheme was approved by the shareholders and the result of poll is given below:

Promoter/ Public	No. of shares held	No. of votes polled	% votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes against	% of votes in favour on votes polled	% of votes against on votes polled
	(1)	(2)	(3) = [(2)/(1)]*100]	(4)	(5)	(6) = [(4)/(2)]*100]	(7) = [(5)/(2)]*100
Promoter & Promoters Group	86726373	86647793	99.91	86647793	0	100.00	0.00
Public - Institutional holders	149895514	66522976	44.38	66522976	0	100.00	0.00
Public - Others	70556770	20462777	29.00	20461808	969	99.99	0.01
Total	307178657	173633546	56.53	173632577	969	99.99	0.01



Petitions have been filed in the Hon'ble High Court of Judicature at Madras under Sections 391 to 394 of the Companies Act, 1956 for getting sanction of the said Scheme.

## 8] Disclosures:

- a) There are no significant Related Party transactions during the year of material nature with the promoters, directors or the Management or their subsidiaries or relatives, etc., potentially conflicting with Company's interests at large. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report.  
In accordance with Clause 49(VIII) (A) (2) of the Listing Agreement, the Company has formulated a 'Policy on Related Party Transactions' and the same is available on the website of the Company (weblink <http://www.indiacements.co.in/Admin/Images/rpt.pdf>).
- b) As per Clause 49(IX) of the Listing Agreement, the Chief Executive Officer i.e. the Managing Director and the Chief Financial Officer i.e. President (Finance & Accounts) certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31st March 2015 in the form prescribed by Clause 49 of the Listing Agreement which is annexed.
- c) There were no instances of non-compliance on any matter relating to the capital market, during the last three years.
- d) In compliance with Section 177(9) of the Companies Act, 2013 read with Rules framed thereunder and revised Clause 49 (II) (F) of the Listing Agreement, the Company has adopted the Whistle Blower Policy and established a Vigil Mechanism with effect from 07.08.2014 and it affirms that no personnel have been denied access to the Audit Committee.
- e) The Company has complied with all mandatory requirements of the Clause 49 of the Listing Agreement. As regards the non-mandatory requirements, the extent of compliance has been stated in Part B of this report.
- f) Details of information on re-appointment of directors:  
A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or for other person on a beneficial basis, names of companies in which the person already holds directorship, membership of committees of the Board and relationship with other directors, forms part of the Notice convening the 69<sup>th</sup> Annual General Meeting.
- g) ICL Code of Conduct for Prevention of Insider Trading:  
The Company has adopted and implemented ICL Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. The Code prohibits purchase / sale of securities of the Company by an 'insider' including Directors, Designated Employees, etc., while in possession of unpublished price sensitive information.
- h) ICL Code of Conduct for Directors and Senior Management:  
The Company has framed and implemented ICL Code of Conduct for its Directors and Senior Management. The Code of Conduct has also been posted on the Company's website "[www.indiacements.co.in](http://www.indiacements.co.in)". Affirmation of compliance of Code of Conduct for the financial year 2014-2015 has been received from all the Directors and Senior Management personnel of the Company.
- i) Transfer to Investor Education and Protection Fund:  
The Company has transferred a sum of Rs.6.72 lakhs during the financial year to the Investor Education and Protection Fund established by the Central Government. The said amount represents unclaimed dividend and fixed deposits & interest thereon, which remained unclaimed with the Company for a period of 7 years from their respective due dates of payment.
- j) Unclaimed Shares:  
The Company does not have any share(s) remaining unclaimed, issued pursuant to public / other issues.
- k) Subsidiary Company:  
In accordance with Clause 49(V)(D) of the Listing Agreement, the Company has formulated a policy for determining 'material' subsidiaries and the same is available on the website of the Company (weblink <http://www.indiacements.co.in/Admin/Images/poms.pdf>).  
The Company does not have a "material non-listed Indian subsidiary" as defined in Clause 49(V)(A) of the Listing Agreement.
- l) Cost Auditor and Cost Audit Report 2013-2014:  
Name, Membership number & address of Cost Auditor : Sri S.A. Murali Prasad, Membership No.2730  
4 (New), Brindavan Street, Chennai 600004.  
Filing of Cost Audit Report 2013-2014 with the Central : Due date of filing : 27.09.2014  
Government : Actual Date of filing : 26.09.2014
- m) The Independent Directors have confirmed in writing that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.

**9] Means of Communication:**

- a) Quarterly results are published in the pro-forma prescribed by Stock Exchanges, in leading English / Tamil newspapers. As the Company publishes the audited annual results within the stipulated period of 60 days from the close of the financial year as required by the Listing Agreement with Stock Exchanges, the unaudited results for the last quarter of the financial year are not published.
- b) The annual financial results of the Company are also communicated in the prescribed pro-forma to Stock Exchanges and also published in the newspapers.
- c) The financial results are displayed on the Company's website "www.indiacements.co.in".

**10] General Information for Shareholders:**

- (i) Date, Time and Venue of the Annual General Meeting : 7<sup>th</sup> December, 2015 at 9.30 A.M. at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K. Road, Alwarpet, Chennai 600 018.
- (ii) Financial year 1<sup>st</sup> April to 31<sup>st</sup> March (Provisional) : Will be published on or before:
 

Results for Quarter ending June 30, 2015	: 14 <sup>th</sup> August, 2015
Results for Quarter ending September 30, 2015	: 14 <sup>th</sup> November, 2015
Results for Quarter ending December 31, 2015	: 14 <sup>th</sup> February, 2016
Results for Quarter ending March 31, 2016 (audited)	: 30 <sup>th</sup> May, 2016
- (iii) Dates of Book Closure : 1<sup>st</sup> December 2015 to 7<sup>th</sup> December 2015 (both days inclusive)
- (iv) Dividend payment date : Not applicable

**(v) Listing on Stock Exchanges:**

- I a) The Company's Equity Shares are listed on the following Stock Exchanges:
  - i) BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 (Stock Code : 530005)
  - ii) National Stock Exchange of India Limited, Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 (Stock Code EQ: INDIACEM )

The Company's shares were voluntarily delisted from Madras Stock Exchange Limited with effect from 22.12.2014.
- b) Company's Equity Shares are traded in Group "A" category in BSE Limited.
- c) The Company has paid the Listing Fees for the year 2015-16 to BSE Limited and National Stock Exchange Limited where the Company's equity shares are listed.
- II The Company's Global Depository Receipts (GDRs) were voluntarily delisted from Luxembourg Stock Exchange in February 2015.
- III The Company's Global Depository Shares (GDSs) are listed in Luxembourg Stock Exchange, P.O. Box 165, L-2811 Luxembourg, Europe and Listing Fee for the year 2015 has been paid.
- IV The equity shares of the Company have been included in the list of equity shares on which derivatives are available for trading in futures and options segment by National Stock Exchange of India Limited and BSE Limited.



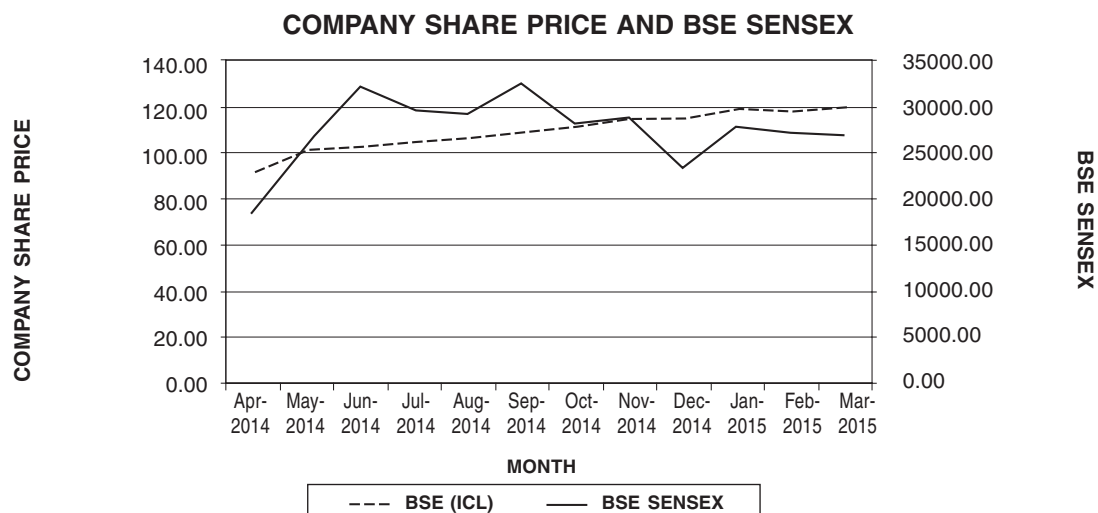


(vi) Market Price Data:

(In Rupees)

Month	Madras Stock Exchange Limited		BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low	High	Low
April 2014	—	—	73.90	63.30	73.80	63.40
May 2014	—	—	103.65	67.25	103.55	67.45
June 2014	—	—	129.20	104.70	129.10	104.85
July 2014	—	—	119.10	99.20	119.35	99.10
August 2014	—	—	117.20	102.55	117.35	102.30
September 2014	—	—	131.10	108.35	130.90	108.10
October 2014	—	—	113.25	103.15	113.25	102.90
November 2014	—	—	115.65	94.60	115.50	94.65
December 2014	—	—	94.20	73.95	94.10	73.80
January 2015	NA	NA	112.00	82.40	112.00	82.40
February 2015	NA	NA	108.85	91.45	108.95	91.20
March 2015	NA	NA	107.90	84.10	107.70	84.20

(vii) Stock price performance in comparison to BSE SENSEX:



**(viii) Registrar and Share Transfer Agent:**

The Company has appointed Integrated Enterprises (India) Limited as Registrar and Share Transfer Agent (RTA). Shareholders / Investors / Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the Registrar at the following address:

Integrated Enterprises (India) Limited  
2<sup>nd</sup> Floor, "Kences Towers"  
No.1, Ramakrishna Street  
North Usman Road  
T. Nagar  
Chennai - 600017.  
Phone : 044-28140801 to 28140803  
Fax: 044-28142479  
Email: [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in)

**(ix) Share Transfer System:**

Shares lodged in physical form with the Company / RTA are processed and returned, duly transferred, within prescribed time from the date of receipt, if the documents submitted are in order. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through the respective Depository Participants

**(x) a) Distribution of Shareholding as on 31<sup>st</sup> March, 2015:**

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 500	86853	90.39	10132398	3.30
501 to 1000	4989	5.19	4014834	1.31
1001 to 2000	2268	2.36	3459071	1.12
2001 to 3000	672	0.70	1732204	0.56
3001 to 4000	306	0.32	1100710	0.36
4001 to 5000	241	0.25	1138215	0.37
5001 to 10000	343	0.36	2510754	0.82
10001 and above	414	0.43	283090471	92.16
<b>TOTAL</b>	<b>96086</b>	<b>100.00</b>	<b>307178657</b>	<b>100.00</b>



b) Pattern of Shareholding as on 31<sup>st</sup> March, 2015:

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV) * 100
<b>(A)</b>	<b>Promoter and Promoter Group</b>							
<b>(1)</b>	<b>Indian</b>							
(a)	Individuals / Hindu Undivided Family	3	20015896	20015896	6.59	6.51	—	—
(b)	Central Government / State Government(s)	—	—	—	—	—	—	—
(c)	Bodies Corporate	3	66168057	66168057	21.79	21.54	66100625	99.90
(d)	Financial Institutions / Banks	—	—	—	—	—	—	—
(e)	Any Other (specify): Directors & Relatives	3	542420	542420	0.18	0.18	—	—
	<b>Sub-Total (A) (1)</b>	<b>9</b>	<b>86726373</b>	<b>86726373</b>	<b>28.56</b>	<b>28.23</b>	<b>66100625</b>	<b>76.22</b>
<b>(2)</b>	<b>Foreign</b>							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	—	—	—	—	—	—	—
(b)	Bodies Corporate	—	—	—	—	—	—	—
(c)	Institutions	—	—	—	—	—	—	—
(d)	Qualified Foreign Investor	—	—	—	—	—	—	—
(e)	Any Other (specify)	—	—	—	—	—	—	—
	<b>Sub-Total (A)(2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>9</b>	<b>86726373</b>	<b>86726373</b>	<b>28.56</b>	<b>28.23</b>	<b>66100625</b>	<b>76.22</b>
<b>(B)</b>	<b>Public shareholding</b>						N.A.	N.A.
<b>(1)</b>	<b>Institutions</b>						N.A.	N.A.
(a)	Mutual Funds / UTI	32	17586665	17572175	5.79	5.73	—	—
(b)	Financial Institutions / Banks	24	996794	988869	0.33	0.32	—	—
(c)	Central Government / State Government(s)	—	—	—	—	—	—	—
(d)	Venture Capital Funds	—	—	—	—	—	—	—
(e)	Insurance Companies	8	23045406	23045156	7.59	7.50	—	—
(f)	Foreign Institutional Investors	107	97667504	97625804	32.16	31.80	—	—
(g)	Foreign Venture Capital Investors	—	—	—	—	—	—	—
(h)	Qualified Foreign Investor	—	—	—	—	—	—	—
(i)	Any Other (specify)	—	—	—	—	—	—	—
	<b>Sub-Total (B)(1)</b>	<b>171</b>	<b>139296369</b>	<b>139232004</b>	<b>45.87</b>	<b>45.35</b>	<b>—</b>	<b>—</b>

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV) * 100
<b>(2)</b>	<b>Non-institutions</b>						N.A.	N.A.
(a)	Bodies Corporate	1205	36327606	36285781	11.96	11.83	—	—
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs.1 lakh	91228	20981376	19738431	6.91	6.83	—	—
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	150	5825607	5712425	1.92	1.90	—	—
(c)	Qualified Foreign Investor	—	—	—	—	—	—	—
(d)	Any Other (specify)							
	i Directors & Relatives	2	5500	4000	0.00	0.00	—	—
	ii Foreign Corporate Body	3	1980102	1980102	0.65	0.65	—	—
	iii Overseas Corporate Bodies	2	2000	1500	0.00	0.00	—	—
	iv Non-Resident Individuals	1371	965820	960462	0.32	0.31	—	—
	v Custodian of enemy Property	37	11854	0	0.00	0.00	—	—
	vi Trust	14	69186	69186	0.02	0.02	—	—
	vii Hindu Undivided Families	1677	1057036	1057036	0.35	0.34	—	—
	viii Clearing Member	197	383356	383356	0.13	0.13	—	—
	ix Foreign Port Folio Investor - Corporate	17	10067437	10067437	3.31	3.28	—	—
	x Limited Liability Partnership	1	372	372	0.00	0.00	—	—
	<b>Sub-Total (B)(2)</b>	<b>95904</b>	<b>77677252</b>	<b>76260088</b>	<b>25.57</b>	<b>25.29</b>	—	—
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>96075</b>	<b>216973621</b>	<b>215492092</b>	<b>71.44</b>	<b>70.64</b>	<b>N.A.</b>	<b>N.A.</b>
	<b>TOTAL (A)+(B)</b>	<b>96084</b>	<b>303699994</b>	<b>302218465</b>	<b>100.00</b>	<b>98.87</b>	<b>66100625</b>	<b>21.77</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>				<b>N.A.</b>		<b>N.A.</b>	<b>N.A.</b>
	(1) Promoter and Promoter Group	—	—	—	—	—	—	—
	(2) Public							
	i. Global Depository Receipts (GDRs)	1	11437	0	—	0.00	—	—
	ii. Global Depository Shares (GDSs)	1	3467226	3467226	—	1.13	—	—
	<b>TOTAL (C)</b>	<b>2</b>	<b>3478663</b>	<b>3467226</b>	<b>N.A.</b>	<b>1.13</b>	<b>N.A.</b>	<b>N.A.</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>96086</b>	<b>307178657</b>	<b>305685691</b>		<b>100.00</b>	<b>66100625</b>	<b>21.52</b>



**(xi) Dematerialisation of Equity Shares and Liquidity:**

As on 31<sup>st</sup> March, 2015, 99.51% of the Company's Equity Shares have been dematerialized.

As per directives issued by SEBI, it is compulsory to trade in the Company's shares in the dematerialised form with effect from 29<sup>th</sup> November, 1999. The ISIN Number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the Company's shares in Demat form is INE383A01012.

During the year 2014-2015, the Company had received 192 requests for dematerialisation of shares. The Company has acted upon all valid requests received for dematerialisation during the year 2014-2015.

**(xii) Outstanding GDRs / ADRs / Warrants or any Convertible Debentures, conversion date and likely impact on equity shares as on 31<sup>st</sup> March, 2015.**

The Company's Global Depository Receipts (GDRs), held in demat form, were voluntarily delisted from Luxembourg Stock Exchange with effect from 03.02.2015.

11,437 GDRs, held in physical form, are outstanding (0.00% of total paid-up equity share capital). Each GDR represents one underlying equity share of Rs.10/- each.

17,33,613 GDSs are outstanding. Each GDS represents two underlying equity shares of Rs.10/- each (34,67,226 underlying shares represented by GDS constitutes 1.13% of total paid-up equity share capital).

**India Cements Employees Stock Option Scheme, 2006:**

Out of 14,82,000 options granted to employees under India Cements Employees Stock Option Scheme, 2006 -

- 14,22,000 options were exercised by the employees and equal number of shares were allotted to them;
- 48,500 options were expired; and
- 11,500 options lapsed since the same were not exercised.

**(xiii) Plant Locations:**

Sankarnagar, Tirunelveli District, Tamil Nadu	Chilamakur, Kadapa District, Andhra Pradesh
Sankari, Salem District, Tamil Nadu	Yerraguntla, Kadapa District, Andhra Pradesh
Dalavoi, Ariyalur District, Tamil Nadu	Vishnupuram, Nalgonda District, Telangana
Vallur Village, Tiruvallur District, Tamil Nadu	Malkapur, Ranga Reddy District, Telangana
	Parli Vajinath, Beed District, Maharashtra

**(xiv) Address for Correspondence**

: The India Cements Limited,  
**Regd. Office:** "Dhun Building",  
827, Anna Salai, Chennai 600 002.  
**Corporate Office:** "Coromandel Towers",  
93, Santhome High Road, Karpagam Avenue,  
R.A. Puram, Chennai - 600 028.  
Tel. No. : (091) (044) 28521526 / 28572100 / 400  
Fax No. : (091) (044) 28517198 / 28516271

**Corporate Identity Number**

: L26942TN1946PLC000931

**Website**

: www.indiacements.co.in

**For Investor Complaints**

Contact Person

: Sri G.Balakrishnan  
Senior President & Company Secretary

Email-Id

: investor@indiacements.co.in

**B. NON-MANDATORY REQUIREMENTS:**

1. The Board : The Company does not have a non-executive Chairman.  
The Board - A non-executive Chairman may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties.
2. Shareholder Rights : As the Company's half-yearly results are published in leading English newspapers and in Tamil newspaper and also in the Company's website, the same are not sent to the Shareholders of the Company. There is no publication of second half yearly results as the annual results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.  
A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.
3. Audit Qualifications : Nil  
Company may move towards a regime of unqualified financial statements.
4. Separate posts of Chairman and CEO : At present, Vice Chairman & Managing Director is also CEO of the Company.  
The Company may appoint separate persons to the post of Chairman and Managing Director/CEO.
5. Reporting of Internal Auditor : The Internal Auditors of the Company report directly to the Audit Committee.  
The Internal auditor may report directly to the Audit Committee.



## CEO AND CFO CERTIFICATION

### To the Board of Directors of The India Cements Limited

In compliance with Clause 49(IX) of the Listing Agreement with the Stock Exchanges, we hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended 31<sup>st</sup> March 2015 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations; and
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2014-2015, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have not observed any deficiencies in the design or operation of internal controls.
- (d) We have indicated to the auditors and the Audit Committee that there are:
  - (i) no significant changes in the internal control during the year;
  - (ii) no significant changes in accounting policies during the year; and
  - (iii) no instances of significant fraud where the involvement of management or an employee having a significant role in the Company's internal control system over financial reporting have been observed.

Place : Chennai

Date : 2<sup>nd</sup> November, 2015

N.Srinivasan

Vice Chairman & Managing Director

R.Srinivasan

President (Finance & Accounts)



**ANNEXURE 'D' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members, The India Cements Limited.

We have examined the compliance of conditions of Corporate Governance by The India Cements Limited ('the Company'), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure 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 explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above - mentioned Listing Agreement.

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

For P. S. SUBRAMANIA IYER & CO.,  
Chartered Accountants  
Firm Registration No. 004104S  
V.SWAMINATHAN  
Partner  
Membership No.22276

For BRAHMAYYA & CO.,  
Chartered Accountants  
Firm Registration No. 000511S  
N. SRI KRISHNA  
Partner  
Membership No. 26575

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

**ANNEXURE 'E' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**CODE OF CONDUCT – DECLARATION UNDER CLAUSE 49(II)(E)(2)**

This is to certify that :

1. In pursuance of the provisions of Clause 49(II)(E)(2) of the Listing Agreement with Stock exchanges, a Code of Conduct for the Board members and the Senior Management Personnel of the Company has been approved by the Board in its meeting held on 9<sup>th</sup> November 2005.
2. The said Code of Conduct has been uploaded on the website of the Company and has also been circulated to the Board members and the Senior Management Personnel of the Company.
3. All Board members and Senior Management Personnel have affirmed compliance with the said Code of Conduct, for the period ended 31<sup>st</sup> March, 2015.

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

for THE INDIA CEMENTS LIMITED  
N. SRINIVASAN  
VICE CHAIRMAN & MANAGING DIRECTOR



**CSR ANNUAL REPORT 2014-15**  
**ANNEXURE 'F' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Budget Sanctioned	: 3.50 Crores
Budget used	: 1.21 Crores
Amount Spent	: 1.21 Crores
Number of Sectors worked in	: 6
Total number of activities (individual activities are grouped together)	: 29

**REPORT ON CSR ACTIVITIES**

Rs.Lakhs

1	2	3	4	5	6	7	8
Sl. No.	CSR Project / Activity Identified	Sector in which the Project is covered	Projects / Programmes 1. Local area / others 2. Specify the State / district (Name of the District/s, State/s where project / programme was undertaken)	Amount outlay (budget) projects / programs wise	Amount spent on the projects / programs Subheads: 1. Direct expenditure on projects 2. Overheads	Cumulative spent upto the reporting period	Amount spent: Direct / through implementing agency
	Detailed below					121.46	Direct

Rs.Lakhs

<b>Sector: Eradication of Poverty</b>				
Sl.No.	CSR Projects / activities identified	Location (District)	Budget	Amount Spent
1	Organise general health including cardio, eye, diabetic and health awareness camp in nearby villages	Kadapa, Ranga Reddy, Parli.	13.00	6.00
2	Veterinary camp	Kadapa	2.65	2.00
3	Provision of water	Kadapa, Ranga Reddy, Parli, Tirunelveli, Salem, Namakkal	15.00	15.31
4	Training of farmers to produce more yield in collaboration with Parli Taluka Krishi Pratishthan	Parli	5.00	2.80
5	Contribution to NTR Sujala Pathakam of Govt. of AP to the District Collector	Kadapa	0.00	15.00
	Total		35.65	41.11

Rs.Lakhs

<b>Sector: Promotion of Education</b>				
S.No.	CSR Projects / activities identified	Location	Budget	Amount Spent
1	For school students in nearby Govt. School by giving award / financial help to the meritorious students based on the guidelines provided	Kadapa, Ariyallur	4.00	3.00
2	Provide the technical education to needy and poor villagers	Tirunelveli, Ariyallur	2.00	2.00
3	Organise the career counselling and English speaking course in nearby Govt. School	Tiruvallur, Parli, Tirunelveli, Ariyallur	3.00	2.00
4	Provide infrastructure (desks, chairs, playground, library books, toilets, drinking water etc.) to the Government Schools on their request	Tiruvallur, Ranga Reddy, Parli, Tirunelveli, Nalgonda, Kadapa, Ariyallur	24.00	12.64
5	Personality development program at schools	Kadapa	0.25	0.18
6	PTA Assistance	Tiruvallur, Tirunelveli, Ariyallur	3.00	2.00
7	Abacus Training for 2 Schools	Tiruvallur, Parli	3.00	2.00
8	Vocational training	Ranga Reddy, Parli, Tirunelveli	2.00	1.50
9	Conducting Talent Tests for the students of Govt. Schools	Ranga Reddy, Parli, Nalgonda, Kadapa	6.00	5.87
10	To organize Science Exhibition in ZP school to bring awareness & interest in Science	Parli	1.00	0.60
11	Health tips / suggestions programme organised at ZP High School (Girls)	Kadapa	0.26	0.48
	Total		48.51	32.27

Rs.Lakhs

<b>Sector: Promotion of Gender Equality</b>				
S.No.	CSR Projects / activities identified	Location	Budget	Amount Spent
1	To create opportunities for women for income generation	Ranga Reddy, Parli	2.00	1.19
2	Celebration of Womens Day	Parli	1.00	1.00
3	Providing basic needs like dress materials, foot wear, vessels etc. to Orphanages	Kadapa, Parli, Ranga Reddy	3.00	2.00
	Total		6.00	4.19



Rs.Lakhs

Sector: Environment				
S.No.	CSR Projects / activities identified	Location	Budget	Amount Spent
1	Organise plantation and different event on the occasion of environment day and Creating awareness on environmental issues	Nalagonda, Ariyalur	2.00	1.00
2	Plantation & provide tree guards in city areas, schools / colleges, hospitals etc.	Parli	2.00	1.40
	Total		4.00	2.40

Rs.Lakhs

Sector: Rural Sports				
S.No.	CSR Projects / activities identified	Location	Budget	Amount Spent
1	Assistance & support to local sports organising agencies in coordination with local sport authorities	Tiruvallur	6.00	4.50
2	Conducting games & Sports	Ranga Reddy, Parli, Nalgonda	4.38	1.99
	Total		10.38	6.49

Rs.Lakhs

Sector: Rural Development				
S.No.	CSR Projects / activities identified	Location	Budget	Amount Spent
1	Cement supply for construction of Govt. School / hospital / hostel as per the recommendation by the Govt. authorities and local representatives.	Kadapa, Nalgonda	5.00	5.00
2	Street light facility	Kadapa, Ranga Reddy, Nalgonda, Namakkal, Ariyalur	18.30	30.00
	Total		23.30	35.00
	Grand Total		127.84	121.46

# FORM AOC - 1

## ANNEXURE 'G' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### STATEMENT ATTACHED TO THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015 PURSUANT TO SECTION 129 (3) OF COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

#### PART - A - SUBSIDIARIES

1. Sl. No.	1	2	3	4	5	6	7	8	9	10
2. Name of the Subsidiary	Industrial Chemicals and Monomers Ltd.	ICL Securities Ltd.	ICL Financial Services Ltd.	ICL International Ltd.	Trishul Concrete Products Ltd.	Trinetra Cement Ltd. (Formerly Indo Zinc Ltd.)	Coromandel Electric Company Ltd.	India Cements Infra-structures Ltd.	PT. Coromandel Minerals Resources, Indonesia	Coromandel Minerals Pte. Ltd., Singapore
3 Reporting Period for the Subsidiary Accounts	31/03/2015	31/03/2015	31/03/2015	31/03/2015	31/03/2015	31/03/2015	31/03/2015	31/03/2015	31/12/2014	31/12/2014
4 Reporting Currency for the Subsidiary	INR	INR	INR	INR	INR	INR	INR	INR	RP	USD
5 Share Capital	236.13	613.02	596.20	5.00	218.73	70948.78	110.00	5	128.54	2281.75
6 Reserves and Surplus	-1652.79	372.37	-1622.51	-2776.30	1583.55	-12507.97	7006.96	-190.49	-123.54	-45.43
7 Total Assets	44.36	13951.68	52456.94	405.64	42349.82	132311.00	11950.04	6542.75	4629.19	8274.88
8 Total Liabilities	1461.02	12966.29	53483.25	3176.94	40547.54	73870.19	4833.08	6728.24	4624.19	6038.56
9 Investments	0.02	12855.00	51683.29	0.00	3249.57	0.00	0.00	0	8.74	0.00
10 Turnover	0.00	0.00	2.21	199.57	12070.84	49494.41	8544.46	0	0.02	0.00
11 Profit / Loss before Taxation	-29.41	-39.00	-405.43	-111.18	387.98	-2417.68	1031.44	-141.09	-91.07	-502.07
12 Provision for Taxation	0.00	0.00	0.00	0.00	202.53	0.00	351.21	0	0.00	0.00
13 Profit / Loss after Taxation	-29.41	-39.00	-405.43	-111.18	185.45	-2417.68	680.23	-141.09	-91.07	-502.07
14 Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
15 % of Shareholding	98.59%	100.00%	100.00%	100.00%	88.47%	61.22%	68.57%	100.00%	100.00%	100.00%

#### Notes

1 Yet to commence operation	Commenced	Commenced	Commenced	Commenced	Commenced	Commenced	Commenced	Commenced	Commenced	Commenced
2 Liquidated / Sold During the Year	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V. SWAMINATHAN  
Partner  
Membership No. 022276  
Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman & Managing Director

R.SRINIVASAN  
President (Finance & Accounts)

RUPA GURUNATH  
Wholetime Director

G.BALAKRISHNAN  
Senior President &  
Company Secretary

N.SRINIVASAN  
Director



**STATEMENT ATTACHED TO THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015 PURSUANT TO SECTION 129 (3) OF COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014**

**PART - B - ASSOCIATES**

Sl. No.	Name of Associates/ Joint Ventures	Raasi Cement Limited	Coromandel Sugars Limited	India Cements Capital Limited	Coromandel Travels Limited	Unique Receivable Management Pvt. Limited
1	Latest Audited Balance Sheet Date	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014
2	Shares of Associates held by the Company & its subsidiaries on the year end					
	No. of Shares	239409	7000100	10400000	990000	24600
	Amount of Investment in Associates [Rs. In Lakhs]	23.94	700.01	1,040.00	99.00	2.46
	Extent of Holding %	28.94%	49.99%	47.91%	49.50%	49.20%
3	Description of How there is Significant Influence	Holding > 20%	Holding > 20%	Holding > 20%	Holding > 20%	Holding > 20%
4	Reason why the associate is not Consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	Net Worth attributable to Shareholding as per Latest audited Balance sheet [Rs. Lakhs]	0.00	3,812.69	235.51	0.00	0.00
6	Profit / Loss for the Year [2014-15]					
	i. Considered in Consolidation [Rs, in Lakhs]		4.39	16.09		
	ii. Not Considered in Consolidation [Rs, in Lakhs]	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V. SWAMINATHAN  
Partner  
Membership No. 022276

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman & Managing Director

R.SRINIVASAN  
President (Finance & Accounts)

RUPA GURUNATH  
Wholetime Director

G.BALAKRISHNAN  
Senior President &  
Company Secretary

N.SRINIVASAN  
Director

**ANNEXURE 'H' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**  
**INFORMATION AS REQUIRED UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014**

	2014-15	2013-14
No.of Permanent Employees	3132	3371
Median Remuneration Rs.Lakhs	3.15	2.85
Managing Director's remuneration Rs.Lakhs	586.67	586.41
Wholetime Director's remuneration Rs.Lakhs	193.40	193.40
Ratio of remuneration of each directors to the median remuneration of employees		
Managing Director	186.24:1	205.76:1
Wholetime Director	61.40:1	67.86:1
Percentage increase in remuneration		
Managing Director	0.04%	
Wholetime Director	0.00%	
Chief Financial Officer	0.00%	
Company Secretary	0.00%	
Percentage increase in the median remuneration of employees	10.53%	
Number of permanent employees on the rolls of the company during the year	3132	3371
Number of permanent employees on the rolls of the company as at the year end	2747	2999
The explanation on the relationship between average increase in remuneration and company performance	Increase in remuneration to Managerial Personnel is very marginal as compared to the increase in the Profitability of the Company	
Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.	No increase in salary of KMP.	
Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.		
Market Price	86.15	60.85
No. of Shares in Crore shares	30.72	30.72
Market Capitalisation:- Rs Crores	2,646.34	1,869.18





EPS in INR	0.95	-5.29
P/E Ratio	90.68	-11.50

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 percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Increase in Median Salary of employees	10.53%
Increase in remuneration of Managerial Personnel	0.04%

**No increase in managerial remuneration - hence no explanation warranted**

Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company

No Increase in remuneration of KMP

The key parameters for any variable component of remuneration availed by the directors.

No Variable Component during the year.

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

Not Applicable

Affirmation that the remuneration is as per the remuneration policy of the Company.

Yes.

A statement showing the name of every employee of the company, who if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees. (As per format provided in Rule 5 (3))

Refer Annexure H1

A statement showing the name of every employee of the company, who if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month. (As per format provided in Rule 5 (3)).

Nil

A statement showing the name of every employee of the company, who if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company (As per format provided in Rule 5 (3)).

Nil

MD / WD can receive remuneration or commission from holding company or subsidiary company, subject to disclosure in the Board's Report

No remuneration paid from Holding/Subsidiary Company

## ANNEXURE H1

Information as required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2015

S. No.	Name of the employee	Age (Years)	Designation and nature of duties	Remuneration Gross Rs.	Qualification	Experience (Years)	Date of Commencement of employment	Last Employment Company Name	Last Employment Post held
(A) Employed throughout the Financial Year and in receipt of remuneration aggregating not less than Rs.60,00,000/- per annum									
1	Sri Srinivasan N	71	Vice Chairman & Managing Director	51767431	B.Sc., (Tech.), M.S. (IIT), Chicago	47	18.09.1989	E.W. Stevens & Co. Pvt. Ltd.	Chairman
2	Smt. Rupa Gurunath	43	Wholetime Director	17040000	B.Sc., PGDCA		24.09.2007	-	
3	Sri K. Shankar	72	President (Shipping)	6914400	B.Sc. (Chemistry), BE (Marine)	50	12.10.2007	West Asia Maritime Ltd.	
(B) Employed for part of the Financial Year and in receipt of remuneration aggregating not less than Rs.5,00,000/- per month									

Note:

- 1) The employment of Vice Chairman & Managing Director (VCMD), Wholetime Director (WD) and Sri Shankar K, President (Shipping) are contractual.
- 2) The Vice Chairman & Managing director and the Whole time Director are related to each other.
- 3) The above remuneration exclude contribution to gratuity and superannuation funds.
- 4) The above employees do not hold by themselves or along with their spouse and dependent children more than 2% of the equity shares of the Company.



**ANNEXURE 'I' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**  
**Form No. AOC-2**

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

**1 - Details of material contracts or arrangement or transactions at arm's length basis.** (Rs. In lakhs)

1(a) Name(s) of the related party and nature relationship	1 (b) Nature of contracts / arrangements / transactions	1(c) Duration of contracts / arrangements / transactions	1(d) Salient terms of the contracts or arrangements or transactions including the value, if any.	1(e) Date(s) of approval by the Board, if any	1(f) Amount paid as advances, if any
Trineta Cement Limited - Subsidiary	Guarantee O/s at the end of the Year	Vide Note below	18,500.00	12/08/2015	
India Cements Infrastructures Limited - Subsidiary	Guarantee O/s at the end of the Year	Vide Note below	4,000.00	12/08/2015	
Coromandel Sugars Limited - Associate	Guarantee O/s at the end of the Year	Vide Note below	9,500.00	12/08/2015	
Cormonadel Travels Limited - Associate	Guarantee O/s at the end of the Year	Vide Note below	9,000.00	12/08/2015	

No Guarantee commission has been charged in the case of :

1. Trinetra Cement Limited, a Subsidiary and a Public Limited Company, as the guarantee has been given for the purpose of its availing financial assistance from banks / financial institutions. The guarantee(ies) are valid till the date of repayment of loan.
2. India Cements Infrastructures Limited, a Wholly-owned Subsidiary and a Public Limited Company, as the guarantee has been given for the purpose of its availing financial assistance from banks / financial institutions. The guarantee(ies) are valid till the date of repayment of loan.
3. Coromandel Sugars Limited, an associate Company and a Public Limited Company, as the guarantee has been given for the purpose of its availing financial assistance from banks / financial institutions. The guarantee(ies) are valid till the date of repayment of loan.
4. Coromandel Travels Limited, another associate Company and a Public Limited Company, as the guarantee has been given for the purpose of its availing financial assistance from banks / financial institutions. The guarantee(ies) are valid till the date of repayment of loan.

## Form No. AOC-2 (Contd.)

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

### 2 -Details of material contracts or arrangement or transactions at arm's length basis.

(Rs. In lakhs)

2(a) Name(s) of the related party and nature relationship	2 (b) Nature of contracts / arrangements / transactions	2(c) Duration of contracts / arrangements / transactions	2(d) Salient terms of the contracts or arrangements or transactions including the value, if any.	2(e) Date(s) of approval by the Board, if any	2(f) Amount paid as advances, if any
ICL Securities Limited - Subsidiary	Purchase of Debentures	Need Based	12,962.54	12.08.2015	0.01
ICL Financial Services Limited - Subsidiary	Purchase of Debentures	Need Based	48,555.00	12.08.2015	269.89
ICL International Limited - Subsidiary	Purchase of Debentures	Need Based	2,948.00	12.08.2015	60.09
	Purchase of Goods	Need Based	7.57	11.02.2015 & 12.08.2015	
	Receiving of Services	Need Based	136.28	11.02.2015 & 12.08.2015	
Trinetra Cement Limited - Subsidiary	Sale of Goods	Need Based	907.24	11.02.2015 & 12.08.2015	37,430.33
	Interest on Advances	Need Based	0.00		
India Cements Infrastructures Limited - Subsidiary	Sale of Goods	Need Based	1.20	12.08.2015	2,881.15
	Interest on Advances	Need Based	218.87	12.08.2015	
Coromandel Electric Company Limited - Subsidiary	Sale of Shares	Need Based	293.82	12.08.2015	
	Purchase of Shares	Need Based	2.00	12.08.2015	
	Receiving of Services	Need Based	3,887.46	11.02.2015 & 12.08.2015	
	Receipt of Dividend	Need Based	36.85	12.08.2015	
Trishul Concrete Products Limited - Subsidiary	Sale of Goods	Need Based	2,473.74	11.02.2015 & 12.08.2015	337.06
	Purchase of Goods	Need Based	0.00		
	Receiving of Services	Need Based	12.00	11.02.2015 & 12.08.2015	
PT. Coromandel Minerals Resources, Indonesia - Subsidiary	Interest on Advances	Need Based	19.53	12.08.2015	237.66
Coromandel Minerals Resources Pte Ltd., Singapore - Subsidiary	Interest on Advances	Need Based	478.86	12.08.2015	6,034.17
Coromandel Sugars Limited - Associate	Sale of Goods	Need Based	71.52	11.02.2015 & 12.08.2015	33.21
	Interest on Advances	Need Based	61.90	12.08.2015	
Coromandel Travels Limited - Associate	Receiving of Services	Need Based	1,858.51	11.02.2015 & 12.08.2015	
India Cements Capital Limited - Associate	Receiving of Services	Need Based	316.07	11.02.2015 & 12.08.2015	2,257.13
	Interest on Advances	Need Based	188.01	12.08.2015	
Sri. N.Srinivasan – Vice Chairman & Managing Director	Remuneration	Contractual	586.67	07.08.2014	
Smt.Rupa Gurunath - Wholetime Director	Remuneration	Contractual	193.40	07.08.2014	
Sri G.Balakrishnan – Sr.President & Co. Secretary	Remuneration	Permanent Employee	38.67	07.08.2014	
Sri R.Srinivasan – President (Finance & Accounts) Chief Financial Officer	Remuneration	Permanent Employee	35.92	07.08.2014	



## ANNEXURE 'J' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[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	: L26942TN1946PLC000931
ii)	Registration Date	: 21.02.1946
iii)	Name of the Company	: The India Cements Limited
iv)	Category / Sub-Category of the Company	: Public Limited Company
v)	Address of the Registered office and contact details	: 'Dhun Building', 827, Anna Salai, Chennai - 600002 Phone : 044-2852 1526 / 28572 100 / 400 Fax: 044-2851 7198 Email: investor@indiacements.co.in
vi)	Whether listed company Yes / No	: Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	: Integrated Enterprises (India) Limited 2 <sup>nd</sup> Floor, "Kences Towers" No.1, Ramakrishna Street, North Usman Road T. Nagar, Chennai - 600017. Phone : 044-28140801 to 28140803 Fax: 044-28142479 Email: corpserv@integratedindia.in

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

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No	Name and Description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Cement / Clinker	2521	92.93

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

Sl. No	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Industrial Chemicals and Monomers Limited 145 Madurai Road, Sankar Nagar P.O. Tirunelveli 627357	U24111TN1979PLC007911	Subsidiary	98.59%	Sec.2(87)(ii)
2	ICL Financial Services Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U65991TN1993PLC026056	Subsidiary	100.00%	Sec.2(87)(ii)

Sl. No	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
3	ICL Securities Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U65993TN1994PLC029713	Subsidiary	100.00%	Sec.2(87)(ii)
4	ICL International Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U51909TN1993PLC026057	Subsidiary	100.00%	Sec.2(87)(ii)
5	Coromandel Electric Company Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U45207TN1997PLC038219	Subsidiary	68.57%	Sec.2(87)(ii)
6	India Cements Infrastructures Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U74999TN2013PLC089487	Subsidiary	100.00%	Sec.2(87)(ii)
7	Trinetra Cement Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	L99999TN1987PLC082730	Subsidiary	61.22%	Sec.2(87)(ii)
8	Trishul Concrete Products Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U26956TN1999PLC042773	Subsidiary	88.47%	Sec.2(87)(ii)
9	PT. Coromandel Minerals Resources, Jjung Menteng Business Centre Blok B-5, Jalan Raya Bekasi, Km. 25 Cakung, Jakarta Timur 13960 Indonesia	Foreign Company 71/1.824.7/2008 (Incorporated in Indonesia)	Foreign Subsidiary	100.00%	Sec.2(87)(ii)
10	Coromandel Minerals Pte. Ltd., 24, Raffles Place, #18-00, Clifford Centre Singapore 048621.	Foreign Company 200918251D (Incorporated in Singapore)	Foreign Subsidiary	100.00%	Sec.2(87)(ii)
11	Raasi Cement Limited White House, Block III B, 3rd Floor, 6-3-1192/1/1, Kundanbagh, Begumpet, Hyderabad 500016	U26942TG1978PLC002288	Associate	28.95%	Sec.2(6)
12	Coromandel Sugars Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U15421TN1996PLC035549	Associate	49.99%	Sec.2(6)
13	India Cements Capital Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	L65191TN1985PLC012362	Associate	47.91%	Sec.2(6)
14	Coromandel Travels Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U63040TN2007PLC064854	Associate	49.50%	Sec.2(6)
15	Unique Receivable Management Pvt. Limited 'Dhun Building', 827, Anna Salai, Chennai 600002	U67200TN2002PTC048428	Associate	49.20%	Sec.2(6)



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>1 Indian</b>									
a) Individual/HUF	20015896	0	20015896	6.51	20015896	0	20015896	6.51	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	66168057	0	66168057	21.54	66168057	0	66168057	21.54	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Directors & Relatives	542420	0	542420	0.18	542420	0	542420	0.18	0.00
<b>Sub-total (A) (1)</b>	<b>86726373</b>	<b>0</b>	<b>86726373</b>	<b>28.23</b>	<b>86726373</b>	<b>0</b>	<b>86726373</b>	<b>28.23</b>	<b>0.00</b>
<b>2 Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>86726373</b>	<b>0</b>	<b>86726373</b>	<b>28.23</b>	<b>86726373</b>	<b>0</b>	<b>86726373</b>	<b>28.23</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>86726373</b>	<b>0</b>	<b>86726373</b>	<b>28.23</b>	<b>86726373</b>	<b>0</b>	<b>86726373</b>	<b>28.23</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	8439946	14490	8454436	2.75	17572175	14490	17586665	5.73	2.98
b) Banks / FI	1997561	7925	2005486	0.65	988869	7925	996794	0.32	-0.33
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	26314146	250	26314396	8.57	23045156	250	23045406	7.50	-1.07
g) FIs	110406714	41700	110448414	35.96	97625804	41700	97667504	31.80	-4.16
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>147158367</b>	<b>64365</b>	<b>147222732</b>	<b>47.93</b>	<b>139232004</b>	<b>64365</b>	<b>139296369</b>	<b>45.35</b>	<b>-2.58</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	31385030	61825	31446855	10.24	36285781	41825	36327606	11.83	1.59
ii) Overseas	1500	500	2000	0.00	1500	500	2000	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	21328236	1315630	22643866	7.37	19738431	1242945	20981376	6.83	-0.54
ii) Individual Shareholders holding nominal share capital in excess of Rs 1 lakh	5060900	120332	5181232	1.69	5712425	113182	5825607	1.90	0.21
c) Others (specify)									
Directors & Relatives	4000	1500	5500	0.00	4000	1500	5500	0.00	0.00
Foreign Corporate Body	336967	0	336967	0.11	1980102	0	1980102	0.65	0.54
Non-Resident Individuals	1125460	5358	1130818	0.37	960462	5358	965820	0.31	-0.06
Custodian of enemy Property	0	11854	11854	0.00	0	11854	11854	0.00	0.00
Trust	450024	0	450024	0.15	69186	0	69186	0.02	-0.13
Hindu Undivided Families	974427	0	974427	0.32	1057036	0	1057036	0.34	0.02
Clearing Member	2096552	0	2096552	0.68	383356	0	383356	0.13	-0.55
Foreign Port Folio Investor-Corporate Limited	0	0	0	0.00	10067437	0	10067437	3.28	3.28
Liability Partnership	0	0	0	0.00	372	0	372	0.00	0.00
<b>Sub-total (B)(2)</b>	<b>62763096</b>	<b>1516999</b>	<b>64280095</b>	<b>20.93</b>	<b>76260088</b>	<b>1417164</b>	<b>77677252</b>	<b>25.29</b>	<b>4.36</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>209921463</b>	<b>1581364</b>	<b>211502827</b>	<b>68.86</b>	<b>215492092</b>	<b>1481529</b>	<b>216973621</b>	<b>70.64</b>	<b>1.78</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Global Depository Receipts (GDRs)	729878	11437	741315	0.24	0	11437	11437	0.00	-0.24
Global Depository Shares (GDSs)	8208142	0	8208142	2.67	3467226	0	3467226	1.13	-1.54
<b>Sub-total (C)</b>	<b>8938020</b>	<b>11437</b>	<b>8949457</b>	<b>2.91</b>	<b>3467226</b>	<b>11437</b>	<b>3478663</b>	<b>1.13</b>	<b>-1.78</b>
<b>Grand Total (A+B+C)</b>	<b>305585856</b>	<b>1592801</b>	<b>307178657</b>	<b>100.00</b>	<b>305685691</b>	<b>1492966</b>	<b>307178657</b>	<b>100.00</b>	



**ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	EWS Finance & Investments Pvt Ltd	27643432	9.00	8.99	27643432	9.00	8.99	0
2	Prince Holdings (Madras) Private Ltd	25500000	8.30	8.30	25500000	8.30	8.30	0
3	Anna Investments Private Ltd	13024625	4.24	4.23	13024625	4.24	4.23	0
4	Sri Srinivasan N	427400	0.14	0.00	427400	0.14	0.00	0
5	Smt. Chitra Srinivasan	78580	0.03	0.00	78580	0.03	0.00	0
6	Smt. Rupa Gurunath	36440	0.01	0.00	36440	0.01	0.00	0
7	Smt. Vidya Subramanian (Trustee)	19954024	6.50	0.00	19954024	6.50	0.00	0
8	Sri S.K. Asokh Baalaje	59932	0.01	0.00	59932	0.01	0.00	0
9	Smt. Rajam Krishnamoorthy	1940	0.00	0.00	1940	0.00	0.00	0
	<b>Total</b>	<b>86726373</b>	<b>28.23</b>	<b>21.52</b>	<b>86726373</b>	<b>28.23</b>	<b>21.52</b>	<b>0</b>

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	No change during the year			
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus / sweat equity etc)				
3	At the End of the year				

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date	Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of Shares	No. of Shares	% of total Shares of the	No. of Shares	% of total Shares of the Company
1	The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation And The Boston Company Asset Management LLC together with PAC	41107453	13.38	04.04.14	Purchase	21410	41128863	13.39	28283158	9.21
				11.04.14	Purchase	772420	41901283	13.64		
				02.05.14	Sale	-21880	41879403	13.63		
				23.05.14	Sale	-1716572	40162831	13.07		
				30.05.14	Sale	-1299541	38863290	12.65		
				06.06.14	Sale	-1831849	37031441	12.06		
				13.06.14	Sale	-2943677	34087764	11.10		
				20.06.14	Sale	-103450	33984314	11.06		
				30.06.14	Sale	-2138112	31846202	10.37		
				04.07.14	Sale	-342526	31503676	10.26		
				11.07.14	Purchase	500000	32003676	10.42		
				18.07.14	Purchase	158633	32162309	10.47		
				01.08.14	Sale	-8514	32153795	10.47		
				22.08.14	Sale	-224392	31929403	10.39		
				29.08.14	Sale	-430280	31499123	10.25		
				05.09.14	Sale	-676300	30822823	10.03		
				12.09.14	Sale	-478961	30343862	9.88		



**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd..)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date	Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of Shares	No. of Shares	% of total Shares of the	No. of Shares	% of total Shares of the Company
				19.09.14	Sale	-14900	30328962	9.87	18609745	6.06
				30.09.14	Sale	-528746	29800216	9.70		
				31.10.14	Sale	-1995360	27804856	9.05		
				07.11.14	Sale	-370630	27434226	8.93		
				14.11.14	Sale	-9567	27424659	8.93		
				21.11.14	Sale	-341878	27082781	8.82		
				28.11.14	Purchase	625189	27707970	9.02		
				05.12.14	Purchase	992232	28700202	9.34		
				12.12.14	Purchase	11558	28711760	9.35		
				19.12.14	Purchase	1138495	29850255	9.72		
				16.01.15	Purchase	215846	30066101	9.79		
				23.01.15	Sale	-2220885	27845216	9.06		
				27.02.15	Purchase	567506	28412722	9.25		
				20.03.15	Sale	-5101	28407621	9.25		
				27.03.15	Sale	-350505	28057116	9.13		
				31.03.15	Purchase	226042	28283158	9.21		
2	Life Insurance Corporation of India	20922404	6.81	06.06.14	Sale	-1000000	19922404	6.49	18609745	6.06
				13.06.14	Sale	-450000	19472404	6.34		
				30.06.14	Sale	-50000	19422404	6.32		
				04.07.14	Sale	-602786	18819618	6.13		
				11.07.14	Sale	-209873	18609745	6.06		
3	Trishul Investments Private Limited	17525976	5.71	--	--	--	--	--	17525976	5.71
4	HSBC Global Investment Funds A/C HSBC GIF Mauritius Limited	15151961	4.93	23.05.14	Sale	-593029	14558932	4.74	7222879	2.35
				30.05.14	Sale	-900902	13658030	4.45		
				06.06.14	Sale	-164340	13493690	4.39		
				13.06.2014	Sale	-166882	13326808	4.33		
				20.06.14	Sale	-844574	12482234	4.06		
				29.08.14	Sale	-257736	12224498	3.98		
				05.09.14	Sale	-307243	11917255	3.88		
				30.09.14	Sale	-921869	10995386	3.58		
				03.10.14	Sale	-967654	10027732	3.26		
				10.10.14	Sale	-287121	9740611	3.17		
				30.01.15	Sale	-500000	9240611	3.01		
				06.02.15	Sale	-194107	9046504	2.95		
				13.02.15	Sale	-660114	8386390	2.73		
				13.03.15	Sale	-1128781	7257609	2.36		
				20.03.15	Sale	-34730	7222879	2.35		
5	ELM Park Fund Limited	14016058	4.56	--	--	--	--	--	14016058	4.56
6	Merrill Lynch Capital Markets Espana S.A. S.V	--	--	04.04.15	Purchase	1945889	1945889	0.63	9143003	2.98
				11.04.15	Purchase	1412872	3358761	1.09		
				18.04.15	Purchase	1037931	4396692	1.43		

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd..)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date	Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of Shares	No. of Shares	% of total Shares of the	No. of Shares	% of total Shares of the Company
				25.04.15	Purchase	217354	4614046	1.50		
				02.05.14	Sale	-536468	4077578	1.33		
				09.05.14	Purchase	215937	4293515	1.40		
				16.05.14	Purchase	741630	5035145	1.64		
				23.05.14	Purchase	980477	6015622	1.96		
				30.05.14	Sale	-668200	5347422	1.74		
				13.06.14	Sale	-1622576	3724846	1.21		
				20.06.14	Sale	-1813575	1911271	0.62		
				04.07.14	Purchase	23346	1934617	0.63		
				18.07.14	Sale	-84000	1850617	0.60		
				25.07.14	Sale	-85420	1765197	0.57		
				08.08.14	Purchase	701219	2466416	0.80		
				22.08.14	Sale	-25300	2441116	0.79		
				29.08.14	Sale	-1451	2439665	0.79		
				05.09.14	Sale	-92534	2347131	0.76		
				31.10.14	Purchase	8271	2355402	0.77		
				07.11.14	Purchase	405676	2761078	0.90		
				14.11.14	Purchase	10075	2771153	0.90		
				21.11.14	Purchase	4787657	7558810	2.46		
				28.11.14	Purchase	97295	7656105	2.49		
				19.12.14	Sale	-76416	7579689	2.47		
				31.12.14	Sale	-50090	7529599	2.45		
				09.01.15	Sale	-114000	7415599	2.41		
				23.01.15	Purchase	9044	7424643	2.42		
				30.01.15	Sale	-122571	7302072	2.38		
				06.02.15	Sale	-273835	7028237	2.29		
				13.02.15	Purchase	2275400	9303637	3.03		
				20.02.15	Purchase	3000	9306637	3.03		
				27.02.15	Sale	-120000	9186637	2.99		
				13.03.15	Sale	-18613	9168024	2.98		
				27.03.15	Sale	-25021	9143003	2.98		
7	Sundaram Mutual Fund A/C Sundaram Select Midcap	4998045	1.63	04.04.15	Purchase	100000	5098045	1.66	5603310	1.82
				18.04.15	Sale	-3045	5095000	1.66		
				19.09.14	Purchase	408310	5503310	1.79		
				31.12.14	Purchase	100000	5603310	1.82		
8	HDFC Standard Life Insurance Company Limited	4592508	1.49	23.05.14	Sale	-669396	3923112	1.28	--	--
				30.05.14	Sale	-143196	3779916	1.23		
				05.12.14	Purchase	25	3779941	1.23		
				12.12.14	Sale	-623699	3156242	1.03		
				19.12.14	Sale	-3156242	0	0.00		



**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd..)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date	Reasons for Increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of Shares	No. of Shares	% of total Shares of the	No. of Shares	% of total Shares of the Company
9	Dimensional Emerging Markets Value Fund	3947997	1.29	18.07.14	Purchase	13708	3961705	1.29	4742080	1.54
				08.08.14	Purchase	33025	3994730	1.30		
				14.11.14	Sale	-28813	3965917	1.29		
				21.11.14	Sale	-61101	3904816	1.27		
				28.11.14	Sale	-77762	3827054	1.25		
				06.03.15	Purchase	442873	4269927	1.39		
				13.03.15	Purchase	85406	4355333	1.42		
				20.03.15	Purchase	125687	4481020	1.46		
				27.03.15	Purchase	177932	4658952	1.52		
				31.03.15	Purchase	83128	4742080	1.54		
10	Government Pension Fund Global	2825910	0.92	06.03.15	Purchase	1139430	3965340	1.29	4683316	1.52
				13.03.15	Purchase	588344	4553684	1.48		
				20.03.15	Purchase	129632	4683316	1.52		
11	M/s Regal Investment And Trading Co Pvt Ltd	-	-	30.05.14	Purchase	1915000	1915000	0.62	4053800	1.32
				06.06.14	Purchase	500000	2415000	0.79		
				13.06.14	Purchase	1000000	3415000	1.11		
				11.07.14	Purchase	210000	3625000	1.18		
				18.07.14	Purchase	178800	3803800	1.24		
				25.07.14	Purchase	250000	4053800	1.32		
12	The New India Assurance Company Limited	2583536	0.84	05.09.14	Sale	-100000	2483536	0.81	2258536	0.74
				12.09.14	Sale	-175000	2308536	0.75		
				19.09.14	Sale	-10000	2298536	0.75		
				30.09.14	Sale	-40000	2258536	0.74		

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

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Datewise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)		Shareholding at the End of the year	
		No. of Shares	% of total shares of the Company			No. of shares	% of total shares of the Company
<b>I</b>	<b>DIRECTORS:</b>			Date of transfer	No. of Shares		
1.	Sri N.Srinivasan *	427400	0.14	–	–	427400	0.14
2.	Smt. Chitra Srinivasan	78580	0.03	–	–	78580	0.03
3.	Smt. Rupa Gurunath	36440	0.01	–	–	36440	0.01
4.	Sri Arun Datta	4000	0.00	–	–	4000	0.00
5.	Sri Basavaraju	–	–	–	–	–	–
6.	Sri R.K.Das	1500	0.00	–	–	1500	0.00
7.	Sri N.R.Krishnan	–	–	–	–	–	–
8.	Sri V.Manickam	–	–	–	–	–	–
9.	Sri Nagaraj Garla #						
10.	Sri N.Srinivasan (F&R)	–	–	–	–	–	–
<b>II</b>	<b>KMP:</b>						
1.	Sri G.Balakrishnan Company Secretary	59102	0.02	30.05.14 06.06.14 13.06.14 Total	40000 5000 10000 55000 @	4102	0.00
2.	Sri R Srinivasan Chief Financial Officer	40056	0.01	15.04.14 04.06.14 30.06.14 24.09.14 Total	5000 5000 7000 8000 25000 @	15056	0.00

\* Also CEO of the Company.

# Appointed as a Director of the Board w.e.f. 25.09.2014 by IDBI Bank Limited.

@ Transfer.

**V. INDEBTEDNESS:**

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

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	236177.36	83516.05	550.88	320244.29
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	3081.12	378.89	53.50	3513.51
<b>Total (i + ii + iii)</b>	<b>239258.48</b>	<b>83894.94</b>	<b>604.38</b>	<b>323757.80</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	62239.97	0.00	0.00	62239.97
• Reduction	-31295.35	-30070.74	-499.44	61865.53
<b>Net Change</b>	<b>30944.62</b>	<b>-30070.74</b>	<b>-499.44</b>	<b>374.44</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	266176.71	53815.65	79.12	320071.48
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	4026.40	8.55	25.82	4060.76
<b>Total (i + ii + iii)</b>	<b>270203.11</b>	<b>53824.20</b>	<b>104.94</b>	<b>324132.24</b>



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Wholetime Directors and / or Manager

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Sri N.Srinivasan Managing Director *	Smt. Rupa Gurunath Wholetime Director	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	360.00	120.00	480.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	114.47	36.00	144.00
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—		
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	- as % of profit	—	—	—
	- others, specify...	—	—	—
5.	Others, please specify			
	• Contribution to Provident Fund	43.20	14.40	57.60
	• Contribution to Gratuity & Superannuation Fund	69.00	23.00	92.00
	• Others	6.47	0.00	6.47
	Total (A)	586.67	193.40	780.07
	Ceiling as per the Act			

\* Also CEO of the Company

### B. Remuneration to other directors:

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Name of Director					Total Amount
		Sri Arun Datta	Sri R.K.Das	Sri N.R.Krishnan	Sri V.Manickam	Sri N.Srinivasan (F&R)	
1.	Independent Directors						
	• Fee for attending board / committee meetings	2.30	1.70	1.70	1.00	3.20	9.90
	• Commission	—	—	—	—	—	—
	• Others, please specify	—	—	—	—	—	—
	Total (1)	2.30	1.70	1.70	1.00	3.20	9.90

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Name of Director			Total Amount
		Smt. Chitra Srinivasan	Sri Basavaraju	Sri NagrajGarla*	
2.	Other non-executive Directors				
	• Fee for attending board / committee meetings	0.60	1.20	0.80	2.60
	• Commission	—	—	—	—
	• Others, please specify	—	—	—	—
	Total (2)	0.60	1.20	0.80	2.60
	Total (B) = (1 + 2)				12.50
	Total Managerial Remuneration				792.57
	Overall Ceiling as per the Act				454.49

\* (Paid to IDBI Bank Ltd)

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD**

(Rs. in Lakhs)

Sl No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	37.83	34.12	71.95
	(b) Value of perquisites u/s17(2) of the Income-tax Act, 1961	0.84	1.80	2.64
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	–		
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission	–		
	- as % of profit	–	–	–
	- others, specify...	–	–	–
5.	Others, please specify	–	–	–
	Total	38.67	35.92	74.59

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

Type	Section of the Companies Act, 1956	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	87	Condonation of delay in filing satisfaction of charge with Registrar of Companies - LIC	Rs.50,000/-	RD	–
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	217(2A)&372A	The Office of the Registrar of Companies(RoC) had alleged violation of Section 217(2A) of the Companies Act, 1956 (not furnishing particulars of remuneration) and 372A of the Companies Act, 1956 in the matter of investment in Bharathi Cement group Companies. Although the Company has not accepted violation of Section 372A, to avoid protracted litigation, compounding applications under Section 621A of the Companies Act, 1956 were filed during the year as the RoC had lodged a complaint in the Chief Metropolitan Magistrate Court, Egmore. The compounding fee is remitted by means of demand draft and final order from CLB is awaited.	–	CLB	–

On behalf of the Board

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

N. SRINIVASAN  
Vice Chairman & Managing Director





## **ANNEXURE 'K TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

### **FORM NO. MR-3**

### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

[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 of The India Cements Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE INDIA CEMENTS 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 INDIA CEMENTS LIMITED'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 31.03.2015 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 INDIA CEMENTS LIMITED for the financial year ended on 31.03.2015 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, 1992;
  - (c) 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;
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (vi) Other Laws specifically applicable to the Company :
  - (a) The Factories Act, 1948;
  - (b) Acts pertaining to Mining activities and the corresponding Rules;
  - (c) Laws and rules relating to labour and employees appointed by the Company either on the payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation, etc.;
  - (d) Acts prescribed under Environmental Protection.

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and NSE Limited.

During the period under review and as per the explanations and clarifications given to me and the representation made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. In the instances where notice is given for less than seven days, the provisions of Companies Act, 2013 and the Rules prescribed therein have been complied with. 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.

Decisions at the Board Meetings, as represented by the Management, were unanimous and therefore there were no dissenting views that were required to be recorded.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me, 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,

- a) at the extraordinary general meeting held on 26<sup>th</sup> September 2014, members have passed a special resolution under Section 180 (1)( c) of the Companies Act, 2013 empowering the Board of Directors to borrow any sum or sums of monies from time to time notwithstanding that the money or moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Share Capital of the Company and its free reserves, provided that the total amount which may be so borrowed by the Board of Directors of the Company and outstanding at any time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed Rs. 2900 Crores (Rupees Two Thousand Nine Hundred Crores only) over and above the Paid-up Share Capital and free reserves of the Company for the time being.
- b) at the Court Convened Meeting of the Equity Shareholders and Court Convened Meeting of the Secured Creditors held on 25.3.2015, members and creditors have passed resolutions approving the Scheme of Amalgamation and Arrangement between Trinetra Cement Limited and Trishul Concrete Products Limited (Transferor Companies) with The India Cements Limited (Transferee Company) and their respective Shareholders.

The process of amalgamation is pending for approval at the High Court of Judicature at Madras (Ordinary Original Civil Jurisdiction).

I further report 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 process 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 and have relied on the report of statutory auditors and financial statements.
4. Wherever 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 : Chennai

Date : 2<sup>nd</sup> November, 2015

P.R. SUDHA  
ACS/FCS No.6046  
CP No.:4468

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Chartered Accountants  
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Chartered Accountants  
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Balaji Nagar, Royapettah  
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## INDEPENDENT AUDITORS' REPORT

To

**The Members of The India Cements Limited**

### **Report on the Standalone financial statements**

We have audited the accompanying standalone financial statements of The India Cements Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then 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 are responsible for the matters stated 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 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 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 standalone 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 there under.

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 standalone 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 standalone 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 standalone financial statements that give a 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

Based on the procedures and evaluations referred above 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, 2015, and its profit and its cash flows for the year ended on that date.

### **Emphasis of Matter**

- a) Note no.33.2 (g) to the Standalone financial statements, regarding the appeal filed by the company against the order of the Competition Commission of India (CCI), imposing a penalty of Rs.18,748 lakhs before the Competition Appellate Tribunal concerning the alleged contravention of provisions of Competition Act, 2002. CCI in its interim order dated 17<sup>th</sup> May, 2013 directed the company to pay 10% of the imposed penalty. The Company is advised by legal experts that it has good case before appellate tribunal and accordingly no provision has been considered necessary by the company in this regard.
- b) As explained in note No 33.17 to the Standalone financial statements which explain the matters relating to the transfer of Chennai super kings cricket limited (an IPL franchisee owned by the company prior to its transfer). No impact is considered in the financial statements arising on account of guarantee given by the Company assuring the compliance with franchise covenants as entered into by the Company prior to its transfer. The impact, if any, arising on account, of the same is not ascertainable at this stage.

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- c) As explained in note No 33.18 to the Standalone financial statements regarding the order of attachment issued by authorities under Prevention of Money laundering Act through which certain assets of the company amounting to Rs.12,034.18 lakhs have been attached vide order dated 25<sup>th</sup> February 2015. In this regard proceedings have also been initiated in respect of certain investments made by the company alleging that the company committed certain irregularities in making such investments and charges have been levelled against the company and its Managing Director in this regard. The company is disputing the same before judicial forums against the allegations and has been legally advised that the company has strong case to defend its position, pending the outcome of the proceedings the impact if any is not ascertainable at this stage and the investments and assets are carried at respective values in the standalone financial statements.
- (d) (i) As explained in note No 33.19(a) to the Standalone financial statements the company at its shareholders meeting held on 26<sup>th</sup> September 2014 obtained the required approval for making payment of managerial remuneration in the event of inadequacy of profits for the year ending 31<sup>st</sup> March 2015, pursuant to which the managerial remuneration paid for the financial year ending 31<sup>st</sup> March 2015 which is in excess of the limits stipulated under 197 of Companies Act 2013 by Rs. 267.35 lakhs is subject to approval by Central Government pending the outcome of the same no adjustments have been made in the financial results.
- (ii) As explained in Note No. 33.19 (b) to the Standalone financial statements, the appointment of whole time director for a period of 5 years from March 05, 2015 is subject to the approval of the shareholders.
- (e) Note 33.25 to the Standalone financial statements, which explain the implementation of Schedule II of Companies Act, 2013 and adoption of new useful life in respect of fixed assets. In regard to depreciation on revalued assets, the Company continued its existing practice of dealing with incremental depreciation on account of revaluation by drawing similar amount from revaluation Reserves amounting to Rs.5261 lakhs for the year ending March 31, 2015. Had the Company not drawn the said amount from revaluation reserve, the profit for the year ending March 31, 2015 would have been lower by Rs. 5261 lakhs consequently it would have resulted in a loss of Rs. 2317 lakhs with a corresponding impact on the retained earnings. The Company is seeking clarification on the method adopted.

Our opinion is not qualified in respect of the Emphasis of Matter.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. 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 standalone financial statements - Refer Note 33.2 and 33.3 to the standalone financial statements read with the matters mentioned in the "Emphasis of Matter" paragraph
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - ii. There has been no delay in transferring the amounts, required to be transferred to the Investor education and protection fund by the Company.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

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**The Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of THE INDIA CEMENTS Limited on the accounts of the Company for the year ended 31<sup>st</sup> March, 2015 we report that.**

1. In respect of its fixed Assets
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) As explained to us, the Fixed Assets are physically verified by the management, according to a phased programme designed to cover all the items over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, the management during the year has verified a portion of fixed Assets and no material discrepancies between the book records and physical inventory have been noticed.
2. In respect of its Inventory
  - a) According to information and explanations given to us the inventories of the Company at all its locations have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) In our opinion and according to the explanations given to us and on the basis of our examination of the inventory records, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of accounts.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii (b) and iii(c) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased/ services awarded are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal control system has been noticed.
5. The Company has not accepted any deposits from the public during the year requiring compliance of provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. We have broadly reviewed the cost records and accounts relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in relation to activity of manufacture of cement and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
7. In respect of the Statutory Dues
  - a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Service Tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities though there have been instances of considerable delays in depositing Excise duty, Sales tax, Service tax and Provident Fund.
  - b) According to the information and explanations given to us there were no outstanding undisputed statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.
  - c) According to the information and explanations given to us, details of dues of Sales tax, Income tax, Service tax, Customs Duty, Excise duty and cess, which have not been deposited as on 31<sup>st</sup> March 2015 on account of any dispute is as per Annexure.
  - d) According to the records of the company, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under has been transferred to such fund within time.
8. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year (2014-15) and in the immediately preceding financial year (2013-14).
9. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of instalments due to financial institution, bank or debenture holders though there have been instances of delays in repayment of principal and interest amounts.
10. In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by subsidiaries and others from banks or financial institutions are not prejudicial to the interest of the Company taking into consideration the overall realizable value of assets and current business plans.
11. According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276  
Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575

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**Annexure to the Independent Auditors Report as mentioned in Clause 7(c) of CARO**

Sl. No.	Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which amount relates	Forum where disputes pending
1	Central Excise Act 1944	Excise duty and Service Tax	13052.70	Various periods from 1995-96 to 2014-15	CESTAT
			19025.85	Various periods from 1995-96 to 2014-15	Assistant / Additional / Commissioner (Appeals)
			1171.53	2012-13	Commissioner of Service Tax
			2751.28	Various periods from 1994-96 to 2009-10	High Court
2	Central Sales Tax Act, 1956 and sales tax of various states	Sales tax / VAT	268.74	2008-09 and 2005-06	Additional Commissioner
			113.47	Various periods from 1970-71 to 1978-79	Assistant Commissioner
			1685.59	Various periods from 1989-90 to 2013-14	High Court of Andhra Pradesh
			393.45	Various periods from 1969-70 to 2012-13	High Court of Tamilnadu
			7.17	2013-14	Joint Commissioner
			60.14	Various periods from 2007-08 to 2013-14	Joint Commissioner (Appeals)
			13.48	2014-15	Joint Commissioner (CT)
			22.01	2005-06	Appellate Tribunal
3	Customs Act, 1962	Customs Duty	102.77	Various periods from 2004-05 to 2013-14	Assistant / Additional / Commissioner Appeals
			4014.94	2013-14	Commissioner of Customs
			813.91	Periods from 2012-13 and 2013-14	CESTAT
4	Income Tax Act, 1961	Income Tax	5458.10	Various periods from 1999-00 to 2012-13	CIT ( Appeals)
			363.83	Various periods from 1982-83 to 1986-87	High Court
			1981.14	Various periods from 1991-92 to 2010-11	Income tax Appellate Tribunal
			810.65	1996-97	Supreme Court

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276  
Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575





## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015

	Note No.	Rs.Lakhs	2015 Rs.Lakhs	Rs.Lakhs	2014 Rs.Lakhs
<b>EQUITY AND LIABILITIES :</b>					
1. Shareholders' Funds:					
a. Share Capital	3	30717.83		30717.83	
b. Reserves and Surplus	4	328591.61	359309.44	354408.51	385126.34
2. Non-Current Liabilities:					
a. Long-term borrowings	5	219679.38		205782.96	
b. Deferred tax liabilities	6	32968.82		32968.82	
c. Other Long-term liabilities	7	1316.63		11306.26	
d. Long-term provisions	8	5864.48	259829.31	5925.16	255983.20
3. Current Liabilities:					
a. Short-term borrowings	9	48154.71		60880.65	
b. Trade Payables	10	82526.63		86429.24	
c. Other Current Liabilities	11	81299.89		85247.41	
d. Short-term provisions	12	16.72	211997.95	16.72	232574.02
			<b>831136.70</b>		<b>873683.56</b>
<b>ASSETS :</b>					
1. Non-Current Assets:					
a. Fixed Assets	13				
(i) Tangible Assets		354879.45		397300.40	
(ii) Intangible Assets		3702.18		18819.79	
(iii) Capital Work-in-Progress		8902.77		10129.79	
		<b>367484.40</b>		<b>426249.98</b>	
b. Non-current Investments	14	158522.25		94348.58	
c. Long-term loans and advances	15	153111.88	679118.53	208518.28	729116.84
2. Current Assets:					
a. Current Investments	16	0.00		205.37	
b. Inventories	17	60687.81		55093.49	
c. Trade Receivables	18	46609.56		42249.88	
d. Cash and Bank Balances	19	392.55		306.38	
e. Short-term loans and advances	20	44328.25	152018.17	46711.60	144566.72
			<b>831136.70</b>		<b>873683.56</b>
Notes on Accounts	1 to 33				

As per our Report of 2<sup>nd</sup> November, 2015

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V. SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman & Managing Director

R.SRINIVASAN  
President (Finance & Accounts)

RUPA GURUNATH  
Wholetime Director

G.BALAKRISHNAN  
Senior President &  
Company Secretary

N.SRINIVASAN  
Director

Place : Chennai

Date : 2<sup>nd</sup> November, 2015



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

	Note No.	Rs.Lakhs	2014-15 Rs.Lakhs	Rs.Lakhs	2013-14 Rs.Lakhs
Revenue from Operations	21		442360.20		444087.73
Other Income	22		3079.32		8896.03
<b>Total Revenue</b>			<b>445439.52</b>		<b>452983.76</b>
<b>Expenses:</b>					
Cost of materials consumed	23		62420.19		60545.09
Changes in Inventories of Finished goods / Work-in-Progress	24		3446.16		(3105.79)
Employee benefits expense	25		31815.48		35131.24
Finance costs	26		42598.69		35364.83
<b>Other Expenses:</b>					
Manufacturing and Other Operating Expenses	27	127336.61		143732.67	
Administration and Other Charges	28	23524.64		23281.92	
Selling and Distribution Expenses	29	124714.72		133293.44	
Donations	30	847.10	276423.07	685.97	300994.00
Depreciation and amortisation expense		31252.55		33413.71	
Less : Transfer from Revaluation Reserve		5268.71		5475.92	
Less : Transfer from Deferred Income		192.86	25790.98	298.80	27638.99
<b>Total Expenses</b>			<b>442494.57</b>		<b>456568.36</b>
<b>Profit / (Loss) before exceptional items and tax</b>			<b>2944.95</b>		<b>(3584.60)</b>
<b>Exceptional Items:</b>					
Provision for disputed Fuel Surcharge Adjustment		0.00		6943.25	
Right of Recompense to Lenders		0.00		5712.51	
			0.00		12655.76
<b>Profit / (Loss) before tax</b>			<b>2944.95</b>		<b>(16240.36)</b>
<b>Tax expense:</b>					
Current tax - Minimum Alternate Tax (MAT)		640.09		0.00	
Less: MAT Credit entitlement		(640.09)		(0.00)	
Deferred tax		0.00	0.00	0.00	0.00
<b>Profit/(Loss) after tax</b>			<b>2944.95</b>		<b>(16240.36)</b>
Earnings Per Share (face value of Rs.10/- per equity share):	31				
Basic (Rs.)			0.96		(5.29)
Diluted (Rs.)			0.96		(5.29)
Notes on Accounts	1 to 33				
As per our Report of 2 <sup>nd</sup> November, 2015					
For P.S.SUBRAMANIA IYER & CO., Chartered Accountants V. SWAMINATHAN Partner Membership No. 22276 Place : Chennai Date : 2 <sup>nd</sup> November, 2015	For BRAHMAYYA & CO., Chartered Accountants N.SRI KRISHNA Partner Membership No. 26575	N.SRINIVASAN Vice Chairman & Managing Director R.SRINIVASAN President (Finance & Accounts)	RUPA GURUNATH Wholetime Director G.BALAKRISHNAN Senior President & Company Secretary	N.SRINIVASAN Director	



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

	Rs.Lakhs	2014-15 Rs.Lakhs	Rs.Lakhs	2013-14 Rs.Lakhs
<b>A. Cash flow from operating activities :</b>				
Net profit / (loss) before exceptional items, tax & extraordinary items		2944.95		-3584.60
Exceptional Items		0.00		-12655.76
Net profit / (loss) before tax and extraordinary items		2944.95		-16240.36
Adjusted for :				
Depreciation	25790.98		27638.99	
Provision for Doubtful Debts & Advances	168.31		-448.27	
Foreign Exchange	1612.77		4660.16	
Profit on sale of Investments	0.00		0.00	
Profit / (loss) on sale of Assets	-135.10		-1771.71	
Interest Expense	46741.56		36213.81	
Interest Income	-7267.53		-7298.68	
Dividend Income	-54.50		-111.84	
Perquisite value of Employees' stock options	0.00		0.00	
Deferred revenue expenditure / income	138.16	66994.65	11.04	58893.50
Operating profit before Working Capital changes		69939.60		42653.14
Trade and other receivables	1129.47		11335.98	
Inventories	-5594.32		-5487.81	
Trade and other payables	-3700.01	-8164.86	9455.33	15303.50
Cash generated from operations		61774.74		57956.64
Direct Taxes		-3833.73		-4399.59
Cash flow before extraordinary items		57941.01		53557.05
Extraordinary items		0.00		0.00
Net cash from operating activities	(A)	57941.01		53557.05
<b>B. Cash flow from Investing activities :</b>				
Purchase of Fixed Assets		-25006.96		-8632.38
Sale of Fixed Assets		11768.62		6827.79
Sale of Investments		499.24		1229.11
Purchase of Investments		-64467.54		0.00
Interest received		878.33		1033.82
Dividend received		54.50		111.84
Refund by / advances to Subsidiaries, Associates and Others		66413.90		-24917.01
Net cash from Investing activities	(B)	-9859.91		-24346.83

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

		<b>2014-15</b>	<b>2013-14</b>
		<b>Rs.Lakhs</b>	<b>Rs.Lakhs</b>
<b>C. Cash flow from financing activities :</b>			
Proceeds from issue of share capital		<b>0.00</b>	0.01
Dividend paid		<b>107.84</b>	-7186.26
Proceeds from long-term borrowings		<b>61294.71</b>	88792.00
Repayment of borrowings		<b>-61467.52</b>	-70839.55
Interest paid (net)		<b>-47807.08</b>	-40168.49
Net Cash from financing activities	(C)	<b>-47872.04</b>	-29402.29
Increase / (Decrease) in cash and cash equivalent	(A+B+C)	<b>209.06</b>	-192.07
Cash and cash equivalent at the beginning of the year		<b>183.49</b>	375.56
Cash and cash equivalent at the close of the year		<b>392.55</b>	183.49

As per our Report of 2<sup>nd</sup> November, 2015

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V. SWAMINATHAN  
Partner  
Membership No. 22276

Place : Chennai

Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman & Managing Director

R.SRINIVASAN  
President (Finance & Accounts)

RUPA GURUNATH  
Wholetime Director

G.BALAKRISHNAN  
Senior President &  
Company Secretary

N.SRINIVASAN  
Director



## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), includes generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned. GAAP comprises of mandatory Accounting Standards issued by the National Advisory Committee on Accounting Standards (NACAS) and The Institute of Chartered Accountants of India (ICAI), the provisions of the Indian Companies Act, 1956 / Companies Act, 2013 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 1. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 2. Inventories

- Valuation of inventories of raw materials, packing materials, stores, spares, fuels is at weighted average cost.
- Work-in-Process & Semi-finished goods are valued at cost or net realisable value whichever is lower and do not include interest and other administrative overheads.
- Finished goods are valued at cost or net realisable value whichever is lower. The value of finished goods includes excise duty and does not include interest and other administrative overheads.
- Construction and Infrastructure Projects are valued at cost or net realisable value whichever is lower.

#### 3. Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank, in hand (including cheques in hand) and short term investment with an original maturity of three months or less.

#### 4. Fixed Assets

Fixed Assets are valued and shown adopting the following basis:

- Fixed Assets and Capital Work-in-progress of all the cement manufacturing facilities were revalued and shown at revalued amounts as at 31<sup>st</sup> March 2004. All other Fixed assets acquired are shown at the cost of acquisition.
- Fixed assets acquired on the Hire Purchase or on Financial Lease are shown at their principal cost, excluding the interest cost included in these agreements which is charged to revenue over the life of the agreement.
- Expenditures and outlays of money on uncompleted projects of the capital nature are shown as capital work-in-progress until such time these projects are completed and commissioned. All costs including financing costs incurred on specific projects / acquisition of undertakings are charged to the concerned heads.
  - During the year the Company has charged depreciation based on useful life of the assets in accordance with Schedule II of Companies Act, 2013.
  - Depreciation on incremental value arising from the revaluation of fixed assets is charged to the Revaluation Reserve Account.
- Intangible Assets, which are expected to generate economic benefits are accounted at cost and amortised over the useful life on Straight Line Method.

#### 5. (a) Foreign Currency Transactions

- Pursuant to the Companies (Accounting Standard) Amendment Rules, 2011 the Company has exercised the option of adjusting the cost of the depreciable capital assets arising on the exchange differences, in respect of accounting periods commencing from 1<sup>st</sup> April 2011, on long term foreign currency monetary items, which were hitherto recognized as income or expenses in the period in which they arise. As a result, such exchange difference so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective assets.
- In respect of other long term foreign currency monetary items, such exchange differences is accumulated in foreign currency monetary items translation difference account and amortized over the balance period of such liability.

## **NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015 (Contd.)**

- (b) Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Assets and liabilities, other than those and for the purposes as mentioned in 5(a) above, in Foreign currencies are translated at values prevailing as at the year end. Gains / Losses if any, arising therefrom are recognised in the Profit and Loss Account.
  - (c) Forward Exchange contracts used to hedge Foreign Currency Transactions are initially recognised at the spot rate on the date of contract. Forward Exchange contracts remaining unsettled at the end of the year are translated at the year end rates. The difference in translation of Forward exchange contracts are recognised in the Profit and Loss Account. The discount or premium is amortised over the tenure of the contract.
  - (d) Investments in Equity Capital of overseas Companies registered outside India are carried in the Balance Sheet at the rates at which transaction has been executed.
6.
  - (a) Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability if any and is net of rebates, discounts and incentives as ascertained by management as per market conditions.
  - (b) Revenue from Construction and Infrastructure projects under property development division is recognised on percentage of completion method.
  - (c) Revenue on time charter of ships is recognized on a proportionate basis.
7. Research and Development  
Research and Development expenses not resulting in any tangible property / equipment are charged to revenue.
8. Borrowing Costs  
Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit and Loss Account.
9. Claims / Incomes arising from price escalation and/or any other item of compensation and which are indeterminate are accounted when there is certainty of income accrual.
10. Trade investments and investments in subsidiary & associate companies are long term investments and are carried at cost. The other investments are carried at lower of cost or realisable value. Provision for diminution in value is made wherever necessary in accordance with the Accounting Standard.
11. Employee Benefits  
Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis for which a trust has been created. The Actuarial gains / losses arising on retirement benefits are also recognised in the Profit and Loss Account. Unavailed leave balances are accounted based on respective employee's earnings as at the balance sheet date on actuarial basis.
12. Fringe Benefits arising on options vested under Employees Stock Options Scheme (ESOS), 2006 are charged to Profit and Loss Account and credited to Stock Options Reserve Account. On allotment of shares, corresponding amount is transferred from Stock Option Reserve to Securities Premium Account.
13. Premium on Redemption of Debentures / Bonds.  
Premium on redemption of Debentures / Bonds is accounted on redemption and set off against the Securities Premium Account.
14. Tax Expense
  - (a) Current income tax is measured and accounted based on the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 at the tax rates prevailing during the year.
  - (b) Deferred Tax  
Deferred tax is measured and accounted based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date.
15. Contingent liabilities / Assets  
Contingent liabilities and contingent assets are not recognised in the books of accounts. Provisions are made for the reliably estimated amount of present obligation to pay for the past events.



3. SHARE CAPITAL	No. of Shares	Par value per share (Rs.)	2015 Rs.Lakhs	No. of Shares	Par value per share (Rs.)	2014 Rs.Lakhs
AUTHORISED :						
Equity Shares	460000000	10	46000.00	460000000	10	46000.00
Redeemable Cumulative Preference Shares	7500000	100	7500.00	7500000	100	7500.00
			<u>53500.00</u>			<u>53500.00</u>
ISSUED :						
Equity Shares	307178723	10	30717.87	307178723	10	30717.87
			<u>30717.87</u>			<u>30717.87</u>
SUBSCRIBED AND PAID UP :						
Equity Shares fully paid up:						
Opening balance	307177340	10	30717.73	307177216	10	30717.72
Add: partly paid up shares, subscribed fully during the year	0	10	0.00	124	10	0.01
Add: Subscribed during the year	0	10	0.00	0	10	0.00
Total issued, subscribed and fully paid up	<u>307177340</u>		<u>30717.73</u>	<u>307177340</u>		<u>30717.73</u>
Equity Shares - subscribed but not fully paid (other than Directors)						
Opening balance	1317	10	0.10	1441	10	0.10
Less: partly paid up shares, subscribed fully during the year	0	10	0.00	124	10	0.00
Total - Equity Shares subscribed, but not fully paid	<u>1317</u>		<u>0.10</u>	<u>1317</u>		<u>0.10</u>
Total	<u>307178657</u>		<u>30717.83</u>	<u>307178657</u>		<u>30717.83</u>

**List of shareholders holding more than 5% of the equity share capital (Par value per share is Rs.10/-)**

Shareholder's Name	No. of shares held	% held	Total face value Rs. Lakhs	No. of shares held	% held	Total face value Rs. Lakhs
The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation And The Boston Company Asset Management LLC together with PAC	28283158	9.21	2828.32	41107453	13.38	4110.75
EWS Finance & Investments Private Limited	27643432	9.00	2764.34	27643432	9.00	2764.34
Prince Holdings (Madras) Private Ltd.	25500000	8.30	2550.00	25500000	8.30	2550.00
Smt. Vidya Subramanian	19954024	6.50	1995.40	19954024	6.50	1995.40
Life Insurance Corporation of India	18609745	6.06	1860.97	20922404	6.81	2092.24
Trishul Investments Private Limited	17525976	5.71	1752.60	17525976	5.71	1752.60

**Terms / Rights / restrictions attached to shares:**

The Company has only one class of Equity share. Each share has a paid up value of Rs.10/-. Every shareholder is entitled to one vote per share, except for the holders of Global Depository Receipts / Global Depository Shares, as given below:

During the year 1994-95, the Company allotted 58,57,987 equity shares of Rs.10/- each consequent to issue of equivalent number of Global Depository Receipts (GDR). Holders of these GDRs have no voting rights with respect to the Deposited shares.

During the year 2005-06, the Company allotted 5,12,27,592 underlying equity shares of Rs.10/- each represented by 2,56,13,796 Global Depository Shares (GDS) in the ratio of 2:1. Holders of these GDSs have no voting rights with respect to the Deposited shares.

### 3. SHARE CAPITAL (Contd.)

#### Shares reserved for issue under Employees Stock Option Scheme:

During the year 2006-07, the Company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1<sup>st</sup> December 2006. There are no shares reserved for issue under options as at March 31, 2015.

### 4. RESERVES AND SURPLUS

	<b>Note No.</b>	<b>2015 Rs.Lakhs</b>	<b>2014 Rs.Lakhs</b>
<b>Capital Reserve</b>		<b>16.17</b>	<b>16.17</b>
<b>Capital Redemption Reserve</b>		<b>2500.00</b>	<b>2500.00</b>
<b>Securities Premium*</b>			
Opening balance		<b>147670.92</b>	147670.90
Add : Additions on ESOS exercised		<b>0.00</b>	0.00
Add : Transfer from Stock Options Outstanding Account		<b>0.00</b>	0.00
Add : Calls in arrears received		<b>0.02</b>	0.02
Less: Premium on redemption of Bonds		<b>0.00</b>	0.00
Closing balance		<b>147670.94</b>	147670.92
* Securities Premium is net of calls in arrears of Rs.0.04 lakh (As on 31 <sup>st</sup> March 2014: Rs.0.05 lakh).			
<b>Debenture Redemption Reserve</b>			
Opening balance		<b>48.00</b>	48.00
Add : Additions during the year		<b>0.00</b>	0.00
Less: Transfer to Statement of Profit & Loss		<b>0.00</b>	0.00
Closing balance		<b>48.00</b>	48.00
<b>Contingency Reserve</b>	33.5 (a)	<b>20000.00</b>	20000.00
<b>Revaluation Reserve</b>			
Opening balance		<b>35797.51</b>	43106.98
Less: Transfer to depreciation		<b>5268.71</b>	5475.92
Less: Withdrawals		<b>172.49</b>	1833.55
Closing balance		<b>30356.31</b>	35797.51
<b>General Reserve</b>			
Opening balance		<b>43407.42</b>	43407.42
Add : Additions during the year		<b>0.00</b>	0.00
Less: Transfer to Statement of Profit and Loss		<b>0.00</b>	0.00
Closing balance		<b>43407.42</b>	43407.42
<b>Deferred Income</b>	33.23		
Opening balance		<b>2895.13</b>	3193.93
Less: Transfer / withdrawals		<b>192.86</b>	298.80
Closing balance		<b>2702.27</b>	2895.13





4. RESERVES AND SURPLUS (Contd.)	Note No.	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>Shipping Tonnage Tax Reserve</b>		<b>90.00</b>	<b>90.00</b>
<b>Foreign currency monetary item translation difference account</b>	33.16		
Opening balance		(1032.94)	(1043.98)
Foreign Currency Monetary Item translation loss during the year		(428.38)	(479.82)
Amortised during the year		566.54	490.86
Closing balance		(894.78)	(1032.94)
<b>Surplus in Profit &amp; Loss Account</b>			
Opening balance		103016.30	119256.66
Less : Transfer to Depreciation A/c in the Statement of Profit & Loss (as per Para 7b of Schedule II of Companies Act, 2013)	33.25	(23265.97)	0.00
Sub Total		79750.33	119256.66
Add: Profit / (Loss) after tax for the year		2944.95	(16240.36)
Sub total		82695.28	103016.30
<b>Appropriations:</b>			
Proposed Dividend on Equity Capital		0.00	0.00
Dividend Distribution Tax		0.00	0.00
Transfer to General Reserve		0.00	0.00
Transfer to / (from) Debenture Redemption Reserve		0.00	0.00
Sub-total		0.00	0.00
Closing balance		82695.28	103016.30
Total - Reserves & Surplus		328591.61	354408.51
<b>NON-CURRENT LIABILITIES (Note No.5 to 8)</b>			
<b>5. LONG-TERM BORROWINGS</b>			
SECURED:			
1. Bonds / Debentures		0.00	0.00
2. Term Loans:			
Banks		149342.68	150010.28
Others		25000.00	5002.58
Total Secured		174342.68	155012.86
UNSECURED:			
Banks		0.00	0.00
Others		45336.70	50770.10
Total - Long-Term Borrowings (Refer Note No. 32 for Security clause)		219679.38	205782.96
<b>6. DEFERRED TAX LIABILITY</b>			
Liability on account of Depreciation (Net off Unabsorbed Depreciation)		43236.91	35414.78
Asset arising on account of other timing differences		10268.09	2445.96
Net Deferred Tax liability		32968.82	32968.82
<b>7. OTHER LONG-TERM LIABILITIES</b>			
Capital Expenditure - Payable towards franchisee rights (Refer Note No. 33.17)		0.00	9828.00
Deposits		1316.63	1478.26
		1316.63	11306.26

	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>8. LONG-TERM PROVISIONS</b>		
Provision for employee benefits - Unavailed Leave (Refer Note No.33.22 (b))	<u>5864.48</u>	<u>5925.16</u>
<b>CURRENT LIABILITIES (Note No.9 to 12)</b>		
<b>9. SHORT-TERM BORROWINGS</b>		
1. Loans repayable on Demand (Secured):		
Cash Credit facilities from scheduled banks	<u>46154.71</u>	43360.00
(The fund based and non-fund based working capital facilities are secured by a first charge on pari passu basis on all the current assets and second charge on the movable fixed assets and immovable properties of the Company).		
2. Other loans (Unsecured):		
Short-Term Rupee Loans - Banks	2000.00	7500.00
Short-Term Foreign Currency Loan-Banks	0.00	10020.65
Commercial Paper - Others	0.00	0.00
	<u>48154.71</u>	<u>60880.65</u>
<b>10. TRADE PAYABLES</b>		
1. Creditors for Goods including Acceptances (Refer Note No. 33.15)	<u>43079.57</u>	48134.52
2. Customer Credit balances	<u>6230.81</u>	6683.97
3. Other Trade Payables	<u>25532.55</u>	23453.36
4. Trade Deposits from Customers	<u>7683.70</u>	8157.39
	<u>82526.63</u>	<u>86429.24</u>
<b>11. OTHER CURRENT LIABILITIES</b>		
1. Current maturities of long-term debt		
SECURED:		
1. Bonds / Debentures	0.00	0.00
2. Term Loans:		
Banks	39846.33	33640.50
Others	5833.05	4164.00
Total Secured	<u>45679.38</u>	<u>37804.50</u>
UNSECURED:		
Banks	0.00	11284.79
Others	6558.07	4491.39
Total Unsecured	<u>6558.07</u>	<u>15776.18</u>
Total Current maturities of Long-Term Debt (Refer Note No.32 for Security Clause)	<u>52237.45</u>	53580.68
2. Interest accrued but not due on borrowings	<u>4060.76</u>	3513.51
3. Other payables:		
Creditors for Capital Goods	822.20	4383.60
Other Liabilities	24053.48	23609.90
4. Investor Education and Protection Fund:		
(Appropriate amounts shall be transferred to the fund as and when due)		
Unpaid dividends	107.84	122.89
Unpaid matured deposits and interest accrued thereon	18.16	36.83
	<u>81299.89</u>	<u>85247.41</u>
<b>12. SHORT-TERM PROVISIONS</b>		
Proposed Dividend (Including Dividend distribution tax)	16.72	16.72
Provision for Income Tax (Net of Advance tax)	0.00	0.00
	<u>16.72</u>	<u>16.72</u>



# **NON-CURRENT ASSETS (Note No.13 to 15)**

## **13. FIXED ASSETS**

Rs.Lakhs

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at 31 <sup>st</sup> Mar-14	Additions 2014-15	Deductions 2014-15	As at 31 <sup>st</sup> Mar-15	As at 31 <sup>st</sup> Mar-14	For the Year 2014-15	Deductions 2014-15	Deductions Previous Year	As at 31 <sup>st</sup> Mar-15	As at 31 <sup>st</sup> Mar-14
<b>Tangible Assets:</b>										
Land #	57043.35	2183.34	(1368.84)	59177.16	0.00	0.00	0.00	0.00	59177.16	57043.35
Buildings#	68151.75	616.37	(2548.63)	68767.30	14535.55	8318.34	(1594.90)	0.58	45913.99	53616.20
Railway siding	13437.52	61.58	(196.83)	13499.10	4799.81	1991.31	(625.72)	0.00	6707.98	8637.71
Plant and Machinery including Electrical installations *	485308.07	4518.69	(36314.11)	489196.10	224914.23	37286.56	(23501.29)	479.97	227475.28	260393.84
Wind Electric Generators	7825.81	0.00	0.00	7825.81	5315.65	156.07	(295.75)	0.00	2354.09	2510.16
Ships	20776.75	0.00	(171.87)	20772.75	10055.98	373.30	(1691.23)	0.34	10343.81	10720.77
Furniture & Fixtures	2043.32	61.88	(88.15)	2087.32	957.32	326.01	(116.51)	5.90	809.89	1086.00
Office Equipments and computers	4871.11	150.75	(360.13)	4799.75	2702.45	1035.82	(426.81)	13.39	1074.87	1988.66
Vehicles	3792.50	126.98	(303.40)	3719.27	2468.79	360.73	(399.55)	132.63	1022.38	1323.71
Total Tangible Assets	663050.18	7719.59	(41351.96)	669844.56	265749.78	49848.14	(28651.76)	632.81	354879.45	397300.40
<b>Intangible Assets:</b>										
Franchise Rights (Refer Note No.33.17)	36400.00	0.00	0.00	36400.00	22149.15	2730.00	(3640.00)	24879.15	0.00	14250.85
Computer software and Licences	8310.70	1066.36	(866.98)	9377.06	3741.76	1933.12	(1121.95)	0.00	3702.18	4568.94
Total Intangible Assets	44710.70	1066.36	(866.98)	9377.06	25890.91	4663.12	(4761.95)	0.00	3702.18	18819.79
Total Tangible and Intangible Assets	707760.88	8785.95	(42218.94)	679221.62	291640.69	54511.26 **	(33413.71)	25511.96	358581.63	416120.19
Capital Work-in-Progress									8902.77	10129.79
Total									367484.40	426249.98

\* Includes Rs.1776.04 lakhs of equipments on "right to use" basis, which is depreciated over its useful life. (Previous Year: Rs.1776.04 lakhs) .

\* Foreign currency translations difference capitalised during the year: Rs.104.157 Lakhs. (Previous year:Rs.1166.46 Lakhs)

\*\* Depreciation for the year includes Rs.23265.97 lakhs, arising on account of change in depreciation rates, which is debited to opening retained earnings as per para 7b of Schedule II of Companies Act, 2013

# Land and Building aggregating to Rs.334.82 lakhs has been attached under PMLA (Refer Note No. 33.18)

#### 14. NON-CURRENT INVESTMENTS

	No. of shares/ debentures	Face Value Per share/ debenture (Rs.)	2015 Cost Rs.Lakhs	2014 Cost Rs.Lakhs
<b>1. TRADE INVESTMENTS - (Unquoted) - In Subsidiaries:</b>				
1. <b>Fully paid Non-Dividend bearing Equity Shares:</b>				
Coromandel Electric Company Limited	110000	10	11.00	9.00
<b>Preference Shares of Coromandel Electric Company Limited (CECL):</b>				
2. 13.25% Redeemable Cumulative Participating Preference Shares	508	10000	0.00	10.18
3. 18% Redeemable Cumulative Participating Preference Shares	11600	10000	48.90	332.54
			<u>59.90</u>	<u>351.72</u>
<b>2. OTHER INVESTMENTS</b>				
<b>A. Fully paid Equity Shares of Companies (Quoted):</b>				
4. Karur KCP Packagings Limited	996500	10	398.60	398.60
<b>B. Shares of Companies - (Unquoted):</b>				
<b>(i) Subsidiaries:</b>				
<b>Fully paid Preference Shares:</b>				
5. Industrial Chemicals and Monomers Limited	5000	100	0.20	0.20
6. 9% Non-Convertible Cumulative Redeemable Preference Shares of Trinetra Cement Limited *	1000000	100	1000.00	1000.00
7. (i) 9% Non-Convertible Non-Cumulative Redeemable Preference Shares of Trinetra Cement Limited *	8667097	100	8667.10	8667.10
(ii) 9% Non-Convertible Non-Cumulative Redeemable Preference Shares of Trinetra Cement Limited	60832903	100	60832.90	60832.90
<b>Fully paid Equity Shares:</b>				
8. Industrial Chemicals and Monomers Limited	2196691	10	35.58	35.58
9. ICL Financial Services Limited	5962000	10	596.20	596.20
10. ICL Securities Limited	6130200	10	613.02	613.02
11. ICL International Limited	50000	10	5.00	5.00
12. PT. Coromandel Minerals Resources, Indonesia	2940	4284	125.94	125.94
13. Coromandel Minerals Pte. Ltd., Singapore	7011500		2281.75	2281.75
14. India Cements Infrastructures Limited	50000	10	5.00	5.00
<b>Debentures:</b>				
15. Zero % Unsecured Non-Convertible Debentures of ICL Securities Limited	48555000	100	48555.00	0.00
16. Zero % Unsecured Non-Convertible Debentures of ICL Financial Services Limited	12962540	100	12962.54	0.00
17. Zero % Unsecured Non-Convertible Debentures of ICL International Limited	2948000	100	2948.00	0.00
Subsidiaries - Total			<u>138628.23</u>	<u>74162.69</u>
<b>(ii) Associates:</b>				
<b>Fully paid Equity Shares:</b>				
18. Coromandel Sugars Limited	100	10	0.01	0.01
19. Raasi Cement Limited (net of provision Rs.74,41,684)	79530	10	0.00	0.00
20. Coromandel Travels Limited	200000	10	20.00	20.00
<b>Debentures:</b>				
21. Zero % Unsecured Convertible Debentures of Coromandel Travels Limited	6531000	100	6531.00	6531.00
22. (i) Zero % Unsecured Convertible Debentures of Coromandel Sugars Limited *	2032260	100	2032.26	2032.26
(ii) Zero % Unsecured Convertible Debentures of Coromandel Sugars Limited	1517740	100	1517.74	1517.74
Associates - Total			<u>10101.01</u>	<u>10101.01</u>
<b>(iii) Other than Subsidiaries / Associates:</b>				
23. Andhra Pradesh Gas Power Corporation Limited	5896000	10	4831.01	4831.01
24. Jagati Publications Private Limited	1111110	10	4000.00	4000.00
25. Carmel Asia Holdings Private Limited	190839	10	500.00	500.00
Other than Subsidiaries / Associates - Total			<u>9331.01</u>	<u>9331.01</u>

\* Investments has been attached under PMLA (Refer Note No. 33.18)



#### 14. NON-CURRENT INVESTMENTS (Contd.)

	No. of shares/ debentures	Face Value Per share/ debenture (Rs.)	2015 Cost Rs.Lakhs	2014 Cost Rs.Lakhs
<b>C. Government and Trustee Securities (Unquoted):</b>				
26. National Savings Certificates			1.20	1.25
27. Indira Vikas Patra Certificates			0.02	0.02
			<u>1.22</u>	<u>1.27</u>
<b>D. Other Investments Fully paid Shares of Co-operative Societies - Long Term (Unquoted):</b>				
28. The India Cements Employees Co-operative Stores Limited, Sankar Nagar	2500	50	1.25	1.25
29. The India Cements Employees Co-operative Stores Limited, Sankari West	5000	10	0.50	0.50
30. The India Cements Mines Employees Co-operative Stores Limited, Sankari West	5300	10	0.53	0.53
			<u>2.28</u>	<u>2.28</u>
Grand Total (1 + 2)			<u>158522.25</u>	<u>94348.58</u>
Note:				
Aggregate of Quoted Investments:				
Cost			398.60	398.60
Market Value			477.32	223.71
Aggregate of Unquoted Investments:				
Cost			158123.65	93949.98

#### 15. LONG-TERM LOANS AND ADVANCES

Unsecured and Considered good				
Capital Advances			19591.03	15532.40
Loans and advances to related parties (Refer Note 33.5(a))			50992.11	116290.91
Other Loans and Advances:				
Body Corporates (Refer Note 33.5(a))			74510.76	69236.66
Deposits			6892.50	6377.78
Secured:				
Housing Loan and Other Loans to Employees			1125.48	1080.53
			<u>153111.88</u>	<u>208518.28</u>

#### CURRENT ASSETS (Note No.16 to 20)

##### 16. CURRENT INVESTMENTS (QUOTED)

Fixed income interval fund of Unit Trust of India			0.00	205.37
Number of Units: Nil (Previous year-20144.95)				
Face Value per Unit :Rs.Nil (Previous Year-Rs.1019.45)				
Market Value: Rs.Nil (Previous Year-Rs.205.37 Lakhs)				

##### 17. INVENTORIES

Stores / Spares (including coal and packing material)			43094.19	32017.70
Raw Materials			4321.57	6357.58
Work-in-Process			792.00	781.08
Semi-finished Goods			5927.50	9270.65
Finished Goods			5586.45	6139.22
Construction & Infrastructure-Projects in Progress			928.81	482.18
Stock-in-Trade			37.29	45.08
			<u>60687.81</u>	<u>55093.49</u>

	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>18. TRADE RECEIVABLES</b>		
Outstanding for more than six months	6472.61	5038.99
Less: Provision for doubtful debts	-540.11	-431.32
Sub total	5932.50	4607.67
Others	40677.06	37642.21
Total - Trade Receivable, considered good	46609.56	42249.88
(Net of security deposit Rs.29650.26 lakhs.(As at 31 <sup>st</sup> March 2014: Rs.28492.87 lakhs))		
<b>19. CASH AND BANK BALANCES</b>		
a. Cash & Cash Equivalents		
Cash, cheques and stamps on hand	72.65	72.12
Cash at Scheduled Banks in Current Accounts	254.58	10.15
Fixed Deposits with Scheduled Banks (Towards Deposits from Public)	65.32	101.22
Total Cash & Cash Equivalents	392.55	183.49
b. Other Bank Balances		
Earmarked balances with banks for Unpaid Dividend	0.00	122.89
	392.55	306.38
<b>20. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)</b>		
Advance for goods	5775.83	6860.50
Advance payment of Tax (Net of provision)	7899.07	4065.34
Prepaid Expenses	2416.94	2130.54
Other Advances * (Net of provision Rs.412.28 lakhs (Previous Year: Rs.409.55 lakhs))	28236.41	33655.22
	44328.25	46711.60
* includes deposits amounting to Rs.5.61 crores with Enforcement Directorate		
	2014-15 Rs.Lakhs	2013-14 Rs.Lakhs
<b>21. REVENUE FROM OPERATIONS</b>		
Sales including Excise Duty	471362.95	476824.88
Other Operating Revenues:		
Trade Sales	771.85	807.20
Freight Earnings - Shipping	4697.16	6772.21
Value of Power Generated from Wind Farms	1461.05	1321.55
Value of Power sold from Thermal Power Plants	3719.82	0.00
Income from Construction & Infrastructure Projects	1914.13	1085.22
Income from Indian Premier League (Refer Note No.33.17)	15851.04	16616.69
	28415.05	26602.87
Revenue from Operations including Excise Duty	499778.00	503427.75
Less: Excise Duty	(57417.80)	(59340.02)
Revenue from Operations	442360.20	444087.73
<b>22. OTHER INCOME</b>		
Dividend Income	54.50	111.84
Interest Income	878.33	1033.82
Other Non-Operating Income:		
Rent Recovery	27.18	29.53
Profit on Sale of Assets	229.53	5119.85
Foreign Exchange Translation Difference	27.98	42.29
Miscellaneous Income	1861.80	7750.37
	2146.49	2558.70
	3079.32	8896.03



	Rs.Lakhs	2014-15 Rs.Lakhs	Rs.Lakhs	2013-14 Rs.Lakhs
<b>23. COST OF MATERIALS CONSUMED</b>				
Raw Materials Consumed:				
Opening Stock		6357.58		6779.72
Add: Purchases	40316.46		40363.84	
Add: Own Quarrying (Net) (Refer Note No. 33.6 (a))	20067.66		19759.11	
		<b>60384.12</b>		<b>60122.95</b>
		<b>66741.70</b>		<b>66902.67</b>
Less: Closing Stock		<b>4321.51</b>		<b>6357.58</b>
Raw Materials Consumed		<b>62420.19</b>		<b>60545.09</b>
<b>24. (INCREASE) / DECREASE IN STOCK</b>				
Opening Stock of:				
Work-in-Process	781.08		759.16	
Semi-finished Goods	9270.65		6702.11	
Finished Goods	6139.22		5834.25	
Stock in Trade	45.08		0.00	
Construction & Infrastructure-Projects in Progress	482.18		316.90	
		<b>16718.21</b>		<b>13612.42</b>
Less: Closing Stock of:				
Work-in-Process	792.00		781.08	
Semi-finished Goods	5927.50		9270.65	
Finished Goods	5586.45		6139.22	
Stock in Trade	37.29		45.08	
Construction & Infrastructure-Projects in Progress	928.81		482.18	
		<b>13272.05</b>		<b>16718.21</b>
Total (Increase)/Decrease in stock		<b>3446.16</b>		<b>(3105.79)</b>
<b>25. EMPLOYEE BENEFITS EXPENSE</b>				
(a) Employees other than Directors:				
Salaries, Wages and Bonus		22285.51		24933.32
Contribution to Provident Fund		1070.04		1077.46
Gratuity		1270.70		1317.40
Superannuation		1754.42		2262.45
Employees' Provident Fund Admn Charges		90.06		90.46
Employees' State Insurance Scheme		98.13		11.65
Workmen And Staff welfare Expenses		3944.61		4760.87
Unavailed leave (Refer Note No.33.22(b))		521.94		(102.18)
Sub total		<b>31035.41</b>		<b>34351.43</b>
(b) Directors:				
Directors' Remuneration:				
Managing Director :				
Salary	360.00		360.00	
HRA	108.00		108.00	
Contribution to Provident Fund	43.20		43.20	
Contribution to Gratuity and Superannuation Funds	69.00		69.00	
Commission	0.00		0.00	
Others	6.47	586.67	6.21	586.41
Wholetime Director:				
Salary	120.00		120.00	
HRA	36.00		36.00	
Contribution to Provident Fund	14.40		14.40	
Contribution to Gratuity and Superannuation funds	23.00		23.00	
Commission	0.00		0.00	
Others	0.00	193.40	0.00	193.40
Directors' Remuneration - Total		<b>780.07</b>		<b>779.81</b>
Total - Employee benefits expense (a + b)		<b>31815.48</b>		<b>35131.24</b>
(Excess Managerial Remuneration paid, subject to approval by the Central Government (Refer Note No. 33.19(a))				



	Rs.Lakhs	2014-15 Rs.Lakhs	Rs.Lakhs	2013-14 Rs.Lakhs
<b>26. FINANCE COSTS (NET)</b>				
Interest Expense		28577.07		21862.77
Other Borrowing Costs		12380.87		8799.61
Loss / (Gain) on Foreign currency transactions / translations		1640.75		4702.45
		<u>42598.69</u>		<u>35364.83</u>
<b>27. MANUFACTURING AND OTHER OPERATING EXPENSES</b>				
1. Stores Consumed (Refer Note No.33.6.b)		4660.08		4603.78
2. Power and Fuel		113635.48		127623.79
3. Repairs & Maintenance:				
Building	72.63		71.58	
Machinery	5129.74		5888.22	
Others	2963.03		4251.63	
Total Repair & Maintenance		8165.40		10211.43
4. Agency and Port Charges - Shipping		50.95		103.15
5. Trade Purchase		749.19		1011.37
6. Excise Duty on stock adjustment		75.51		179.15
		<u>127336.61</u>		<u>143732.67</u>
<b>28. ADMINISTRATION AND OTHER CHARGES</b>				
Insurance		667.50		750.03
Rent		266.96		427.86
Rates and Taxes		764.51		738.40
Printing and Stationery		262.44		248.67
Postage, Telephones and Telegrams		430.78		481.81
Other Administration Expenses		19349.57		16776.63
Legal Fees		838.40		332.03
Directors' Sitting Fees		12.50		12.10
Auditors' Expenses:				
Audit Fees	80.00		80.00	
Cost Audit Fees	10.00		10.00	
Certifications / Others	5.30		17.70	
Tax Audit / Other Services	0.00		11.24	
Travel / out of pocket expenses	7.40		4.72	
		<u>102.70</u>		<u>123.66</u>
Amortisation of Deferred Revenue Expenses -(Refer Note No. 33.16)		566.54		490.86
Loss on sale of Assets		94.43		3348.14
Provision for Doubtful Advances / Debtors (Net of old Balances written back- Rs.584.51 lakhs)		168.31		(448.27)
		<u>23524.64</u>		<u>23281.92</u>



		2014-15 Rs.Lakhs	2013-14 Rs.Lakhs
<b>29. SELLING AND DISTRIBUTION EXPENSES</b>			
Packing Charges		18706.75	20218.60
Entry Tax		57.66	122.10
Freight outwards		85745.31	90228.20
Handling		9564.49	10680.58
Advertisement		2762.68	3469.49
Others		7877.83	8574.47
		<u>124714.72</u>	<u>133293.44</u>
<b>30. DONATIONS</b>			
The India Cements Educational Society		400.00	400.00
Others		447.10	285.97
		<u>847.10</u>	<u>685.97</u>
Corporate Social Responsibility (CSR) Expenditure:			
(i) CSR Expenditure included in donation			
The India Cements Educational Society		400.00	
CM's Relief Fund - Vizag Hudhud Cyclone		100.00	
Other donations relating to CSR		110.05	
Donations relating to CSR		<u>610.05</u>	
(ii) CSR Expenditure included in Administration & other charges		121.46	
Total CSR expenditure incurred		<u>731.51</u>	
<b>31. EARNINGS / LOSS PER SHARE (EPS)</b>			
Earnings:			
Earnings available to Equity Shareholders - Basic	A	2944.95	(16240.36)
Income or expenses accounted in Financial Statements attributable to potential equity shareholders		0.00	0.00
Earnings - Diluted	B	<u>2944.95</u>	<u>(16240.36)</u>
No. of Shares:			
No. of Equity Shares of Rs.10/- each		307178657	307178657
Weighted average No. of Equity Shares	C	<u>307178657</u>	<u>307178657</u>
No. of Potential Equity Shares		0.00	0.00
Weighted average No. of Potential Equity Shares		0.00	0.00
Total weighted average No. of Shares - Diluted	D	<u>307178657</u>	<u>307178657</u>
EPS:			
Basic (Rs.)	A / C	0.96	(5.29)
Diluted (Rs.)	B / D	0.96	(5.29)

**32. SECURITY FOR SECURED BORROWINGS**  
**Break up of Term Loans**
**SECURED:**
**(a) Term Loans**
**From Banks**

	Non-Current Portion 2015 Rs.Lakhs	2014 Rs.Lakhs	Current Maturities 2015 Rs.Lakhs	2014 Rs.Lakhs	Total 2015 Rs.Lakhs	2014 Rs.Lakhs	Last Instalment Due on	Principal Payable Frequency
(i) IDBI Bank Ltd.	300.72	1114.64	1164.42	1411.15	1465.14	2525.79	31.03.2016	Quarterly
(ii) IDBI Bank Ltd.	136.50	581.04	528.55	537.10	665.05	1118.14	31.03.2016	Quarterly
(iii) IDBI Bank Ltd.	9.66	50.12	70.79	72.59	80.45	122.71	31.03.2016	Quarterly
(iv) IDBI Bank Ltd.	50000.00	50000.00	0.00	0.00	50000.00	50000.00	01.09.2019	Monthly
(v) Punjab National Bank	0.00	911.53	1238.94	3746.24	1238.94	4657.78	30.06.2015	Monthly
(vi) Kotak Mahindra Bank	0.00	0.00	111.15	1222.22	111.15	1222.22	25.02.2015	Monthly
(vii) Kotak Mahindra Bank	916.63	1916.67	1083.29	1000.00	1999.92	2916.67	04.02.2017	Monthly
(viii) Kotak Mahindra Bank	0.00	6513.60	6513.60	0.00	6513.60	6513.60	24.07.2015	Bullet
(ix) Kotak Mahindra Bank	0.00	1283.57	1567.99	1712.07	1567.99	2995.64	23.11.2015	Monthly
(x) Kotak Mahindra Bank	1458.45	1958.33	583.14	500.00	2041.59	2458.33	21.02.2019	Monthly
(xi) Axis Bank Ltd.	0.00	2500.42	2949.94	833.00	2949.94	3333.42	31.03.2017	Quarterly
(xii) Axis Bank Ltd.	0.00	0.00	0.00	2321.57	0.00	2321.57	Paid	
(xiii) Axis Bank Ltd.	14500.00	17500.00	4000.00	2000.00	18500.00	19500.00	30.06.2016	Quarterly
(xiv) ICICI Bank	20916.00	26145.00	5229.00	5229.00	26145.00	31374.00	07.11.2019	Half yearly
(xv) ICICI Bank	9090.91	9090.92	0.00	0.00	9090.91	9090.92	30.09.2018	Quarterly
(xvi) IDBI Bank	13888.80	19444.44	5555.52	5555.56	19444.32	25000.00	31.03.2018	Monthly
(xvii) Karnataka Bank	2125.00	4750.00	4250.00	3750.00	6375.00	8500.00	30.06.2016	Quarterly
(xviii) HDFC Bank	2500.00	6250.00	5000.00	3750.00	7500.00	10000.00	30.06.2016	Quarterly
(xix) ICICI Bank	33500.00	0.00	0.00	0.00	33500.00	0.00	31.03.2021	Quarterly

**Total Secured Loans from Banks**

<b>149342.68</b>	<b>150010.28</b>	<b>39846.33</b>	<b>33640.50</b>	<b>189189.00</b>	<b>183650.78</b>		
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**From Others**

(xx) L&T Infrastructure Finance Company Ltd.	0.00	2500.91	3332.91	832.00	3332.91	3332.91	24.11.2015	Quarterly
(xxi) Aditya Birla Finance Limited	0.00	2501.67	2500.14	3332.00	2500.14	5833.67	24.11.2015	Quarterly
(xxii) IFCI Ltd.	25000.00	0.00	0.00	0.00	25000.00	0.00	31.12.2019	Quarterly

**Total Secured Loans from Others**

<b>25000.00</b>	<b>5002.58</b>	<b>5833.05</b>	<b>4164.00</b>	<b>30833.05</b>	<b>9166.58</b>		
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**Total Secured Long-term borrowings**

<b>174342.68</b>	<b>155012.86</b>	<b>45679.38</b>	<b>37804.50</b>	<b>220022.05</b>	<b>192817.36</b>		
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**UNSECURED:**
**Term Loans**
**From Banks**

(i) HDFC Bank Ltd.	0.00	0.00	0.00	1284.79	0.00	1284.79	Paid	
(ii) JP Morgan	0.00	0.00	0.00	10000.00	0.00	10000.00	Paid	

**Total Unsecured Loans from Banks**

<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>11284.79</b>	<b>0.00</b>	<b>11284.79</b>		
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**From Others**

(iii) Interest free Sales Tax Deferral Loans	45336.70	50435.13	6478.95	4275.48	51815.65	54710.61	12 to 14 years	Yearly / Monthly
(iv) Deposits from Public	0.00	334.97	79.12	215.91	79.12	550.88	Various Dates	

**Total Unsecured Loans from Others**

<b>45336.70</b>	<b>50770.10</b>	<b>6558.07</b>	<b>4491.39</b>	<b>51894.77</b>	<b>55261.49</b>		
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**Total Unsecured Long term Borrowings**

<b>45336.70</b>	<b>50770.10</b>	<b>6558.07</b>	<b>15776.18</b>	<b>51894.77</b>	<b>66546.28</b>		
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**Total Long term Liabilities & Current Maturities**

<b>219679.37</b>	<b>205782.96</b>	<b>52237.45</b>	<b>53580.68</b>	<b>271916.82</b>	<b>259363.64</b>		
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## 32. SECURITY FOR SECURED BORROWINGS (Contd.)

### SECURITY CLAUSE

#### (a) Term Loans:

- 1 Items (a) (i) to (a) (iv) and (a) (xvi) are secured on exclusive first charge on the movable and immovable fixed assets of Malkapur Cement Plant of the Company, subject to prior charge created and / or to be created on the movable assets in favour of the Company's bankers for working capital requirements.
- 2 Item (a) (v) is secured by a first pari passu charge (with other Lenders / Debenture Trustees) on the movable and immovable fixed assets of the Company save and except book debts and subject to prior charges created / to be created in favour of the Company's bankers on its current assets for securing the borrowings for working capital requirements.
- 3 Items (a) (vi), (vii) and (a) (x) are secured by way of exclusive first charge on the immovable properties of the Company being the land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai.
- 4 Item (a) (viii) is secured by way of first charge on the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 5 Item (a) (ix) is secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai, by way of extension and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 6 Items (a) (xx) and (a) (xxi) are secured by way of a novated rights over the hypothecation of immovable and movable fixed assets of the Company created by the Company with an another Lender.
- 7 Items (a)(xi), (a)(xii) and (a) (xiii) are secured by way of exclusive first charge on the movable and immovable fixed assets of Chennai and Parli grinding units.
- 8 Items (a) (xiv),(a)(xv) and (a)(xix) are secured by way of exclusive first charge on the entire immovable and movable fixed assets of Cement Plant and Captive power plant of Vishnupuram, Telangana and power plant of Sankar Nagar, Tamil Nadu subject to prior charge created and/or to be created on the movable assets in favour of the Company's bankers for working capital requirements.
- 9 Items (a) (xvii) and (a) (xviii) are secured by joint equitable mortgage on the land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
- 10 Item (a) (xxii) is secured on exclusive first charge on the movable and immovable fixed assets of Sankar Nagar Cement Plant (excluding the Thermal Power Plant) and Chilamkur Cement Plant of the Company, subject to prior charge created and / or to be created on the movable assets in favour of the Company's bankers for working capital requirements.

	2015 Rs.Lakhs	2014 Rs.Lakhs
33.1 Estimated amounts of Contracts for Capital Expenditure and Commitments	<b>2573.04</b>	4838.76
33.2 Monies for which the Company is contingently liable:		
a. Outstanding Letters of Credit opened by Bankers.	<b>3277.26</b>	1384.10
b. Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates).	<b>54419.43</b>	54734.41
c. Sales Tax demands for various years under dispute.	<b>1471.03</b>	1372.68
d. Contingent Liability pertaining to Raasi Cement Limited (Residuary Company) for Sales Tax, Central Excise and Income Tax.	<b>2249.46</b>	2272.81
e. Contingent Liability on account of CENVAT Cases, Income Tax and Others.	<b>48366.90</b>	49514.50
f. Other claims against the Company not acknowledged as Debts.	<b>26008.75</b>	21222.96
g. The Competition Commission has imposed a penalty of Rs.187.48 Crores on the Company (as well as other companies) based on complaint filed by the Builders Association of India alleging cartelization and abuse of dominance. The Company has appealed against the Order before the "Competition Appellate Tribunal" which in its interim order dated 17/05/2013 directed the Company to pay 10% of the penalty. The Company has accordingly paid a sum of Rs.18.75 Crores and the same is included under advances. The Company, based on external expert legal advice, believes no provision in the accounts is considered necessary.	<b>18748.00</b>	18748.00
33.3 The Company has received demands for fuel surcharge adjustment (FSA) from various Andhra Pradesh Electricity Distribution Companies (DISCOMS) pursuant to Clause 45B of the Andhra Pradesh Electricity Regulatory Commission (Conduct of Business Amendment) Regulations 2003, (FSA Regulations). The levy has been subject matter of challenge ever since the DISCOMS made their claim in the year 2010 in respect of the period 2008-2009 onwards. The challenge with respect to the 2008-2009 and 2009-2010 were initially accepted by a single judge of the Andhra Pradesh High Court and the appeals filed by state undertakings with respect to the year 2008-2009 and 2009-2010 is currently pending before the Supreme Court and a full bench of Andhra Pradesh High Court respectively.	<b>2271.13</b>	6943.25
33.4 Building includes purchase of flats on leasehold lands for which the documents of title are yet to be executed in favour of the Company.	<b>11.13</b>	11.13
33.5 Loans and Advances:		
a. Advances include advances to Subsidiaries, Associates and others which are in the nature of strategic Long Term Investments in Cement, Sugar, Shipping etc. Though these investments are in cyclical industries, having regard to intrinsic value of such investments, the management is of the opinion that these advances will realise values stated in the long term. The Company, however, as a prudent measure has created a Contingency Reserve in the earlier years to the extent of Rs.200.00 Crores for any possible under recovery of these advances.	<b>125502.87</b>	185527.57
b. Current Advances include Disputed CENVAT / Sales Tax Claims pending in different stages of appeal. Management is of the opinion that these are recoverable at values stated.	<b>1040.31</b>	803.52
33.6 (a) Raw Materials consumed:		
Own Quarrying includes:		
(i) Salaries & Wages	<b>1801.70</b>	1802.51
(ii) Stores Consumed	<b>3682.48</b>	3866.83
(iii) Royalty	<b>7701.59</b>	6815.23
(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	<b>17542.98</b>	19131.13
33.7 Repairs and Maintenance includes Stores & Spares.	<b>4946.51</b>	5403.14



	2015 Rs.Lakhs	2014 Rs.Lakhs
33.8 Detailed quantitative information of goods manufactured during the Report Period:		
(a) Installed capacity in Tonnes (per annum)	14050000	14050000
(b) Production in Tonnes	8591965	9803286
(c) Sales – Quantity in Tonnes - Cement	8611862	9793356
Quantity in Tonnes - Clinker	497653	244346
Sales – Value of Cement (Gross)	457392.45	470140.87
Value of Clinker	13970.50	6684.01
	<b>471362.95</b>	<b>476824.88</b>
(d) Opening Stock of Cement produced in Tonnes	181888	171957
Value	6139.22	5834.25
(e) Closing Stock of Cement produced in Tonnes	161990	181888
Value	5586.45	6139.22
33.9 Value of Import on CIF basis:		
(a) Raw Materials	3797.94	3413.94
(b) Fuel	58572.80	73944.48
(c) Spare Parts and Components	478.19	274.64
(d) Capital goods	0.00	0.00
(e) Packing Materials	94.92	0.00
33.10 Earnings in Foreign Exchange (on accrual basis):		
Export		
Cement – Quantity in Tonnes	82556	71859
– Value	3238.23	2892.76
Clinker – Quantity in Tonnes	495063	227460
– Value	13894.47	6273.62
33.11 Expenditure in Foreign Currency (on accrual basis):		
Legal & Consultancy Charges	0.00	49.66
Travel Expenses and others	260.46	148.13
Indian Premier League - payments to foreign players / others	3960.69	3732.43
33.12 Remittances in Foreign Currency:		
Final Dividend on account of GDS:		
No. of Shareholders	–	1
No. of Shares	–	8707572
Amount remitted (Rs. Lakhs)	–	174.15
Year to which it pertains	–	2013
Final Dividend on account of GDR:		
No. of Shareholders	–	1
No. of Shares	–	741315
Amount remitted (Rs. Lakhs)	–	14.83
Year to which it pertains	–	2013

	2015 Rs.Lakhs	2014 Rs.Lakhs
33.13 Details of imported and indigenous materials consumed during the year:		
Raw materials:		
Imported	6628.78	4488.30
Indigenous	55791.41	56056.79
Total	<u>62420.19</u>	<u>60545.09</u>
Percentage to Total Consumption:		
Raw materials:		
Imported	10.62%	7.41%
Indigenous	89.38%	92.59%
Total	<u>100.00%</u>	<u>100.00%</u>
Spare Parts and Components:		
Imported	368.13	470.29
Indigenous	1918.50	1682.54
Total	<u>2286.63</u>	<u>2152.83</u>
Percentage to Total Consumption:		
Spare Parts and Components:		
Imported	16.10%	21.85%
Indigenous	83.90%	78.15%
Total	<u>100.00%</u>	<u>100.00%</u>
33.14 Details of Raw Materials consumed:		
Quantity in Tonnes:		
Limestone	9509533	11028270
Gypsum	489625	507859
Others	2153506	2371449
Value:		
Limestone	30405.43	25558.11
Gypsum	6631.76	7393.52
Others	19589.63	20843.28
Freight on Inter Unit Transfer of Clinker	5793.37	6750.17
Total	<u>62420.19</u>	<u>60545.09</u>
33.15 As at Balance Sheet date, amounts aggregating to Rs.NIL are due to Micro, Small and Medium Enterprises and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the Auditors.		
33.16 Recognition of Foreign Currency Fluctuations:		
a) Long Term Monetary Liability Pursuant to the notification issued by the Ministry of Corporate Affairs dated 29 <sup>th</sup> December 2011 on Accounting Standard 11, the Company has opted to		
i) capitalize the exchange gain/loss on the loans against purchase of fixed assets after the same has been put to use, and depreciated over the balance life of the asset.		
ii) Exchange loss other than those attributable to capital assets amounting to Rs.428.38 Lakhs (as on 31 <sup>st</sup> March 2014:Rs.479.82 Lakhs), has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.566.54 Lakhs (as on 31 <sup>st</sup> March		





2014:Rs.490.86 Lakhs) has been amortized during the year (included in Administration and other charges) and the balance of Rs.894.78 Lakhs will be amortized over the remaining period of the liability.

b) Short term Monetary Liability

Exchange gain / loss on short term monetary liability is continued to be credited / debited to the Profit & Loss Account.

33.17 The Company has as part of the initiatives to promote corporate image and its brands participated in the editions of IPL T/20 tournaments with its team "The Chennai Super Kings". The right to operate the franchise has provided a platform to build corporate and brand image as a pan India Company.

During the Financial Year, the franchise rights in Indian Premier League (IPL) were transferred to Chennai Super Kings Cricket Limited (CSKCL), a wholly owned subsidiary at its Net Asset Value (NAV as at March 31, 2014) as per books at Rs. 7.83 Crores.

The BCCI approved the said transfer subject to the condition that ICL shall provide a parent company guarantee (guarantee provided on 20-02-2015) for the purpose of guaranteeing performance / compliance by CSKCL of the obligations of the franchisee under the Franchise Agreement and it was further provided that ICL and CSKCL should enter into a tripartite Novation Agreement with BCCI – IPL whereby from the effective date, CSKCL shall inter-alia step into all obligations of ICL under the Franchise Agreement without any further act or deed.

Board of Directors of the Company in their meeting held on 23.02.2015 approved the sale of entire shareholding in CSKCL aggregating to 50,000 equity shares of Rs.10/- each to a trust called the "India Cements Shareholders Trust" (Trust), aggregating to Rs.5,00,000/-. Three of the Independent Directors of the Company are the Trustees of the Trust. The Trust has been established for the purposes of distribution of the said shares purchased from the company by the trust to:

- i) All the non-promoter shareholders of ICL; and
- ii) The shares that the promoters are entitled to shall be allotted to another Trust established for the benefit of ex-cricketers of ICL.

BCCI approved the transfer of 50,000 equity shares held by the Company in CSKCL to the India Cements Shareholders Trust (Trust) subject to the condition that CSKCL make a fresh application for distribution of shares from the Trust to the ultimate beneficiaries (as explained above) together with all the necessary documents, details, information that is necessary for the proposed transaction.

Certain proceedings which were in progress prior to the transfer of franchise, by the company to CSKCL were referred to a Three member panel appointed by Apex Court to look into the allegations and suggest action, if any, required in that regard. The Panel appointed by Apex Court has since delivered its verdict suspending the Franchisee held by the Company for a period of 2 years. The Company is evaluating options to contest the verdict pending the same no adjustment has been made in these financial statements as any impact arising on account of the suspension shall be the responsibility of the Company as per the Novation Agreement and other related documents executed by the Company for the transfer of the Franchise to CSKCL.

33.18 Note on PMLA.

The Authorities have issued a provisional attachment notice under the Prevention of Money Laundering Act, 2002 (PMLA) attaching certain assets of the Company for an aggregate value of Rs. 120.34 Crores. The Company has filed an appeal against the Order of the Adjudicating Authority specified under PMLA. The matter is currently sub-judice.

33.19 Managerial Remuneration

- a) The Managerial Remuneration paid during the year 2014-15 exceeded the limits prescribed in the Companies Act, 2013 due to inadequacy of profits. The Company has applied to the Central Government under Section 197 (10) of the Companies Act, 2013 seeking waiver of recovery of the excess remuneration of Rs.267.35 lakhs for 2014-15.
- b) The appointment and remuneration of the Wholetime Director for a period of 5 years from March 05, 2015 is subject to the approval of the Shareholders.

33.20 Related Party Disclosures:

A. Names of the related parties and the nature of the relationship:

- (i) Subsidiary Companies:
  - Industrial Chemicals and Monomers Limited
  - ICL Financial Services Limited
  - ICL Securities Limited
  - ICL International Limited
  - PT. Coromandel Minerals Resources, Indonesia

Trishul Concrete Products Limited  
 Trinetra Cement Limited (Formerly Indo Zinc Limited.)  
 Coromandel Minerals Pte. Ltd., Singapore  
 Coromandel Electric Company Limited  
 India Cements Infrastructures Limited

(ii) Associate Companies:

Raasi Cement Limited  
 Coromandel Sugars Limited  
 India Cements Capital Limited  
 Coromandel Travels Limited  
 Unique Receivable Management Pvt. Limited

(iii) Key Managerial Personnel (KMP):

Sri N.Srinivasan – Vice Chairman & Managing Director  
 Smt. Rupa Gurunath - Wholetime Director  
 Sri G.Balakrishnan – Senior President & Company Secretary  
 Sri R.Srinivasan – President (Finance & Accounts) Chief Financial Officer

There are no other transactions with any other KMP

(iv) Relative of KMP, having transactions with the Company:

Smt. Chitra Srinivasan – Director

	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>B. Transactions with Subsidiaries and Associate Companies:</b>		
Subsidiaries:		
Sale of Goods	3382.18	3727.27
Sale of Shares	293.82	14.00
Investment in Shares	2.00	1328.64
Investment in Debentures	64465.54	0.00
Purchase of Goods	7.57	24.25
Sale of Assets	Nil	5000.00
Rendering of Services	Nil	Nil
Receiving of Services	4035.73	4605.45
Interest on Advances	717.26	1411.59
Dividend received from Subsidiary Companies	36.85	81.43
Guarantees Outstanding at the year end	22500.00	35500.00
Outstanding balance included in current asset	48701.77	113161.43
Associates:		
Sale of Goods	71.52	100.00
Rendering of Services	Nil	Nil
Receiving of Services	2174.58	1227.18
Interest on Advances	249.91	339.53
Guarantees Outstanding at the year end	18500.00	14576.00
Outstanding balance included in current asset	2290.34	3129.47
<b>C. Transactions relating to persons mentioned in A. (iii) above:</b>		
Remuneration	854.66	779.81
Dividend paid during the year	0.00	9.28
Total	854.66	789.09



	2015 Rs.Lakhs	2014 Rs.Lakhs
D. Transactions relating to persons mentioned in A. (iv) above:		
Directors' Sitting Fee	0.60	0.80
Dividend paid during the year	0.00	1.57
Total	<u>0.60</u>	<u>2.37</u>
33.21 Details of Loans and Advances given to Subsidiaries, Associates and Others:		
A. Loans and Advances to Subsidiaries:		
(i) Rate of Interest:		
Industrial Chemicals and Monomers Limited	Nil	Nil
ICL Securities Limited	Nil	Nil
ICL Financial Services Limited	Nil	Nil
ICL International Limited	Nil	Nil
Trinetra Cement Limited (Formerly Indo Zinc Limited)	9%	8%
India Cements Infrastructures Limited	9%	Nil
Coromandel Electric Company Limited	Nil	Nil
Trishul Concrete Products Limited	Nil	Nil
PT. Coromandel Mineral Resources, Indonesia	9%	Nil
Coromandel Minerals Pte. Ltd, Singapore	9%	Nil
(ii) Closing Balance at the end of the year:		
Industrial Chemicals and Monomers Limited *	1451.42	1426.68
ICL Securities Limited *	0.01	12962.05
ICL Financial Services Limited *	269.89	53076.28
ICL International Limited *	60.09	2832.89
Trinetra Cement Limited (Formerly Indo Zinc Limited) *	37430.33	36171.13
India Cements Infrastructures Limited	2881.15	1554.08
Coromandel Electric Company Limited	0.00	0.00
Trishul Concrete Products Limited **	337.06	258.07
PT. Coromandel Mineral Resources, Indonesia **	237.66	215.01
Coromandel Minerals Pte. Ltd, Singapore (Adv. For Equity)	6034.17	4665.23
Total	<u>48701.77</u>	<u>113161.42</u>
* - Loans;   ** - Advances		
(iii) Maximum Balance during the year:		
Industrial Chemicals and Monomers Limited	1451.42	1426.68
ICL Securities Limited	12962.55	13161.53
ICL Financial Services Limited	53076.28	53261.85
ICL International Limited	4486.15	2902.96
Trinetra Cement Limited (Formerly Indo Zinc Limited)	37833.47	36176.05
India Cements Infrastructures Limited	2881.15	1553.66
Coromandel Electric Company Limited	1006.67	0.00
Trishul Concrete Products Limited	337.06	268.07
PT. Coromandel Mineral Resources, Indonesia	237.66	215.01
Coromandel Minerals Pte. Ltd, Singapore (Adv. For Equity)	6034.17	4665.24
Total	<u>120306.57</u>	<u>113631.05</u>

	2015 Rs.Lakhs	2014 Rs.Lakhs
B. Loans and Advances to Associates:		
(i) Rate of Interest:		
Coromandel Sugars Limited	9%	8%
India Cements Capital Limited	9%	8%
Coromandel Travels Limited	Nil	Nil
Unique Receivable Management Pvt. Limited	Nil	Nil
(ii) Closing Balance at the end of the year:		
Coromandel Sugars Limited	33.21	1036.04
India Cements Capital Limited	2257.13	2093.44
Total	<u>2290.34</u>	<u>3129.47</u>
(iii) Maximum Balance during the year:		
Coromandel Sugars Limited	3625.49	11356.54
India Cements Capital Limited	2257.13	2093.44
Total	<u>5882.62</u>	<u>13449.98</u>

Notes:-

- Loans to Employees as per Company's policy are not considered.
- Pursuant to the scheme of Amalgamation approved by the Honorable High Court of Judicature at Madras, the Company has issued equity shares to the Shareholders of Visaka Cement Industry Limited. [Visaka]. As per the said Order 199.54 lakh shares of the Company have been allotted in aggregate, to the subsidiaries in exchange for their shares of Visaka and the same are held in a Trust on their behalf.

33.22 Employee Benefits:

The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Accounting Standard 15 issued by ICAI, are as under:

(a) Contribution to Pension Funds:

The company offers pension plans for managerial grade employees and Wholtime Directors. While some of the employees are eligible for Defined Benefit Plan of Pension, others are eligible for Defined Contribution Plan of Pension. The Defined Benefit Plans of pension are managed by Life Insurance Corporation of India and the provision has been made on the basis of actuarial valuation.

The estimated aggregate value of Pension liability, discounted @9% p.a., under the Defined Benefit Plans as at 31<sup>st</sup> March 2015, are Rs.5,741.77 Lakhs (as at 31<sup>st</sup> March 2014, are Rs.6,096.71 Lakhs) as per the details given below:

Defined Benefit Scheme:

	2014-15 Rs. Lakhs	2013-14 Rs. Lakhs
Opening Balance as per actuarial valuation	6096.71	5412.74
Less: Settlements during the year	1340.77	436.00
Sub total	4755.94	4976.74
Add: Provision created during the year	985.83	1119.97
Closing Balance as on 31 <sup>st</sup> March	5741.77	6096.71
Assumptions:		
Discount rate	8.00%	9.00%
Salary escalation rate	2.00%	2.00%
Average Age	49 yrs.	49 yrs.
Average accrued service	15 yrs.	15 yrs.
Annuity rates for pension computation	Rates applicable for 15 years certain and life thereafter, with return of corpus.	
Amount charged to the statement of Profit & Loss during the year	840.59	301.21



(b) Leave of absence and encashment:

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Accounting Standard 15. The total amount of provision available for the unavailed leave balances as at 31<sup>st</sup> March 2015 is Rs.5,864.48 Lakhs (as at 31<sup>st</sup> March 2014:Rs.5,925.16 Lakhs). Liability has been created based on actuarial valuation done during the year with the Discount rate of 8%.

(c) Gratuity:

The employees are eligible for Gratuity benefits as per the Payment of Gratuity Act, 1972. The Gratuity Scheme is governed by a Trust created for this purpose by the Company. The amount of Contribution to be made is arrived at based on an actuarial valuation done at the Balance Sheet date, as given below and is accounted accordingly.

	<b>2014-15 Rs. Lakhs</b>	<b>2013-14 Rs. Lakhs</b>
Opening Balance as per actuarial valuation	<b>5198.82</b>	4516.27
Add: Interest income during the year	<b>95.85</b>	145.45
Less: Settlements during the year	<b>763.16</b>	851.02
Sub Total	<b>4531.52</b>	3810.70
Add: Provisions created during the year	<b>1379.71</b>	1388.12
Closing balance as on 31 <sup>st</sup> March	<b>5911.23</b>	5198.82
Assumptions:		
Discount rate	<b>8.00% P.a</b>	9.00% P.a
Salary escalation rate	<b>2.00% P.a</b>	2.00% P.a
Average Age	<b>53 yrs.</b>	53 yrs.
Average accrued service	<b>27 yrs.</b>	27 yrs.

33.23 Note on Waste Heat Recovery Project:

The Company during the year 2004-05 commissioned the Waste Heat Recovery project at Vishnupuram Plant as per the MOU signed by the Company with New Energy Development Organisation (NEDO), Japan, Ministry of Commerce and Industry, Government of India. As per the MOU, the necessary equipment has been provided to the Company free of cost by the Government of Japan through Government of India. The value of the equipment and concessional import duty thereon under EPCG scheme have been capitalised and treated as Deferred Income in the accounts. The depreciation on the value of the equipment is adjusted against the Deferred Income.

33.24 The Board of Directors has approved a Scheme of Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited with the Company effective 1<sup>st</sup> January 2014. Petitions have been filed in the Honorable High Court of Judicature at Madras under Sections 391 to 394 of the Companies Act, 1956 for completing the procedural requirements for the said Scheme. The Shareholders of the respective Companies have since approved the Scheme of Amalgamation.

Pending sanction of the Scheme by the Court, the Financial Results do not include those of the Amalgamating Companies. Consequently no interest has been charged on the amounts outstanding from Trinetra Cement Limited in view of the said Scheme.

33.25 In accordance with the requirement of Part C of Schedule II to Companies Act, 2013, the carrying value of depreciable assets has been adjusted based on the useful life of asset resulting in adjustment of Rs. 232.66 Crores against the retained earnings. The depreciation charge for the current year is lower by Rs.10.32 crores due to adoption of new rates of depreciation.

33.26 Previous year's figures have been regrouped wherever necessary.

As per our Report of 2<sup>nd</sup> November, 2015

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V.SWAMINATHAN  
Partner  
Membership No. 22276

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman & Managing Director  
R.SRINIVASAN  
President (Finance & Accounts)

RUPA GURUNATH  
Wholetime Director  
G.BALAKRISHNAN  
Senior President &  
Company Secretary

N.SRINIVASAN  
Director

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## INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

**The Members**

**The India Cements Limited**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The India Cements Limited ("the Holding Company" or "the company"), its subsidiaries (The Holding Company, its subsidiaries collectively referred to as "the Group") and its associate companies, which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant Accounting Policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under sub section (10) of Section 143 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 Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a 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 Holding Company has an adequate internal financial control system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the "other matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as given below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31<sup>st</sup> March 2015, and its consolidated loss and its consolidated cash flows for the year ended on that date.

### Emphasis of Matter

- a) Note No.33.2 (g) to the Consolidated Financial Statements, regarding the appeal filed by the company against the order of the Competition Commission of India (CCI), imposing a penalty of Rs.18,748 lakhs before the Competition Appellate Tribunal concerning the alleged contravention of provisions of Competition Act, 2002. CCI in its interim order dated 17<sup>th</sup> May, 2013 directed the Company to pay 10% of the imposed penalty. The Company is advised

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by legal experts that it has good case before appellate tribunal and accordingly no provision has been considered necessary by the company in this regard.

- b) As explained in note No 33.17 to the Consolidated financial Statements which explain the matters relating to the transfer of Chennai super kings cricket limited (an IPL franchisee owned by the company prior to its transfer). No impact is considered in the consolidated financial statements arising on account of guarantee given by the Company through a framework and novation agreement assuring the compliance with franchise covenants as entered into by the Company prior to its transfer. The impact, if any, arising on account, of the same is not ascertainable at this stage.
- c) As explained in note No 33.18 to the Consolidated Financial Statements regarding the order of attachment issued by authorities under Prevention of Money laundering Act through which certain assets of the company amounting to Rs.12034.18 lakhs have been attached vide order dated 25<sup>th</sup> February 2015. In this regard proceedings have also been initiated in respect of certain investments made by the company alleging that the company committed certain irregularities in making such investments and charges have been leveled against the company and its Managing Director in this regard. The Company is disputing before judicial forums against the allegations and has been legally advised that the company has strong grounds to defend its position, pending the outcome of the proceedings the impact if any is not ascertainable at this stage
- d) In respect of the Managerial Remuneration
  - i. As explained in note No.33.19 (a) to the Consolidated Financial Statements the company at its shareholders meeting held on 26th September 2014 obtained the required approval for making payment of managerial remuneration in the event of inadequacy of profits for the year ending 31<sup>st</sup> March 2015, pursuant to which the managerial remuneration paid for the financial year ending 31<sup>st</sup> March 2015 which is in excess of the limits stipulated under 197 of Companies Act, 2013 by Rs 267.35 lakhs is subject to approval by Central Government. Pending the outcome of the same no adjustments have been made in the Consolidated financial Statements.
  - ii. As explained in Note No.33.19 (b) to the Consolidated Financial Statements, the appointment of whole time director for a period of 5 years from March 05, 2015 is subject to the approval of the shareholders.
- e) We draw attention to Note.33.29 to the consolidated financial statements, which explain the implementation of Schedule II of Companies Act, 2013 and adoption of new useful life in respect of fixed assets. In regard to depreciation on revalued assets, the Company continued its existing practice of dealing with incremental depreciation on account of revaluation by drawing similar amount from revaluation Reserves amounting to Rs.5261 lakhs for the year ending March 31, 2015. Had the Company not drawn the said amount from revaluation reserve, the profit for the year ending March 31, 2015 would have been lower by Rs.5261 lakhs consequently it would have resulted in a consolidated loss of Rs.5592.31 lakhs with a corresponding impact on the retained earnings. The Company is also seeking clarification on the method adopted.

Our opinion is not qualified in respect of the Emphasis of Matter

#### Other Matters

- a) Brahmayya & Co., did not audit the financial statements and other financial information of four subsidiaries included in these consolidated financial statements, whose financial statements reflect total assets of Rs.66,858.6 lakhs, net assets of Rs.(4,237.22) lakhs and net cash flows of Rs.6.97 lakhs as at 31<sup>st</sup> March 2015, total revenue of Rs.201.78 lakhs (Including other income), net loss of Rs.546.43 lakhs for the year then ended that have been audited by P S Subramania Iyer & Co., on whose reports Brahmayya & Co., has placed reliance for the purpose of this report. Further, P S Subramania Iyer & Co., did not audit the financial statements and other financial information of three subsidiaries included in these consolidated financial statements, whose financial statements reflect total assets of Rs.60,839.31 lakhs, net assets of Rs.9,210.18 lakhs and net cash flows of Rs.72.53 lakhs as at 31<sup>st</sup> March 2015, total revenue of Rs.20,615.30 lakhs (Including other income), net profit of Rs.724.59 lakhs for the year then ended that have been audited by Brahmayya & Co., on whose reports P S Subramania Iyer & Co., has placed reliance for the purpose of this report.
- b) Brahmayya & Co., and P S Subramania Iyer & Co., did not audit the financial statements and other financial information of an Indian subsidiary and two overseas subsidiaries included in the consolidated financial statements, whose financial statements together comprise total assets of Rs.1,45,215.07 lakhs and net assets of Rs.60,680.93 lakhs, net cash flows of Rs.35.83 lakhs as at 31<sup>st</sup> March 2015, total revenue (including other income) of Rs.49,494.43 lakhs, net loss of Rs.3,010.81 lakhs for the year then ended. The financial statements and other financial information of this subsidiary have been audited by other auditor whose reports have been furnished to us by the Management, and our audit opinion in the consolidated financial results, to the extent they have been derived from such financial statements is solely based on the reports of the other auditors.
- c) In respect of the financial information of the associates considered in the consolidated financial statements, whose financial statements reflect the Group's share of profits aggregating to Rs.20.48 lakhs for the year then ended on 31<sup>st</sup> March 2015 (after adjustments on consolidation) are based on the unaudited financial statements. These unaudited financial statements are approved by the respective Board of Directors of these companies have been furnished to us by the management and our report in so far as it relates to the amounts included in respect of the associates is based solely on such unaudited financial statements. We are unable to comment on any adjustments that may have been required to these Consolidated Financial Statements had such financial statements been audited.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial statements/ financial information certified by the management.



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**Report on Other Legal and Regulatory Requirements**

- a) As required by the Companies (Auditors Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding Company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- b) As required by Section 143 (3) of the Act, we report that:
- 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 of the aforesaid consolidated financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of the preparation of the consolidated financial statements.
  - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors of the Holding company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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:
    - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 33.2 and 33.3 to the consolidated financial statements read with the matters specified in the "Emphasis of Matter" paragraph.
    - The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiary companies incorporated in India.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S

V.SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S

N.SRI KRISHNA  
Partner  
Membership No. 26575

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

#### **Annexure to the Independent Auditor's Report on the Consolidated Financial Statements**

The annexure referred to in Clause (a) of "Report on Other Legal and Regulatory Requirements" Paragraph of the independent Auditor's Report of even date to the members of The India Cements Limited ("the Holding Company") on the Consolidated Financial Statements as of and for the year ended March 31, 2015.

Our reporting on the Order does not include two subsidiary companies incorporated overseas, to which the Order is not applicable. In respect of five associate companies incorporated in India which have been included in the Consolidated Financial Statements based on unaudited financial statements of such entities provided to us by the management and hence no Report under CARO 2015 is available, and accordingly possible effects of the same on our reporting under CARO 2015 has not been considered.

- i. In respect of the fixed assets of the Holding Company and subsidiary companies incorporated in India:
  - (a) The respective companies have maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
  - (b) The respective companies have a regular programme of verification of its fixed assets, by which, all the fixed assets are verified at reasonable intervals and no material discrepancies have been noticed on such verification.
- ii. In respect of the Inventories of the Holding Company and subsidiary companies incorporated in India:
  - (a) As explained to us and the other auditors, the management of the respective companies, wherever applicable have conducted physical verification of inventory at reasonable intervals during the year.
  - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventory followed by the management of the respective companies are reasonable and adequate in relation to the size of the respective companies and the nature of their business.
  - (c) In our opinion and the opinion of other auditors, and according to the information and explanations given to us and the other auditors, the respective companies are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. In respect of loans granted to parties covered in register maintained under Section 189
  - (a) In our opinion and the opinion of other auditors, and according to the information and explanations given to us and the other auditors, two subsidiary companies incorporated in India have granted loans amounting to Rs.7,11,50,000 each to the parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Other than these two subsidiaries, the Holding Company and subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective companies.
  - (b) In the case of the loans granted to the parties listed in the register maintained under Section 189 of the Act, the borrowers have been regular in payment of interest, wherever stipulated. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly paragraph 3(iii)(a) of the Order is not applicable to the Company in respect of repayment of the principal amount.
  - (c) There are no overdue amounts of more than one lakh rupees in respect of the loans granted to the parties listed in the register maintained under Section 189 of the Act. The maximum amount outstanding during the year in respect of loans granted by two subsidiaries incorporated in India was Rs.7,11,50,000 each.
- iv. In our opinion and opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is generally an adequate internal control system in the Holding Company and the subsidiary companies incorporated in India, commensurate with the size of the respective companies and the nature of its business, for the purchase of inventories and fixed assets and for sale of goods and services, wherever applicable to nature of the business. Further, during the course of our audit and other auditors' audit, no major weaknesses have been noticed in the internal control system in respect of these areas.
- v. According to the information and explanations given to us, the Holding Company and Subsidiary Companies incorporated in India has not accepted deposits during the year in accordance with the provisions of Section 73 to 76 of the Act and the rules framed thereunder.
- vi. According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company and the subsidiary companies incorporated in India, we and the other auditors have broadly reviewed the books of accounts maintained pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 where ever applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. According to the information and explanations given to other auditors, maintenance of cost records are not prescribed to five subsidiary companies incorporated in India.
- vii. According to the information and explanations given to us and the other auditors, in respect of statutory dues of the Holding Company and subsidiary companies incorporated in India:
  - (a) The undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities during the year by the respective companies though there have been instances of considerable delays in depositing Excise duty, Sales tax, Service tax and Provident Fund
  - (b) There were no undisputed amounts payable by the respective companies in respect of the aforesaid statutory dues outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
  - (c) The dues outstanding of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute by the aforesaid companies, are given in the annexure.
  - (d) The respective companies have been regular in transferring the amounts which were required to be transferred to the Investor Education and Protection Fund by the Group in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

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- viii. The Holding Company and the subsidiary companies incorporated in India does not have consolidated accumulated losses at the end of the financial year and the Group has not incurred cash losses, on a consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and the opinion of other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and the subsidiary companies incorporated in India, in respect of dues to banks and financial institutions, the Group, wherever applicable, have not defaulted in repayment of dues to financial institutions, banks and debenture holders though there have been instances of delays in repayment of principal and interest amounts
- x. According to the information and explanations given to us and other auditors, the Holding Company and a subsidiary company incorporated in India has provided guarantee for the loans obtained by the subsidiary companies and others, the terms and conditions whereof, in our opinion and the opinion of the other auditors, are not prima facie prejudicial to the interest of the respective companies.
- xi. In our opinion and the opinion of other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and the subsidiary companies incorporated in India, wherever applicable, the term loans availed were, prima facie, applied by the respective companies during the year for the purposes for which they were obtained.
- xii. In our opinion and the opinion of other auditors and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company and the subsidiary companies incorporated in India, have been noticed or reported during the year.

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

#### Annexure to the Independent Auditors Report as mentioned in Clause vii(c) of CARO

Sl. No.	Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which amount relates	Forum where disputes pending
1	Central Excise Act, 1944	Excise duty and Service Tax	13052.70	Various periods from 1995-96 to 2014-15	CESTAT
			19025.85	Various periods from 1995-96 to 2014-15	Assistant / Additional / Commissioner ( Appeals)
			2419.73	2012-13	Commissioner of Service Tax
			2751.28	Various periods from 1994-96 to 2009-10	High Court
2	Central Sales Tax Act, 1956 and sales tax of various states	Sales tax/ VAT	268.74	2008-09 and 2005-06	Additional Commissioner
			113.47	Various periods from 1970-71 to 1978-79	Assistant Commissioner
			1685.59	Various periods from 1989-90 to 2013-14	High Court of Andhra Pradesh
			393.45	Various periods from 1969-70 to 2012-13	High Court of Tamilnadu
			7.17	2013-14	Joint Commissioner
			60.14	Various periods from 2007-08 to 2013-14	Joint Commissioner (Appeals)
			13.48	2014-15	Joint Commissioner (CT)
			22.01	2005-06	Appellate Tribunal
3	Customs Act, 1962	Customs Duty	685.11	Various periods from 2004-05 to 2013-14	Assistant / Additional / Commissioner Appeals
			4014.94	2013-14	Commissioner of Customs
			813.91	Periods from 2012-13 and 2013-14	CESTAT
4	Income Tax Act, 1961	Income Tax	5458.10	Various periods from 1999-00 to 2012-13	CIT ( Appeals)
			363.83	Various periods from 1982-83 to 1986-87	High Court
			1981.14	Various periods from 1991-92 to 2010-11	Income tax Appellate Tribunal
			810.65	1996-97	Supreme Court
5	Rajasthan Finance Act, 2008	Environment and Health Cess	394.90	Various periods from 2010-11 to 2014-15	Supreme Court

For P. S. SUBRAMANIA IYER & Co.,  
Chartered Accountants  
Firm Registration No: 004104S  
V.SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & Co.,  
Chartered Accountants  
Firm Registration No. 000511S  
N.SRI KRISHNA  
Partner  
Membership No. 26575

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015

	Note No.	Rs.Lakhs	2015 Rs.Lakhs	Rs.Lakhs	2014 Rs.Lakhs
<b>EQUITY AND LIABILITIES:</b>					
1 Shareholders' Funds:					
a. Share Capital	3	30717.83		30717.83	
b. Reserves and Surplus	4	307337.34	338055.17	336376.28	367094.11
2 Minority Interest			2638.96		2503.50
3 Non-Current Liabilities:					
a. Long-term borrowings	5	244600.32		224069.61	
b. Deferred tax liabilities	6	33785.43		33674.29	
c. Other Long-term liabilities	7	6568.16		16033.24	
d. Long-term provisions	8	7185.41	292139.32	7906.71	281683.85
4 Current Liabilities:					
a. Short-term borrowings	9	53281.59		67751.45	
b. Trade Payables	10	94825.90		98310.55	
c. Other Current Liabilities	11	87744.11		95785.79	
d. Short-term provisions	12	45.17	235896.77	43.46	261891.25
			<u>868730.22</u>		<u>913172.71</u>
<b>ASSETS:</b>					
1 Non-Current Assets:					
a. Fixed Assets:	13				
(i) Tangible Assets		453482.09		499278.76	
(ii) Intangible Assets		6395.98		21690.99	
(iii) Capital Work-in-Progress		9850.32		11236.83	
		<u>469728.39</u>		<u>532206.58</u>	
b. Non-current investments	14	43955.41		44009.95	
c. Long-term loans and advances	15	179689.22	693373.02	170178.92	746395.45
2 Current Assets:					
a. Current Investments	16	0.00		205.37	
b. Inventories	17	67606.87		60215.27	
c. Trade Receivables	18	51598.50		46172.53	
d. Cash and Bank balances	19	717.76		718.84	
e. Short-term loans and advances	20	55434.07	175357.20	59465.25	166777.26
			<u>868730.22</u>		<u>913172.71</u>

Notes on Accounts 1 to 33

As per our Report of 2<sup>nd</sup> November, 2015

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V. SWAMINATHAN  
Partner  
Membership No. 22276

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & CO.,  
Chartered Accountants

N.SRI KRISHNA  
Partner  
Membership No. 26575

N.SRINIVASAN  
Vice Chairman & Managing Director

R.SRINIVASAN  
President (Finance & Accounts)

RUPA GURUNATH  
Wholetime Director

G.BALAKRISHNAN  
Senior President &  
Company Secretary

N.SRINIVASAN  
Director

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

	Note No.	Rs.Lakhs	2014-15 Rs.Lakhs	Rs.Lakhs	2013-14 Rs.Lakhs
Revenue from Operations	21		506040.65		508475.55
Other Income	22		2244.68		2429.31
<b>Total Revenue</b>			<b>508285.33</b>		<b>510904.86</b>
<b>Expenses:</b>					
Cost of materials consumed	23		84876.04		80981.69
Changes in Inventories of Finished goods / Work-in-Progress	24		2529.39		(2497.20)
Employee benefits expense	25		35575.36		38485.33
Finance costs	26		47805.48		41073.17
<b>Other Expenses:</b>					
Manufacturing and Other Operating Expenses	27	140297.23		157883.91	
Administration and Other Charges	28	25454.19		24791.97	
Selling and Distribution Expenses	29	140180.25		149002.53	
Donations	30	847.10	306778.77	685.97	332364.38
Depreciation and amortisation expense		35747.06		37740.35	
Less : Transfer from Revaluation Reserve		5268.71		5475.92	
Less : Transfer from Deferred Income		192.86		298.80	
Less : Amount Capitalised		0.00	30285.49	0.00	31965.63
<b>Total Expenses</b>			<b>507850.53</b>		<b>522373.00</b>
<b>Profit / (Loss) before Exceptional Items and Tax</b>			<b>434.80</b>		<b>(11468.14)</b>
<b>Exceptional Items:</b>					
Provision for disputed Fuel Surcharge Adjustment	33.3	0.00		6943.25	
Right of Recompense to Lenders		0.00	0.00	5712.51	12655.76
<b>Profit / (Loss) before tax</b>			<b>434.80</b>		<b>(24123.90)</b>
<b>Tax Expense:</b>					
Current tax		921.05		312.90	
Less: MAT Credit Entitlement		(478.43)		(272.05)	
Deferred tax		111.14	553.76	80.29	121.14
<b>Profit / (Loss) after tax</b>			<b>(118.96)</b>		<b>(24245.04)</b>
Proportionate Profit / (Loss) of Associate Companies					
Adjustments in value of Investments in associates in accordance with AS 23			20.48		386.95
Minority Interest			(232.83)		(480.02)
<b>Profit / (Loss) for the Year</b>			<b>(331.31)</b>		<b>(24338.11)</b>
Earnings per Share (face value of Rs.10/- per equity share):	31				
Basic (Rs.)			(0.11)		(7.92)
Diluted (Rs.)			(0.11)		(7.92)

Notes on Accounts 1 to 33

As per our Report of 2<sup>nd</sup> November, 2015

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants  
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Senior President &  
Company Secretary

N.SRINIVASAN  
Director

Place : Chennai  
Date : 2<sup>nd</sup> November, 2015

# **CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

		2014-15		2013-14
	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs
<b>A. Cash flow from operating activities :</b>				
Net profit / (loss) before exceptional items, tax & extraordinary items		<b>434.80</b>		-11468.14
Exceptional Items		<b>0.00</b>		-12655.76
Net profit / (loss) before tax and extraordinary items		<b>434.80</b>		-24123.90
Adjusted for :				
Depreciation	<b>30285.49</b>		31965.63	
Provision for Doubtful Debts & Advances	<b>189.76</b>		-396.66	
Foreign Exchange	<b>1649.43</b>		4682.46	
Profit on sale of Investments	<b>0.00</b>		0.00	
Profit / (loss) on sale of Assets	<b>-217.05</b>		3092.58	
Interest Expense	<b>51212.21</b>		40470.27	
Interest Income	<b>-6595.34</b>		-5991.65	
Dividend Income	<b>-18.78</b>		-429.49	
Perquisite value of Employees' stock options	<b>0.00</b>		0.00	
Deferred revenue expenditure / income	<b>138.16</b>	<b>76643.88</b>	11.04	73404.18
Operating profit before Working Capital changes		<b>77078.68</b>		49280.28
Trade and other receivables	<b>1322.71</b>		-2489.42	
Inventories	<b>-7391.60</b>		-4600.96	
Trade payables	<b>-2487.56</b>	<b>-8556.45</b>	14074.70	6984.32
Cash generated from operations		<b>68522.23</b>		56264.60
Direct Taxes		<b>-4013.62</b>		-4655.46
Cash flow before extraordinary items		<b>64508.61</b>		51609.14
Extraordinary items		<b>0.00</b>		0.00
Net cash from operating activities	<b>(A)</b>	<b>64508.61</b>		51609.14
<b>B. Cash flow from Investing activities :</b>				
Purchase of Fixed Assets		<b>0.00</b>		-24268.55
Sale of Fixed Assets		<b>-13800.84</b>		1901.46
Sale of Investments		<b>280.42</b>		770.48
Purchase of Investments		<b>-0.02</b>		0.00
Interest received		<b>903.87</b>		1138.28
Dividend received		<b>18.78</b>		429.49
Refund by / advances to Subsidiaries, Associates and others		<b>244.92</b>		1585.59
Net cash from Investing activities	<b>(B)</b>	<b>-12352.87</b>		-18443.25

# **CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

		2014-15 Rs.Lakhs	2013-14 Rs.Lakhs
<b>C. Cash flow from financing activities :</b>			
Proceeds from issue of share capital		0.00	0.01
Dividend paid		99.80	- 7200.67
Proceeds from long-term borrowings		83374.98	92202.17
Repayment of borrowings		- 83119.83	- 74035.30
Interest paid (Net)		- 52388.88	- 44457.46
Net Cash from financing activities	(C)	- 52033.93	- 33491.25
Increase / (Decrease) in cash and cash equivalent	(A+B+C)	121.81	- 325.36
Cash and cash equivalent at the beginning of the year		595.95	921.31
Cash and cash equivalent at the close of the year		717.76	595.95

As per our Report of 2<sup>nd</sup> November, 2015

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants

V. SWAMINATHAN  
Partner

Membership No. 22276

Place : Chennai

Date : 2<sup>nd</sup> November, 2015

For BRAHMAYYA & CO.,  
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Senior President &  
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N.SRINIVASAN  
Director



# CONSOLIDATED ACCOUNTS

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2015

### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), includes generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned. GAAP comprises of mandatory Accounting Standards issued by the National Advisory Committee on Accounting Standards (NACAS) and The Institute of Chartered Accountants of India (ICAI), the provisions of the Indian Companies Act, 1956 / Companies Act, 2013 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 1. Use of estimates

The preparation of Financial Statements is in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 2. Inventories

- (a) Valuation of inventories of raw materials, packing materials, stores, spares, fuels is at weighted average cost.
- (b) Work-in-Process & Semi-finished goods are valued at cost or net realisable value whichever is lower and do not include interest and other administrative overheads.
- (c) Finished goods are valued at cost or net realisable value whichever is lower. The value of finished goods includes excise duty and does not include interest and other administrative overheads.
- (d) Construction and Infrastructure Projects are valued at cost or net realisable value whichever is lower.

#### 3. Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank, in hand (including cheques in hand) and short-term investment with an original maturity of three months or less.

#### 4. Fixed Assets

Fixed Assets are valued and shown adopting the following basis:

- (a) Fixed assets and Capital Work-in-Progress of all the cement manufacturing facilities were revalued and shown at revalued amounts as at 31<sup>st</sup> March 2004. All other fixed assets since acquired are shown at the cost of acquisition.
- (b) Fixed assets acquired on hire purchase or on Financial Lease are shown at their principal cost, excluding the interest cost included in these agreements which is charged to revenue over the life of the agreement.
- (c) Expenditures and outlays of money on uncompleted projects of a capital nature are shown as Capital Work-in-Progress until such time these projects are completed and commissioned. All costs including financing costs incurred on specific projects / acquisition of undertakings are charged to the concerned heads.
- (d) (i) During the year the Company has charged depreciation based on useful life of the assets in accordance with Schedule II of the Companies Act, 2013.

- (ii) Depreciation on incremental value arising from the revaluation of fixed assets is charged to the Revaluation Reserve Account.

- (e) Intangible Assets, which are expected to generate economic benefits, are accounted at cost and amortised over the useful life on Straight Line Method.

#### 5. Foreign Currency Transactions

- (a) (i) Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011 the Company has exercised the option of adjusting the cost of the depreciable capital assets arising on the exchange differences, in respect of accounting periods commencing from 1<sup>st</sup> April 2011, on long term foreign currency monetary items, which were hitherto recognized as income or expenses in the period in which they arise. As a result, such exchange difference so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective assets.
- (ii) In respect of other long-term foreign currency monetary items, such exchange differences are accumulated in foreign currency monetary items translation difference account and amortized over the balance period of such liability.
- (b) Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Assets and Liabilities, other than those and for the purposes as mentioned in 5(a) above, in foreign currencies are translated at values prevailing as at the year end. Gains / Losses, if any, arising therefrom are recognised in the Statement of Profit and Loss.
- (c) Forward Exchange contracts used to hedge Foreign Currency Transactions are initially recognised at the spot rate on the date of contract. Forward Exchange contracts remaining unsettled at the end of the year are translated at the year end rates. The difference in translation of Forward Exchange contracts are recognised in the Statement of Profit and Loss. The discount or premium on the contracts is amortised over the tenure of the contract.
- (d) Investments in equity capital of overseas companies registered outside India are carried in the Balance Sheet at the rates at which transactions has been executed.

#### 6. Revenue Recognition

- (a) Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability if any and is net of rebates, discounts and incentives as ascertained by management as per market conditions.
- (b) Revenue from Construction and Infrastructure Projects under Property Development Division is recognised on percentage of completion method.
- (c) Revenue on time charter of ships is recognized on a proportionate basis.
- (d) Gas based power sale is recognised on export of power generated and credit given by TANGEDCO to the consumers and is inclusive of taxes, duties as applicable and net off revenue sharing as per agreement.

#### 7. Research and Development

Research and Development expenses not resulting in any tangible property / equipment are charged to revenue.

#### 8. Borrowing Costs

Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready

## CONSOLIDATED ACCOUNTS

### NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2015 (Contd.)

for its intended use and other borrowing costs are charged to Statement of Profit and Loss.

9. Claims / Incomes arising from price escalation and / or any other item of compensation and which are indeterminate are accounted when there is certainty of income accrual.
10. Trade investments and investments in Subsidiary and associates companies are long term investments and are carried at cost. The other investments are carried at lower of cost or realisable value. Provision for diminution in value is made wherever necessary in accordance with the Accounting Standard.
11. Employee Benefits  
Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis for which a trust has been created. The actuarial gains / losses arising on retirement benefits are also recognised in the Profit and Loss Account. Unavailed leave balances are accounted based on respective employee's earnings as at the Balance Sheet date on actuarial basis.
12. Fringe Benefits arising on options vested under Employees Stock Option Scheme (ESOS), 2006 are charged to Statement of Profit and

Loss and credited to Stock Options Reserve Account. On allotment of shares, corresponding amount is transferred from Stock Options Reserve Account to Securities Premium Account.

13. Premium on Redemption of Debentures / Bonds  
Premium on redemption of Debentures / Bonds is accounted on redemption and set-off against the Securities Premium Account.
14. Tax Expense
  - (a) Current income tax is measured and accounted based on the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 at the tax rates prevailing during the year.
  - (b) Deferred Tax  
Deferred tax is measured and accounted based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date.
15. Contingent Liabilities / Assets :  
Contingent Liabilities and Contingent Assets are not recognised in the Books of Accounts. Provisions are made for the reliably estimated amount of present obligation to pay for the past events.

3. SHARE CAPITAL	No. of Shares	Par value per share (Rs.)	2015 Rs.Lakhs	No. of Shares	Par value per share (Rs.)	2014 Rs.Lakhs
AUTHORISED:						
Equity Shares	460000000	10	46000.00	460000000	10	46000.00
Redeemable Cumulative Preference Shares	7500000	100	7500.00	7500000	100	7500.00
			<u>53500.00</u>			<u>53500.00</u>
ISSUED:						
Equity Shares	307178723	10	30717.87	307178723	10	30717.87
			<u>30717.87</u>			<u>30717.87</u>
SUBSCRIBED AND PAID UP:						
Equity Shares fully paid up						
Opening balance	307177340	10	30717.73	307177216	10	30717.72
Add : Partly paid up shares, subscribed fully during the year	0	10	0.00	124	10	0.01
Add : Subscribed during the year	0	10	0.00	0	10	0.00
Total issued, subscribed and fully paid up	<u>307177340</u>		<u>30717.73</u>	<u>307177340</u>		<u>30717.73</u>
Equity Shares - subscribed, but not fully paid (other than Directors):						
Opening balance	1317	10	0.10	1441	10	0.10
Less: Partly paid up shares, subscribed fully during the year	0	10	0.00	124	10	0.00
Total - Equity Shares subscribed, but not fully paid	<u>1317</u>		<u>0.10</u>	<u>1317</u>		<u>0.10</u>
Total	<u>307178657</u>		<u>30717.83</u>	<u>307178657</u>		<u>30717.83</u>

**List of shareholders holding more than 5% of the equity share capital (Par value per share is Rs.10/-)**

Shareholder's Name	No. of shares held	% held	Total face value Rs. Lakhs	No. of shares held	% held	Total face value Rs. Lakhs
The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation And The Boston Company Asset Management LLC together with PAC	28283158	9.21	2828.32	41107453	13.38	4110.75
EWS Finance & Investments Pvt. Ltd	27643432	9.00	2764.34	27643432	9.00	2764.34
Prince Holdings (Madras) Private Ltd	25500000	8.30	2550.00	25500000	8.30	2550.00
Smt. Vidya Subramanian	19954024	6.50	1995.40	19954024	6.50	1995.40
Life Insurance Corporation of India	18609745	6.06	1860.97	20922404	6.81	2092.24
Trishul Investments Private Limited	17525976	5.71	1752.60	17525976	5.71	1752.60

## CONSOLIDATED ACCOUNTS

### 3. SHARE CAPITAL (Contd.)

#### Terms / Rights / restrictions attached to shares:

The Company has only one class of Equity share. Each share has a paid-up value of Rs.10/-. Every shareholder is entitled to one vote per share, except for the holders of Global Depository Receipts / Global Depository Shares, as given below:

During the year 1994-95, the Company allotted 5857987 equity shares of Rs.10/- each consequent to issue of equivalent number of Global Depository Receipts (GDRs). Holders of these GDRs have no voting rights with respect to the Deposited shares.

During the year 2005-06, the Company allotted 51227592 underlying equity shares of Rs.10/- each represented by 25613796 Global Depository Shares (GDSs) in the ratio of 2:1. Holders of these GDSs have no voting rights with respect to the Deposited shares.

#### Shares reserved for issue under Employees Stock Option Scheme:

During the year 2006-07, the Company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1<sup>st</sup> December 2006. There are no shares reserved for issue under options as at March 31, 2015.

	Note No.	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>4. RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>		<b>16.17</b>	16.17
<b>Capital Redemption Reserve</b>			
Opening Balance		3212.19	2910.22
Additions		326.20	459.53
Withdrawals		109.51	157.56
Closing Balance		<b>3428.88</b>	3212.19
<b>Securities Premium Account *</b>			
Opening Balance		147548.18	147548.16
Add : Additions on ESOS exercised		0.00	0.00
Add : Transfer from Stock Options Outstanding Account		0.00	0.00
Add : Calls in arrears received		0.02	0.02
Less : Premium on redemption of Bonds		0.00	0.00
Less : Other Withdrawals		0.00	0.00
Closing Balance		<b>147548.20</b>	147548.18
* Securities Premium is Net of calls in arrears of Rs.0.04 Lakhs (as on 31.03.2014 Rs.0.06 Lakhs)			
<b>Debenture Redemption Reserve</b>			
Opening Balance		48.00	48.00
Additions (net) during the year		0.00	0.00
Withdrawals		0.00	0.00
Closing Balance		<b>48.00</b>	48.00
<b>Contingency Reserve</b>	33.5(a)	<b>20000.00</b>	20000.00
<b>Revaluation Reserve</b>			
Opening Balance		35799.55	43106.98
Additions		0.00	0.00
Less : Transfer to depreciation		5268.71	5475.92
Less : Withdrawals		174.53	1831.51
Closing Balance		<b>30356.31</b>	35799.55

	Note No.	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>General Reserve</b>			
Opening Balance		45067.07	44427.26
Additions		136.05	733.87
Withdrawals		45.67	94.06
Closing Balance		<b>45157.45</b>	45067.07
<b>Deferred Income</b>	33.23		
Opening Balance		2895.13	3193.93
Additions		0.00	0.00
Withdrawals		192.86	298.80
Closing Balance		<b>2702.27</b>	2895.13
<b>Shipping Tonnage Tax Reserve</b>		<b>90.00</b>	90.00
<b>Foreign Currency Translation Reserve</b>			
Opening Balance		680.97	745.07
Additions		132.43	0.00
Withdrawals		0.00	64.10
Closing Balance		<b>813.40</b>	680.97
<b>Foreign Currency Monetary Item Translation Difference Account</b>	33.16		
Opening Balance		-1032.94	-1043.98
Foreign Currency Item translation loss during the year		-428.38	-479.82
Amortised during the year		566.54	490.86
Closing Balance		<b>-894.78</b>	-1032.94
<b>Surplus in Profit &amp; Loss Account</b>			
Opening Balance		82051.96	107346.27
Add : Transfer from Reserves / Additions		0.00	0.00
Less: Transfer to Depreciation A/c in the Statement of Profit & Loss (as per Para 7b of Schedule II of Companies Act, 2013)	33.29	-23334.10	0.00
Add : Profit / (Loss) after tax for the year		-331.31	-24338.11
Sub-total		<b>58386.55</b>	83008.16
Less: Proposed dividends on			
Equity Capital		0.00	0.00
Dividend Distribution Tax		8.04	14.41
Transfer to Contingency Reserve		0.00	0.00
Transfer to General Reserve		136.05	733.87
Transfer to Debenture Redemption Reserve		0.00	0.00
Transfer to Capital Redemption Reserve		326.20	459.53
Withdrawals		-155.18	-251.61
Closing Balance		<b>58071.44</b>	82051.96
Total - Reserves and Surplus		<b>307337.34</b>	336376.28

## CONSOLIDATED ACCOUNTS

	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>NON-CURRENT LIABILITIES (Note No. 5 to 8)</b>		
<b>5. LONG-TERM BORROWINGS</b>		
SECURED :		
1. Bonds / debentures	0.00	0.00
2. Term Loans :		
From Banks	149492.86	161080.54
From Others	49768.66	12216.87
Total Secured	<u>199261.52</u>	<u>173297.41</u>
UNSECURED :		
1. Term Loans :		
From Banks	0.00	0.00
2. Others	45338.80	50772.20
Total Unsecured Long term Borrowings	<u>45338.80</u>	<u>50772.20</u>
Total Long term Borrowings (Refer Note No.32 for Security Clause)	<u>244600.32</u>	<u>224069.61</u>
<b>6. DEFERRED TAX LIABILITIES</b>		
Liability on account of Depreciation (Net of Unabsorbed Depreciation)	44053.52	36274.73
Asset arising on account of other timing differences	10268.09	2600.44
Net Deferred tax liability	<u>33785.43</u>	<u>33674.29</u>
<b>7. OTHER LONG-TERM LIABILITIES</b>		
Capital Expenditure-Payable towards franchisee rights (Refer Note No.33.17)	0.00	9828.00
Deposits	2204.89	2396.77
Others	4363.27	3808.47
Total	<u>6568.16</u>	<u>16033.24</u>
<b>8. LONG-TERM PROVISIONS</b>		
(a) Provision for employee benefits		
Unavailed Leave (Refer Note No.33.22(b))	6280.06	6341.39
Gratuity - Unfunded	20.85	16.49
(b) Provision for Income Tax	884.50	1548.83
Total	<u>7185.41</u>	<u>7906.71</u>
<b>CURRENT LIABILITIES (Note No. 9 to 12)</b>		
<b>9. SHORT-TERM BORROWINGS</b>		
1. Loans repayable on Demand (Secured):		
Cash Credit facilities from scheduled banks	51281.59	47730.80
(The fund based and non-fund based working capital facilities are secured by a first charge on pari passu basis on all the current assets and second charge on the movable fixed assets and immovable properties of the Company).		
2. Other loans (Unsecured):		
Short-term Loans-Banks	2000.00	10000.00
Short-term Foreign Currency Loans-Banks	0.00	10020.65
	<u>53281.59</u>	<u>67751.45</u>

	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>10. TRADE PAYABLES</b>		
1. Creditors for Goods including Acceptances (Refer Note No.33.15)	49193.73	52675.66
2. Customer Credit balances	6908.51	7487.15
3. Other Trade Payables	31039.96	29990.35
4. Trade Deposits from Customers	7683.70	8157.39
	<u>94825.90</u>	<u>98310.55</u>
<b>11. OTHER CURRENT LIABILITIES</b>		
1. Current maturities of long-term debt		
SECURED:		
1. Bonds / Debentures	0.00	0.00
2. Terms Loans:		
From banks	39921.31	36940.42
From others	5835.77	5306.86
Total Secured	<u>45757.08</u>	<u>42247.28</u>
UNSECURED:		
From banks	0.00	11284.79
From others	6558.07	4491.39
Total unsecured	<u>6558.07</u>	<u>15776.18</u>
Total Current maturities of Long-Term Debt (Refer Note No.32 for Security Clause)	52315.15	58023.46
2. Interest accrued but not due on borrowings	4121.50	3648.74
3. Other payables	674.24	640.78
Creditors for Capital Goods (Refer Note No.33.17)	1144.31	4498.11
Other Liabilities	29362.91	28814.98
4. Investor Education and Protection Fund: (Appropriate amounts shall be transferred to the fund as and when due)		
Unpaid dividends	107.84	122.89
Unpaid matured deposits and interest accrued thereon	18.16	36.83
	<u>87744.11</u>	<u>95785.79</u>
<b>12. SHORT-TERM PROVISIONS</b>		
Provision for Employee Benefits	22.71	26.72
Proposed Dividend (Including Dividend distribution tax)	16.72	16.72
Provision for Income Tax	5.74	0.02
	<u>45.17</u>	<u>43.46</u>

## CONSOLIDATED ACCOUNTS

### NON-CURRENT ASSETS (Note No.13 to 15)

#### 13. FIXED ASSETS

Rs. Lakhs

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK			
	As at 31 <sup>st</sup> Mar-14	Additions 2014-15	Additions Previous Year	Deductions 2014-15	Deductions Previous Year	As at 31 <sup>st</sup> Mar-14	For the Year 2014-15	For Previous Year	Deductions Previous Year	As at 31 <sup>st</sup> Mar-15	As at 31 <sup>st</sup> Mar-14	
<b>Tangible Assets:</b>												
Land <sup>^</sup>	92170.19	2183.34	(7738.66)	51.76	(71.86)	94301.77	0.00	0.00	0.00	94301.77	92170.19	
Buildings <sup>^</sup>	72906.07	1123.84	(6318.52)	66.80	(57.42)	73963.11	8536.95	(1605.26)	0.61	(6.16)	50086.25	57585.55
Railway Siding	13437.52	61.58	(809.37)	0.00	0.00	13498.10	1991.31	(594.69)	0.00	0.00	6707.98	8637.71
Plant and Machinery including Electrical installations *	562564.81	4849.58	(11910.12)	704.45	(1347.40)	566709.94	41309.84	(26686.96)	523.90	(686.90)	286419.88	323060.69
Wind Electric Generators	7825.81	0.00	0.00	0.00	0.00	7825.81	156.07	(393.51)	0.00	0.00	5471.72	2510.16
Ships	20776.75	0.00	(8808.66)	4.00	0.00	20772.75	373.30	(3328.12)	0.34	0.00	10343.81	10720.77
Furniture & Fixtures	2183.00	72.10	(155.73)	19.88	(8.44)	2235.22	343.58	(122.12)	6.29	(3.23)	880.27	1165.34
Office Equipment and Computers	4927.22	186.05	(425.39)	22.11	(67.70)	5091.16	1132.47	(441.00)	13.39	(61.32)	1120.32	2075.46
Vehicles #	3914.63	362.24	(482.55)	231.80	(233.43)	4045.07	396.81	(464.07)	161.20	(171.40)	1267.72	1372.89
Total Tangible Assets	780706.00	8838.73	(36649.00)	1100.80	(1786.25)	788443.93	54240.33	(33635.73)	705.73	(929.01)	453482.09	498278.76
<b>Intangible Assets:</b>												
Franchise Rights (Refer Note :33.17)	36400.00	0.00	0.00	36400.00	0.00	0.00	2730.00	(3640.00)	24879.15	0.00	0.00	14250.85
Computer Software and Licences	9409.85	1066.64	(1674.10)	0.00	0.00	10476.49	2110.80	(932.75)	0.00	0.00	6234.25	5286.40
Goodwill	2153.74	0.00	0.00	0.00	0.00	2153.74	0.00	0.00	0.00	0.00	2153.74	2153.74
Total Intangible Assets	47963.59	1066.64	(1674.10)	36400.00	0.00	12630.23	4840.80	(4572.75)	24879.15	0.00	6395.98	21690.99
Total Tangible and Intangible Assets	828669.59	9905.37	(38323.10)	37500.80	(1786.25)	801074.16	59081.13 **	(38208.48)	25584.88	(929.01)	459878.07	520969.75
Capital Work-in-Progress											9850.32	11236.83
Total											469728.39	532206.58

<sup>\*</sup> Includes Rs.3160.83 lakhs of equipments on 'right to use' basis, which is depreciated over its useful life. (Previous Year Rs.3160.83 lakhs).

<sup>\*</sup> Foreign currency translation difference capitalised during the year: Rs. 1041.57 Lakhs (Previous year Rs.1166.66 Lakhs).

<sup>\*\*</sup> Depreciation includes Rs.23334.10 Lakhs, arising on account of change in depreciation rates is debited to Opening Retained Earnings as per Para 7b of Schedule II of Companies Act, 2013.

During the year finance cost amounting to Rs.Nil has been capitalised. (Previous year:Rs.1110.00 Lakhs).

<sup>#</sup> Includes Vehicles purchased on Finance Lease.

<sup>^</sup> Land and Building aggregating to Rs.334.82 Lakhs has been attached under PMLA (Refer Note No. 33.18).



## CONSOLIDATED ACCOUNTS

	No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2015 Cost Rs. Lakhs	2014 Cost Rs. Lakhs		No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2015 Cost Rs. Lakhs	2014 Cost Rs. Lakhs
<b>14. NON-CURRENT INVESTMENTS</b>									
<b>1. Other Investments</b>					<b>(C) Government and Trustee Securities:</b>				
<b>(A) Fully paid Equity Shares of Companies (Quoted):</b>					National Savings Certificates			1.25	1.30
<b>1 Associates:</b>					Indira Vikas Patra Certificates			0.02	0.02
India Cements Capital Ltd.	10400000	10	2544.98	2544.98				<u>1.27</u>	<u>1.32</u>
<b>2 Other than Associates:</b>					<b>(D) Other Investments Fully paid Shares of Co-operative Societies (Unquoted):</b>				
Karur KCP Packagings Ltd.	996500	10	398.60	398.60	The India Cements Employees Co-operative Stores Limited, Sankarnagar	2530	50	1.27	1.27
The India Cements Ltd. (Held in Trust on behalf of subsidiaries)	19954024	10	16730.84	16730.84	The India Cements Employees Co-operative Stores Limited, Sankari West	5000	10	0.50	0.50
Servalakshmi Paper Limited	1693793	10	491.20	491.20	The India Cements Mines Employees Co-operative Stores Limited, Sankari West	5300	10	0.53	0.53
			<u>20165.62</u>	<u>20165.62</u>				<u>2.30</u>	<u>2.30</u>
<b>(B) Shares of Companies - (Unquoted):</b>					<b>(E) Investments in Mutual Funds (Unquoted):</b>				
<b>(i) Associates:</b>					Fearing Capital India Evolving Fund- 30952 units of Rs. 1000 each (Previous Year 38450 units of Rs.1000 each)			309.52	384.50
<b>Fully paid Equity Shares:</b>					Grand Total (A + B + C + D + E)			41670.12	41745.14
Raasi Cement Limited (Net of provision)	239427	10	0.00	0.00	Less: Provision for diminution in value of Investments			0.00	0.00
Coromandel Sugars Ltd.	7000100	10	994.79	994.79				<u>41670.12</u>	<u>41745.14</u>
Coromandel Travels Ltd.	990000	10	99.00	99.00	Adjustment as per Accounting Standard 23				
Unique Receivable Management Private Ltd.	24600	10	2.46	2.46	<b>1. Increase / (Decrease) in Value Post Investment:</b>				
<b>Debentures:</b>					Raasi Cement Limited			0.00	0.00
Zero % Unsecured Convertible fully paid-up Debentures of Coromandel Travels Ltd.	6531000	100	6531.00	6531.00	Coromandel Sugars Limited			3522.54	3518.15
Zero % Unsecured Convertible fully paid-up Debentures of Coromandel Sugars Ltd. *	2032260	100	2032.26	2032.26	India Cements Capital Limited			(1370.48)	(1386.57)
Zero % Unsecured Convertible fully paid-up Debentures of Coromandel Sugars Ltd.	1517740	100	1517.74	1517.74	Coromandel Travels Limited			(99.00)	(99.00)
Associates - Total			<u>11177.25</u>	<u>11177.25</u>				<u>2053.06</u>	<u>2032.58</u>
* investments has been attached under PMLA (Refer Note No.33.18)					<b>2. Goodwill arising on Investment:</b>				
<b>(ii) Other than Subsidiaries / Associates:</b>					Raasi Cement Limited			0.00	0.00
Andhra Pradesh Gas Power Corporation Ltd.	5896000	10	4831.01	4831.01	India Cements Capital Limited			234.69	234.69
Jagati Publications Private Limited	1111110	10	4000.00	4000.00	Unique Receivable Management Private Limited			-2.46	-2.46
Carmel Asia Holdings Private Limited	190839	10	500.00	500.00				<u>232.23</u>	<u>232.23</u>
PT Adcoal Energindo			8.75	8.72	Grand Total			43955.41	44009.95
ICL Shipping Ltd	5000	10	0.50	0.50	Note:				
Coromandel Packaging Pvt Ltd. (Formerly Pulivendula Polymers Pvt Ltd.)	460000	10	46.00	46.00	Aggregate of Quoted Investments:				
Senka Carbon Private Limited	6450	10	39.38	39.38	Cost			19029.83	19013.74
TCP Limited	729752	10	556.00	556.02	Market Value			9338.97	14103.81
Sun Paper Mill Ltd	325200	10	32.52	32.52	Aggregate of Unquoted Investments:				
Other than Subsidiaries / Associates - Total			<u>10014.16</u>	<u>10014.15</u>	Cost			24925.58	24996.21

## CONSOLIDATED ACCOUNTS

	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>15. LONG-TERM LOANS AND ADVANCES</b>		
Unsecured and considered good:		
Capital Advances	78365.43	74306.81
Loans and Advances to related parties (Refer Note No.33.5(a))	2290.34	3129.52
Other Loans and Advances:		
Body Corporates (Refer Note No.33.5(a))	84124.75	77839.02
Deposits	7385.85	6920.87
Other (MAT Credit Entitlement)	1346.93	1508.59
Other recoverable in cash or in kind or for value to be received	4225.13	3730.10
Advance Tax & TDS Receivables	782.80	1621.26
Secured:		
Housing Loan and other Loans to Employees	1167.99	1122.75
	<u>179689.22</u>	<u>170178.92</u>

### CURRENT ASSETS (Note No.16 to 20)

<b>16. CURRENT INVESTMENTS (QUOTED)</b>		
Fixed Income Interval fund of Unit Trust of India	0.00	205.37
Number of Units: Nil (Previous year: 20144.95)		
Face Value per Unit : Nil (Previous year: Rs.1019.45)		
Market Value: Rs. Nil (Previous Year: Rs.205.37 lakhs)		

<b>17. INVENTORIES</b>		
Stores / Spares (including coal and packing material)	46915.05	35223.04
Raw Materials	5198.55	6969.57
Work-in-Process	878.86	860.77
Semi-finished Goods	6419.11	9666.12
Finished Goods	5930.25	6968.51
Construction & Infrastructure - Projects-in-progress	2227.76	482.18
Stock-in-trade	37.29	45.08
	<u>67606.87</u>	<u>60215.27</u>

<b>18. TRADE RECEIVABLES</b>		
Outstanding for more than six months	7361.58	5275.40
Less: Provision for doubtful debts	-600.49	-490.33
Sub-total	6761.09	4785.07
Others	44837.41	41387.46
Total - Sundry Debtors, considered good (Net of security deposit Rs.29650.26 lakhs (As at 31 <sup>st</sup> March 2014 Rs.28492.87 lakhs)).	<u>51598.50</u>	<u>46172.53</u>

<b>19. CASH AND BANK BALANCES</b>		
a. Cash and Cash Equivalents		
Cash, cheques and stamps on hand	91.02	87.41
Cash at Scheduled Banks in Current Accounts	552.90	276.85
Fixed Deposits with Scheduled Banks [Includes Deposits from Public]	73.84	231.69
Total Cash & Cash Equivalent	717.76	595.95
b. Other Bank Balances		
Earmarked Balances with banks for Unpaid Dividend	0.00	122.89
	<u>717.76</u>	<u>718.84</u>

	2015 Rs.Lakhs	2014 Rs.Lakhs
<b>20. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)</b>		
Advance for goods	12927.28	14082.12
Advance payment of Tax (net of provision)	7962.95	4212.10
Prepaid Expenses	2471.52	2191.72
Other Advances * (Net of Provisions Rs.412.28 Lakhs (Previous year Rs.409.55 Lakhs))	31975.92	38930.09
Deposits	96.40	49.22
	<u>55434.07</u>	<u>59465.25</u>

\* includes deposits amounting to Rs.5.61 crores with Enforcement Directorate

	2014-15 Rs. lakhs	2013-14 Rs. lakhs
<b>21. REVENUE FROM OPERATIONS</b>		
Sales including Excise duty	535883.21	538332.89
Sale of Energy & Recovery	5721.53	10006.39
Sale of Services	0.00	0.00

#### Other Operating Revenues:

Trade Sales	1449.64	807.20
Freight Earnings - Shipping	4697.16	6772.21
Value of Power Generated from Wind Farms	1461.05	1321.55
Value of Power Sold from Thermal Plants	3719.82	0.00
Income from Construction & Infrastructure Projects	1914.13	1085.22
Income from Indian Premier league (Refer Note No.33.17)	15851.04	16616.69
	<u>29092.84</u>	<u>26602.87</u>
Revenue from Operations Including Excise Duty	570697.58	574942.15
Less: Excise Duty	-64656.93	-66466.60
Revenue from Operations	<u>506040.65</u>	<u>508475.55</u>

<b>22. OTHER INCOME</b>		
Dividend Income	18.78	429.49
Interest Income	903.87	1138.28
Profit on Sale of Investments	0.00	0.00
Other Non Operating Income:		
Rent Recovery	27.59	29.90
Profit on Sale of Assets	260.76	186.02
Foreign Exchange translation difference	27.98	60.38
Miscellaneous Income	1005.70	585.24
	<u>2244.68</u>	<u>2429.31</u>

<b>23. COST OF MATERIALS CONSUMED</b>		
Raw Materials Consumed:		
Opening Stock	6969.57	7600.48
Add: Purchases	60612.44	58682.65
Add: Own Quarrying (Net) (Refer Note No. 33.6(a))	22492.53	21668.13
	<u>83104.97</u>	<u>80350.78</u>
	<u>90074.54</u>	<u>87951.26</u>
Less: Closing Stock	5198.50	6969.57
Raw Materials Consumed	<u>84876.04</u>	<u>80981.69</u>



## CONSOLIDATED ACCOUNTS

	Rs. lakhs	2014-15 Rs. lakhs	Rs. lakhs	2013-14 Rs. lakhs		Rs. lakhs	2014-15 Rs. lakhs	Rs. lakhs	2013-14 Rs. lakhs
<b>24. (INCREASE) / DECREASE IN STOCK</b>					<b>26. FINANCE COSTS (NET)</b>				
Opening Stock of:					Interest Expense		32206.68		25619.65
Work-in-Process	860.77		848.43		Other Borrowing Costs		13921.39		10710.68
Semi-finished Goods	9666.12		7984.10		Loss on Foreign currency transactions / translations		1677.41		4742.84
Finished Goods	6968.51		6376.03				47805.48		41073.17
Stock-in-trade	45.08		0.00						
Construction & Infrastructure Projects-in-Progress	482.18		316.90		<b>27. MANUFACTURING AND OTHER OPERATING EXPENSES</b>				
		18022.66		15525.46	Stores Consumed				
Less: Closing Stock of:					(Refer Note No.33.6(b))		5790.94		6031.69
Work-in-Process	878.86		860.77		Transit Mixer Expenses		2058.60		2144.06
Semi-finished Goods	6419.11		9666.12		Power and Fuel		123560.33		137104.78
Finished Goods	5930.25		6968.51		Purchase of Concrete		1.52		21.29
Stock-in-trade	37.29		45.08		Generation Expenses		393.46		844.10
Construction & Infrastructure Projects-in-Progress	2227.76		482.18		Repairs & Maintenance:				
		15493.27		18022.66	Building	74.31		73.00	
Total (Increase) / Decrease in stock		2529.39		(2497.20)	Machinery	5392.51		6192.16	
					Others	4293.23		5385.53	
<b>25. EMPLOYEE BENEFITS EXPENSE</b>					Total Repair & Maintenance		9760.05		11650.69
(a) Employees Other than Directors					Agency and Port Charges:				
Salaries, Wages and Bonus	25547.16		27733.43		Shipping		50.95		103.15
Contribution to Provident Fund	1167.04		1166.24		Trade Purchase		-1287.98		-225.58
Gratuity	1364.43		1372.93		Excise Duty on stock adjustment		-30.64		209.73
Superannuation	1822.42		2327.45				140297.23		157883.91
Employees' Provident Fund									
Administration Charges	97.02		97.42		<b>28. ADMINISTRATION AND OTHER CHARGES</b>				
Employees' State Insurance Scheme	98.13		11.65		Insurance		760.14		830.30
Workmen And Staff welfare Expenses	4212.07		4986.04		Rent		443.65		610.47
Unavailed leave (Refer Note No.33.22(b))	482.30		5.64		Rates and Taxes		1397.41		832.69
Employees Other than Directors - Total	34790.57		37700.80		Printing and Stationery		286.07		272.65
(b) Directors					Postage, Telephones and Telegrams		465.45		512.63
Director's Remuneration					Other Administration Expenses		20199.76		17700.12
Managing Director :					Legal Fees		969.38		504.54
Salary	360.00		360.00		Directors' Sitting Fees		12.50		12.10
HRA	108.00		108.00		Auditors' Expenses:				
Contribution to Provident Fund	43.20		43.20		Audit Fees	89.11		90.45	
Contribution to Gratuity and Superannuation funds	69.00		69.00		Cost Audit Fees	12.12		12.12	
Commission	0.00		0.00		Certifications / Others	8.11		19.98	
Others	6.47	586.67	6.21	586.41	Tax Audit / Other Services	0.67		13.68	
Wholetime Director:					Travel / out of pocket expenses	9.81		7.44	
Salary	124.72		124.72				119.82		143.67
HRA	36.00		36.00		Amortisation of Deferred Revenue Expenses -(Refer Note No.33.16)		566.54		490.86
Contribution to Provident Fund	14.40		14.40		Loss on sale of Assets		43.71		3278.60
Contribution to Gratuity and Superannuation funds	23.00		23.00		Provision for Doubtful Advances / Debtors (Net of old Balances written back- Rs.584.51 lakhs)		189.76		-396.66
Commission	0.00	198.12	0.00	198.12			25454.19		24791.97
Director's Remuneration-Total		784.79		784.53					
Total Employee benefits expense (a+b)		35575.36		38485.33					
(Managerial Remuneration subject to approval by the Central Government (Refer Note No. 33.19))									

	2014-15 Rs.Lakhs	2013-14 Rs.Lakhs		2014-15 Rs.Lakhs	2013-14 Rs.Lakhs
<b>29. SELLING AND DISTRIBUTION EXPENSES</b>			<b>31. EARNINGS / LOSS PER SHARE (EPS)</b>		
Packing Charges	<b>20895.89</b>	22363.37	Earnings:		
Additional Sales Tax	<b>292.47</b>	268.45	Earnings available to Equity Shareholders - Basic A	<b>-331.31</b>	-24338.11
Freight outwards	<b>96266.35</b>	100299.49	Income or expenses accounted in Financial Statements attributable to potential equity shareholders	<b>0.00</b>	0.00
Handling	<b>9564.49</b>	10680.58	Less : Dividend on Preference shareholders including Dividend Distribution tax	<b>0.00</b>	0.00
Advertisement	<b>2926.49</b>	3918.54	FCCB Forex Fluctuation (Gain) / Loss credited / debited to P&L during the period	<b>0.00</b>	0.00
Others	<b>10234.56</b>	11472.10	Earnings - Diluted B	<b>-331.31</b>	-24338.11
	<b>140180.25</b>	149002.53	No. of Shares:		
<b>30. DONATIONS</b>			No. of Equity Shares	<b>307178657</b>	307178657
The India Cements Educational Society	<b>400.00</b>	400.00	Weighted average No. of equity shares C	<b>307178657</b>	307178657
Others	<b>447.10</b>	285.97	No. of Potential Equity Shares	<b>0</b>	0
	<b>847.10</b>	685.97	Weighted average No. of Potential Equity Shares	<b>0</b>	0
Corporate Social Responsibility (CSR) Expenditure:			Total weighted average No. of shares - Diluted D	<b>307178657</b>	307178657
(i) CSR Expenditure included in donation The India Cements Educational Society CM's Relief Fund - Vizag Hudhud Cyclone Other donations relating to CSR Donations relating to CSR	<b>400.00</b>  <b>100.00</b> <b>110.05</b> <b>610.05</b>		EPS:		
(ii) CSR Expenditure included in Administration & other charges	<b>174.41</b>		Basic (Rs.) A/C	<b>-0.11</b>	-7.92
Total CSR expenditure incurred	<b>784.46</b>		Diluted (Rs.) B/D	<b>-0.11</b>	-7.92
<hr/>					
<b>32. SECURITY FOR SECURED BORROWINGS</b>					
<b>Break up of Term Loans</b>					
			Non-Current Portion	Current Maturities	Total
			2015	2014	2015
			Rs.Lakhs	Rs.Lakhs	Rs.Lakhs
					2014
					Rs.Lakhs
					Last Instalment Due on
					Principal Payable Frequency
SECURED:					
(a) Term Loans:					
From Banks:					
(i) IDBI Bank Ltd.	<b>300.72</b>	1,114.64	<b>1,164.42</b>	1,411.15	<b>1,465.14</b>
(ii) IDBI Bank Ltd.	<b>136.50</b>	581.04	<b>528.55</b>	537.10	<b>665.05</b>
(iii) IDBI Bank Ltd.	<b>9.66</b>	50.12	<b>70.79</b>	72.59	<b>80.45</b>
(iv) IDBI Bank Ltd.	<b>50,000.00</b>	50,000.00	<b>0.00</b>	0.00	<b>50,000.00</b>
(v) Punjab National Bank	<b>0.00</b>	911.53	<b>1,238.94</b>	3,746.24	<b>1,238.94</b>
(vi) Kotak Mahindra Bank	<b>0.00</b>	0.00	<b>111.15</b>	1,222.22	<b>111.15</b>
(vii) Kotak Mahindra Bank	<b>916.63</b>	1,916.67	<b>1,083.29</b>	1,000.00	<b>1,999.92</b>
(viii) Kotak Mahindra Bank	<b>0.00</b>	6,513.60	<b>6,513.60</b>	0.00	<b>6,513.60</b>
(ix) Kotak Mahindra Bank	<b>0.00</b>	1,283.57	<b>1,567.99</b>	1,712.07	<b>1,567.99</b>
(x) Kotak Mahindra Bank	<b>1,458.45</b>	1,958.33	<b>583.14</b>	500.00	<b>2,041.59</b>
(xi) Axis Bank Ltd.	<b>0.00</b>	2,500.42	<b>2,949.94</b>	833.00	<b>2,949.94</b>
(xii) Axis Bank Ltd.	<b>0.00</b>	0.00	<b>0.00</b>	2,321.57	<b>0.00</b>
(xiii) Axis Bank Ltd.	<b>14,500.00</b>	17,500.00	<b>4,000.00</b>	2,000.00	<b>18,500.00</b>
(xiv) ICICI Bank	<b>20,916.00</b>	26,145.00	<b>5,229.00</b>	5,229.00	<b>26,145.00</b>
(xv) ICICI Bank	<b>9,090.91</b>	9,090.91	<b>0.00</b>	0.00	<b>9,090.91</b>

## CONSOLIDATED ACCOUNTS

### 32. SECURITY FOR SECURED BORROWINGS (Contd.)

Break up of Term Loans	Non-Current Portion		Current Maturities		Total		Last Instalment Due on	Principal Payable Frequency
	2015 Rs.Lakhs	2014 Rs.Lakhs	2015 Rs.Lakhs	2014 Rs.Lakhs	2015 Rs.Lakhs	2014 Rs.Lakhs		
(xvi) IDBI Bank	13,888.80	19,444.44	5,555.52	5,555.56	19,444.32	25,000.00	31/03/2018	Monthly
(xvii) Karnataka Bank	2,125.00	4,750.00	4,250.00	3,750.00	6,375.00	8,500.00	30/06/2016	Quarterly
(xviii) HDFC Bank	2,500.00	6,250.00	5,000.00	3,750.00	7,500.00	10,000.00	30/06/2016	Quarterly
(xix) ICICI Bank	33,500.00	0.00	0.00	0.00	33,500.00	0.00	31/03/2021	Quarterly
(xx) HDFC Bank	0.00	2.04	2.04	8.14	2.04	10.18	05/06/2015	Monthly
(xxi) Bank of Baroda	0.00	0.00	0.00	75.98	0.00	75.98	Paid	
(xxii) Axis Bank Ltd.	0.00	3,745.29	0.00	1,071.42	0.00	4,816.71	Paid	
(xxiii) UCO Bank	0.00	3,000.00	0.00	857.15	0.00	3,857.15	Paid	
(xxiv) Yes Bank Ltd.	0.00	4,250.00	0.00	1,214.29	0.00	5,464.29	Paid	
(xxv) IDBI Bank	0.00	72.94	72.94	72.94	72.94	145.88	31/03/2016	Quarterly
(xxvi) ICICI Bank	150.19	0.00	0.00	0.00	150.19	0.00	30/09/2017	Monthly
Total - Secured Loans from Banks	149,492.86	161,080.54	39,921.31	36,940.42	189,414.17	198,020.96		
From Others:								
(xxvii) L&T Infrastructure Finance Company Limited	0.00	2,500.91	3,332.91	832.00	3,332.91	3,332.91	24/11/2015	Quarterly
(xxviii) Aditya Birla Finance Limited	0.00	2,501.67	2,500.14	3,332.00	2,500.14	5,833.67	24/11/2015	Quarterly
(xxix) IFCI Limited	25,000.00	0.00	0.00	0.00	25,000.00	0.00	31/12/2019	Quarterly
(xxx) ILFS	4,600.00	0.00	0.00	0.00	4,600.00	0.00	30/09/2015	Bullet
(xxxi) IDFC Limited	0.00	3,714.29	0.00	1,142.86	0.00	4,857.15	Paid	
(xxxii) Indo Star Capital Finance Limited	16,415.66	0.00	2.72	0.00	16,418.38	0.00	05/12/2019	Monthly
(xxxiii) HDFC Limited	3,753.00	3,500.00	0.00	0.00	3,753.00	3,500.00	28/03/2017	Bullet
Total Secured Loans from Others	49,768.66	12,216.87	5,835.77	5,306.86	55,604.43	17,523.73		
Total Secured Long-term borrowings	199,261.52	173,297.41	45,757.08	42,247.28	245,018.60	215,544.69		
UNSECURED:								
From Banks								
(i) HDFC Bank Ltd	0.00	0.00	0.00	1,284.79	0.00	1,284.79	Paid	
(ii) JP Morgan	0.00	0.00	0.00	10,000.00	0.00	10,000.00	Paid	
Total Unsecured Term Loan from Banks	0.00	0.00	0.00	11,284.79	0.00	11,284.79		
From Others								
(iii) Interest free Sales Tax Deferral Loans / Others	45,338.80	50,437.23	6,478.95	4,275.48	51,817.75	54,712.71	12 to 14 Years	Monthly/Yearly
(iv) Deposits from Public	0.00	334.97	79.12	215.91	79.12	550.88	Various Dates	
Total Unsecured Loans from Others	45,338.80	50,772.20	6,558.07	4,491.39	51,896.87	55,263.59		
Total Unsecured Long term Borrowings	45,338.80	50,772.20	6,558.07	15,776.18	51,896.87	66,548.38		
Total Long term Liabilities & Current Maturities	244,600.32	224,069.61	52,315.15	58,023.46	296,915.47	282,093.07		

## CONSOLIDATED ACCOUNTS

### 32. SECURITY FOR SECURED BORROWINGS (Contd.)

#### SECURITY CLAUSE

(a) Term Loans:

- 1 Items (a) (i) to (a) (iv) and (a) (xvi) are secured on exclusive first charge on the movable and immovable fixed assets of Malkapur Cement Plant of the Company, subject to prior charge created and / or to be created on the movable assets in favour of the Company's bankers for working capital requirements. Further loan mentioned in (a) (i) carry an option for conversion into equity shares at par not exceeding 20% of the sanctioned loan / outstanding loan in the advent of certain events and subject to conditions.
- 2 Item (a) (v) is secured by a first pari passu charge (with other Lenders / Debenture Trustees) on the movable and immovable fixed assets of the Company save and except book debts and subject to prior charges created / to be created in favour of the Company's bankers on its current assets for securing the borrowings for working capital requirements.
- 3 Items (a) (vi), (vii) and (a) (x) are secured by way of exclusive first charge on the immovable properties of the Company being the land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai.
- 4 Item (a) (viii) is secured by way of first charge on the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 5 Item (a) (ix) is secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai, by way of extension and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
- 6 Items (a) (xxvii) and (a) (xxviii) are secured by way of a novated rights over the hypothecation of immovable and movable fixed assets of the Company created by the Company with an another Lender.
- 7 Items (a)(xi), (a)(xii) and (a) (xiii) are secured by way of exclusive first charge on the movable and immovable fixed assets of Chennai and Parli grinding units.
- 8 Items (a) (xiv), (a)(xv) and (a)(xix) are secured by way of exclusive first charge on the entire immovable and movable fixed assets of Cement Plant and Captive power plant of Vishnupuram, Telangana and power plant of Sankar Nagar, Tamil Nadu subject to prior charge created and / or to be created on the movable assets in favour of the Company's bankers for working capital requirements.
- 9 Items (a) (xvii) and (a) (xviii) are secured by joint equitable mortgage on the land and building situated at No.9, Boat Club Road, Ill Avenue, R.A. Puram, Chennai.
- 10 Item (a) (xxii) is secured on exclusive first charge on the movable and immovable fixed assets of Sankarnagar Cement Plant (excluding the Thermal Power Plant) and Chilamkur Cement Plant of the Company, subject to prior charge created and / or to be created on the movable assets in favour of the Company's bankers for working capital requirements.
- 11 Items (a) (xix), (xx) and (xxvi) are secured by hypothecation / pledge of Fixed Assets and Fixed deposits respectively
- 12 Items (a) (xxii), (xxiii), (xxiv), (xxxi) & (xxxii) Term loans are secured in favour of Axis Trustee Services Limited, the Security Trustee for the lenders, namely Indo Star Capital Finance Limited by hypothecation of Company's movable properties, both present and future, including current assets, movable machinery, machinery spares, tools and accessories, tangible and intangible assets of the Company, subject to prior charges on current assets created / to be created in favour of Company's bankers for securing the working capital facilities and further secured by a first pari passu charge on all the fixed assets of the Cement plant at Banswara, Rajasthan, pledge of shares held by Promoters and Corporate Guarantee from The India Cements Limited
- 13 Item (a) (xxx) is secured by pledge of 8500000 Equity Shares of The India Cements Limited held by a company
- 14 Item (a) (xxv) is secured by first equitable mortgage on pari-passu basis of the immovable properties of the Company situated at Valanthuravai, Ramanathapuram Taluk, Tamilnadu. They are also secured by first charge by way of hypothecation of the movable properties of the Company, present and future, subject to prior charge created / to be created in favour of the company's Bankers for Working capital facilities.

## CONSOLIDATED ACCOUNTS

	2015 Rs.Lakhs	2014 Rs.Lakhs		2015 Rs.Lakhs	2014 Rs.Lakhs
33.1 Estimated amounts of contracts for Capital Expenditure and Commitments	2697.85	5020.79	having regard to intrinsic value of such investments, the management is of the opinion that these advances will realise values stated in the long term. The Company, however as a prudent measure has created a Contingency Reserve in the earlier years to the extent of Rs.200.00 Crores for any possible under recovery of these advances.	76798.37	72366.13
33.2 Monies for which the Company is contingently liable:			b. Current Advances include Disputed CENVAT / Sales Tax Claims pending in different stages of appeal. Management is of the opinion that these are recoverable at values stated.	1040.31	803.52
a Outstanding Letters of Credit Opened By Bankers	4148.26	2556.10	33.6 (a) Raw Materials consumed:		
b Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates)	54765.88	59001.51	Own Quarrying includes:		
c Sales Tax demands for various years under dispute	1471.03	1734.78	(i) Salaries & Wages	1898.66	1908.84
d Contingent Liability pertaining to Raasi Cement Limited (Residuary Company) for Sales Tax, Central Excise and Income Tax	2249.46	2272.81	(ii) Stores Consumed	3796.38	3990.16
e Contingent Liability on account of CENVAT Cases, Income tax and Others	50747.39	50842.70	(iii) Royalty	8862.13	7616.18
f Other claims against the Company not acknowledged as Debts	30695.64	25947.33	(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	17542.98	19131.13
g The Competition Commission has imposed a penalty of Rs.187.48 Crores on the company (as well as other companies) based on complaint filed by the Builders Association of India alleging cartelization and abuse of dominance. The Company has appealed against the order before the "Competition Appellate Tribunal" which in its interim order dated 17/05/2013 directed the company to pay 10% of the penalty. The Company has accordingly paid a sum of Rs.18.75 Crores and the same is included under advances. The Company, based on external expert legal advice, believes no provision in the accounts is considered necessary.	18,748.00	18,748.00	33.7 Repairs and Maintenance includes Stores & Spares.	5916.98	6127.26
33.3 The Company has received demands for Fuel Surcharge Adjustment (FSA) from various Andhra Pradesh Electricity Distribution Companies (DISCOMS) pursuant to Clause 45B of the Andhra Pradesh Electricity Regulatory Commission (Conduct of Business Amendment) Regulations 2003, (FSA Regulations). The levy has been subject matter of challenge ever since the DISCOMS made their claim in the year 2010 in respect of the period 2008-2009 onwards. The challenge with respect to the 2008-2009 and 2009-2010 were initially accepted by a single judge of the Andhra Pradesh High Court and the appeals filed by state undertakings with respect to the year 2008-2009 and 2009-2010 is currently pending before the Supreme Court and a full bench of Andhra Pradesh High Court respectively.	2271.13	0.00	33.8 Detailed quantitative information of goods manufactured during the Report Period:		
33.4 Building includes purchase of flats on leasehold lands for which the documents of title are yet to be executed in favour of the Company.	11.13	11.13	1. CEMENT:		
33.5 Loans and Advances:			(a) Installed capacity in Tonnes (Per annum)	15550000	15550000
a. Advances include advances to Subsidiaries, Associates and others which are in the nature of strategic Long Term Investments in Cement, Sugar, Shipping etc. Though these investments are in cyclical industries,			(b) Production in Tonnes	9801580	11022499
			(c) Sales – Quantity in Tonnes - Cement	9833976	11006419
			Quantity in Tonnes - Clinker	497653	273236
			Sales – Value of Cement (Gross)	505068.40	514852.90
			Value of Clinker	13970.50	7405.42
				519038.90	522258.32
			(d) Opening Stock of Cement produced in Tonnes	205028	188677
			Value	6894.99	6376.03
			(e) Closing Stock of Cement produced in Tonnes	172631	205028
			Value	5930.25	6894.99
			2. CALCIUM CARBIDE:		
			(a) Licenced Capacity (Tonnes)	10000	10000
			(b) Installed Capacity (Tonnes)	12500	12500
			(c) Production	–	–
			(d) Opening Stock of Finished Goods (Tonnes)	36	36
			Value (Rs.Lakhs)	7.88	7.88
			(e) Closing Stock of Finished Goods (Tonnes)	36	36
			Value (Rs.Lakhs)	7.88	7.88
			3. READY MIX CONCRETE:		
			(a) Installed Capacity (Cu.m)	1260000	1260000
			(b) Production (Cu.m)	304330	337026
			(c) Purchase (Cu.m)	45	831
			(d) Sales - quantity (Cu.m)	304168	337857

## CONSOLIDATED ACCOUNTS

		2015 Rs.Lakhs	2014 Rs.Lakhs			2015 Rs.Lakhs	2014 Rs.Lakhs
(e)	Sales - value (Rs.Lakhs)	12298.39	12197.55	33.11	Expenditure in Foreign Currency (on accrual basis):		
(f)	Opening Stock of Finished Goods (Cu.m)	—	—		Legal & Consultancy Charges	—	49.66
	Value (Rs.Lakhs)	—	—		Travel Expenses and others	262.30	149.88
(g)	Closing Stock of Finished Goods (Cu.m)	—	—		Indian Premier League - payments to foreign players / others	3960.69	3732.43
	Value (Rs.Lakhs)	—	—	33.12	Remittances in Foreign Currency:		
4.	TEXTILES:				Final Dividend on account of GDS:		
(a)	Opening Stock of Home Textiles Produced (Pieces)	16204	16159		No. of shareholders	—	1
	Value (Rs.Lakhs)	104.58	106.81		No. of shares	—	8707572
(b)	Closing Stock of Home Textiles Produced (Pieces)	15797	16204		Amount remitted (Rs.Lakhs)	—	174.15
	Value (Rs.Lakhs)	121.03	104.58		Year to which it pertains	—	2013
(c)	Opening Stock of Fabrics (Pieces)	4958	4622		Final Dividend on account of GDR:		
	Value (Rs.Lakhs)	13.26	10.52		No. of shareholders	—	1
(d)	Closing Stock of Fabrics (Pieces)	6433	4958		No. of shares	—	741315
	Value (Rs.Lakhs)	18.83	13.26		Amount remitted (Rs.Lakhs)	—	14.83
(e)	Sales Quantity Home Textiles (Pieces)	1245	2129		Year to which it pertains	—	2013
	Value (Rs.Lakhs)	5.58	8.27	33.13	Details of imported and indigenous materials consumed during the year:		
(f)	Sales Quantity Yarn (Kgs)	—	—		Raw materials:		
	Value (Rs.Lakhs)	—	—		Imported	7056.92	5035.41
(g)	Sales Quantity Fabrics (Meters)	—	—		Indigenous	77819.12	75946.28
	Value (Rs.Lakhs)	—	—		Total	84876.04	80981.69
(h)	Non Textiles (Nos.)	1393	1512		Percentage to Total Consumption:		
	Value (Rs.Lakhs)	34.54	47.99		Raw materials:		
5.	ELECTRICITY:				Imported	8.31%	6.22%
(a)	Installed Capacity (M.W)	26.19	26.19		Indigenous	91.69%	93.78%
(b)	Generation - (Units in Lakhs KWH)	1904.94	2066.62		Total	100.00%	100.00%
(c)	Opening Stock of Finished Goods (Units in Lakhs KWH)	—	—		Spare Parts and Components:		
	Value (Rs.Lakhs)	—	—		Imported	389.19	498.94
(d)	Closing Stock of Finished Goods (Units in Lakhs KWH)	—	—		Indigenous	2134.06	1812.95
	Value (Rs.Lakhs)	—	—		Total	2523.25	2311.89
(e)	Sales - (Units in Lakhs KWH)	1874.17	2037.94		Percentage to Total Consumption:		
	Value (Rs.Lakhs)	9614.74	11906.18		Spare Parts and Components:		
33.9	Value of Import on CIF basis:				Imported	15.42%	21.58%
(a)	Raw Materials	3934.30	3413.94		Indigenous	84.58%	78.42%
(b)	Fuel	62793.25	73994.51		Total	100.00%	100.00%
(c)	Spare Parts and Components	490.94	359.95	33.14	Details of Raw Materials consumed:		
(d)	Capital goods	0.00	0.00		Quantity in Tonnes:		
(e)	Packing Materials	94.92	0.00		Limestone	10710824	12255047
(f)	Textiles	15.88	45.22		Gypsum	575385	590011
33.10	Earnings in Foreign Exchange (on accrual basis):				Others	2505864	2721953
	Export				Value:		
	Cement – Quantity in Tonnes	82556	71859		Limestone	32830.30	27515.02
	– Value	3238.23	2892.76		Gypsum	8374.21	8781.81
	Clinker – Quantity in Tonnes	495063	227460		Others	37878.16	37934.68
	– Value	13894.47	6273.62		Freight on Inter Unit Transfer of Clinker	5793.37	6750.18
					Total	84876.04	80981.69



## CONSOLIDATED ACCOUNTS

33.15 As at Balance Sheet date, amounts aggregating to Rs.NIL are due to Micro, Small and Medium Enterprises and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

33.16 Recognition of Foreign Currency Fluctuations:

- a) Long Term Monetary Liability Pursuant to the notification issued by the Ministry of Corporate Affairs dated 29<sup>th</sup> December 2011 on Accounting Standard 11, the company has opted to
  - i) capitalize the exchange gain / loss on the loans against purchase of fixed assets after the same has been put to use, and depreciated over the balance life of the asset.
  - ii) Exchange loss other than those attributable to capital assets amounting to Rs.428.38 Lakhs (as on 31<sup>st</sup> March 2014:Rs.479.82 Lakhs), has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.566.54 Lakhs (as on 31<sup>st</sup> March 2014:Rs.490.86 Lakhs) has been amortized during the year (included in Administration and other charges) and the balance of Rs.894.78 Lakhs will be amortized over the remaining period of the liability.
- b) Short Term Monetary Liability:
 

Exchange gain/loss on short term monetary liability is continued to be credited / debited to the Profit & Loss account.

33.17 The Company has as part of the initiatives to promote corporate image and its brands participated in the editions of IPL T/20 tournaments with its team "The Chennai Super Kings". The right to operate the franchise has provided a platform to build corporate and brand image as a pan India company.

During the Financial Year, the franchise rights in Indian Premier League (IPL) were transferred to Chennai Super Kings Cricket Limited (CSKCL), a wholly owned subsidiary at its Net Asset Value (NAV as at March 31, 2014) as per books at Rs. 7.83 Crores.

The BCCI approved the said transfer subject to the condition that ICL shall provide a parent company guarantee (guarantee provided on 20-02-2015) for the purpose of guaranteeing performance / compliance by CSKCL of the obligations of the franchisee under the Franchise Agreement and it was further provided that ICL and CSKCL should enter into a tripartite Novation Agreement with BCCI – IPL whereby from the effective date, CSKCL shall inter alia step in to all obligations of ICL under the Franchise Agreement without any further act or deed.

Board of Directors of the Company in their meeting held on 23.02.2015 approved the sale of entire shareholding in CSKCL aggregating to 50,000 equity shares of Rs.10/- each to a trust called the "India Cements Shareholders Trust" (Trust), aggregating to Rs.5,00,000/-. Three of the Independent Directors of the Company are the Trustees of the Trust. The trust has been established for the purposes of distribution of the said shares purchased from the Company by the trust to :

- i) All the non-promoter shareholders of ICL; and
- ii) The shares that the promoters are entitled to shall be allotted to another Trust established for the benefit of ex-cricketers of ICL.

BCCI approved the transfer of 50,000 equity shares held by the company in CSKCL to the India Cements Shareholders Trust (Trust) subject to the condition that CSKCL make a fresh application for distribution of shares from the Trust to the ultimate beneficiaries (as explained above) together with all the necessary documents, details, information that is necessary for the proposed transaction.

Certain proceedings which were in progress prior to the transfer of franchise, by the Company to CSKCL have been referred to a Three member panel appointed by Apex court to look into the allegations and suggest action, if any, required in that regard. Pending outcome of the proceedings of the said three member panel no adjustment has been made in these financial statements as any impact arising on account of these proceedings shall be the responsibility of the company as per the Novation Agreement and other related documents executed by the Company for the transfer of the Franchise to CSKCL.

33.18 Note on PMLA

The Authorities have issued a provisional attachment notice under the Prevention of Money Laundering Act, 2002 (PMLA) attaching certain assets of the Company for an aggregate value of Rs.120.34 Crores. The Company filed an appeal against the order of the Adjudicating Authority specified under PMLA. The matter is currently sub-judice.

33.19 Managerial Remuneration

- a) The Managerial Remuneration paid during the year 2014-15 exceeded the limits prescribed in the Companies Act, 2013, due to in adequacy of profits. The Company is preparing to apply to the Central Government under Section 197(10) of the Companies Act, 2013 seeking waiver of recover of the excess remuneration of Rs.267.35 lakhs for 2014-15.
- b) The appointment and remuneration of the Wholetime Director for a period of 5 years from March 05, 2015 is subject to the approval of the Shareholders.

33.20 Related Party Disclosures:

A. Names of the related parties and the nature of the relationship:

- (i) Associate Companies:
  - Raasi Cement Limited
  - Coromandel Sugars Limited
  - India Cements Capital Limited
  - Coromandel Travels Limited
  - Unique Receivable Management Pvt. Limited
- (ii) Key Managerial Personnel (KMP):
  - Sri N. Srinivasan – Vice Chairman & Managing Director
  - Smt. Rupa Gurunath – Wholetime Director
  - Sri G. Balakrishnan – Sr. President & Company Secretary
  - Sri R. Srinivasan - President (Finance & Accounts),  
Chief Financial Officer

There are no other transactions with any other KMP.
- (iii) Relative of KMP, having transactions with the Company:
  - Smt. Chitra Srinivasan – Director

## CONSOLIDATED ACCOUNTS

	2015 Rs.Lakhs	2014 Rs.Lakhs
B. Transactions with Subsidiaries and Associate Companies:		
Associates:		
Sale of Goods	71.52	100.00
Rendering of Services	Nil	Nil
Receiving of Services	2174.58	1227.18
Interest on Advances	249.91	339.53
Guarantees Outstanding at the year end	18500.00	14576.00
Outstanding balance included in current asset	2290.34	3129.48
C. Transactions relating to persons mentioned in A (ii) above:		
Remuneration	854.66	779.81
Dividend paid during the year	0.00	9.28
Total	854.66	789.09
D. Transactions relating to persons mentioned in A (iii) above:		
Directors' Sitting Fee	0.60	0.80
Dividend paid during the year	0.00	1.57
Total	0.60	2.37
33.21 Details of Loans and Advances given to Subsidiaries, Associates and Others:		
A. Loans and Advances to Associates:		
(i) Rate of Interest:		
Coromandel Sugars Ltd.	9%	8%
India Cements Capital Ltd.	9%	8%
Coromandel Travels Ltd.	Nil	Nil
Unique Receivable Management Pvt. Ltd.	Nil	Nil
(ii) Closing Balance at the end of the year:		
Coromandel Sugars Ltd.	33.21	1036.04
India Cements Capital Ltd.	2257.13	2093.44
Total	2290.34	3129.48
(iii) Maximum Balance during the year:		
Coromandel Sugars Ltd.	3625.49	11356.54
India Cements Capital Ltd.	2257.13	2093.44
Total	5882.62	13449.98

Notes:-

- Loans to Employees as per Company's policy are not considered.
- Pursuant to the scheme of Amalgamation approved by the Honorable High Court of Judicature at Madras, the Company has issued equity shares to the Shareholders of Visaka Cement Industry Limited [Visaka]. As per the said Order 199.54 lakh shares of the Company have been allotted in aggregate, to the subsidiaries in exchange for their shares of Visaka and the same are held in a Trust on their behalf.

### 33.22 Employee Benefits:

The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Accounting Standard 15 issued by ICAI, are as under:

#### (a) Contribution to Pension Funds:

The company offers pension plans for managerial grade employees and Wholetime Directors. While some of the employees are eligible for Defined Benefit Plan of Pension, others are eligible for Defined Contribution Plan of Pension. The Defined Benefit Plans of Pension are managed by Life Insurance Corporation of India and the provision has been made on the basis of actuarial valuation.

The estimated aggregate value of Pension liability, discounted @9% p.a., under the Defined Benefit Plans as at 31<sup>st</sup> March 2015, are Rs.5,741.77 Lakhs (as at 31<sup>st</sup> March 2014, are Rs.6,096.71 Lakhs) as per the details given below:

#### Defined Benefit Scheme:

	2014-15 Rs.Lakhs	2013-14 Rs.Lakhs
Opening balance as per actuarial valuation	6096.71	5412.74
Less: Settlements during the year	1340.77	436.00
Sub-total	4755.94	4976.74
Add: Provision created during the year	985.83	1119.97
Closing Balance as on 31 <sup>st</sup> March	5741.77	6096.71
Assumptions:		
Discount rate	8.00%	9.00%
Salary escalation rate	2.00%	2.00%
Average age	49 yrs.	49 yrs.
Average accrued service	15 yrs.	15 yrs.
Annuity rates for pension computation	Rates applicable for 15 years certain and life thereafter, with return of corpus.	
Amount charged to Statement of Profit & Loss during the year	840.59	301.21

#### (b) Leave of absence and encashment:

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Accounting Standard 15. The total amount of provision available for the unavailed leave balances as at 31<sup>st</sup> March 2015 is Rs.6,280.06 Lakhs (as at 31<sup>st</sup> March 2014: Rs.6,341.39 Lakhs). Liability has been created based on actuarial valuation done during the year, with the Discount rate of 8%.

#### (c) Gratuity:

The employees are eligible for Gratuity benefits as per the Payment of Gratuity Act, 1972. The Gratuity Scheme is governed by a Trust created for this purpose by the Company. The amount of Contribution to be made is arrived at based on an actuarial valuation done at the Balance Sheet date, as given below and is accounted accordingly.

	2014-15 Rs. Lakhs	2013-14 Rs. Lakhs
Opening balance as per actuarial valuation	5213.51	4529.45
Add: Interest income during the year	95.85	145.45
Less: Settlements during the year	763.52	853.33
Sub-total	4545.84	3821.57



## CONSOLIDATED ACCOUNTS

	2014-15 Rs.Lakhs	2013-14 Rs.Lakhs
Add: Provisions created during the year	1384.13	1391.94
Closing Balance as on 31 <sup>st</sup> March	<u>5929.97</u>	<u>5213.51</u>
Assumptions:		
Discount rate	8.00% p.a.	9.00% p.a.
Salary escalation rate	2.00% p.a.	2.00% p.a.
Average age	53 years	53 years
Average accrued service	27 years	27 years

### 33.23 Note on Waste Heat Recovery Project:

The company during the year 2004-05 commissioned the Waste Heat Recovery project at Vishnupuram Plant as per the MOU signed by the Company with New Energy Development Organisation (NEDO), Japan, Ministry of Commerce and Industry, Government of India. As per the MOU, the necessary equipment has been provided to the Company free of cost by the Government of Japan through Government of India. The value of the equipment and concessional import duty thereon under EPCG scheme have been capitalised and treated as Deferred Income in the accounts. The depreciation on the value of the equipment is adjusted against the Deferred Income.

### 33.24 Accounting for investments in Associates (the description and proportion of ownership of which are given below) has been done in line with Accounting Standard 23, based on unaudited accounts of Associates of the current year.

Consolidation method adopted:

The Consolidated Financial Statements have been prepared combining the accounts of The India Cements Limited along with below mentioned subsidiaries on a line by line basis as required by AS- 21. The minority interest is shown separately.

Name of the Subsidiary Company	2015 % of Ownership	2014 % of Ownership
ICL Securities Ltd.	100.00	100.00
ICL Financial Services Ltd.	100.00	100.00
ICL International Ltd.	100.00	100.00
Industrial Chemicals & Monomers Ltd.	98.59	98.59
Trishul Concrete Products Ltd.	88.47	88.47
PT Coromandel Mineral Resources, Indonesia	100.00	100.00
Trinetra Cement Ltd. (Formerly Indo Zinc Ltd.)	61.22	61.22
Coromandel Minerals Pte Ltd., Singapore	100.00	100.00
Coromandel Electric Company Ltd.	68.57	65.71
India Cements Infrastructures Ltd.	100.00	100.00

Accounting for investments in Associates (the description and proportion of ownership of which are given below) has been done in line with Accounting Standard 23, based on unaudited accounts of Associates of the current year.

Name of the Associate Company	2015 % of Ownership Directly or Through Subsidiaries	2014 % of Ownership Directly or Through Subsidiaries
Raasi Cement Limited	28.94	28.95
Coromandel Sugars Ltd.	49.99	49.99
India Cements Capital Ltd.	47.91	47.91
Coromandel Travels Ltd.	49.50	49.50
Unique Receivable Management Pvt. Ltd.	49.20	49.20

### 33.25 The Primary Segment of the Company is Cement and Other Segments are below the required reportable levels as per the Accounting Standard 17

### 33.26 The Board of Directors has approved a Scheme of Amalgamation of Trinetra Cement Limited and Trishul Concrete Products Limited with the Company effective 1<sup>st</sup> January 2014. Petitions have been filed in the Honorable High Court of Judicature at Madras under Sections 391 to 394 of the Companies Act, 1956 for completing the procedural requirements for the said Scheme. The Shareholders of the respective Companies have since approved the Scheme of Amalgamation.

Pending sanction of the Scheme by the Court, the Financial Results do not include those of the Amalgamating Companies. Consequently no interest has been charged on the amounts outstanding from Trinetra Cement Limited in view of the said Scheme.

### 33.27 Consequent to suspension of operations of Industrial Chemicals and Monomers Limited, the company has been evaluating the options of either operation of the company or its sale. In the meanwhile, all the assets of the Company are carried at book value and not at reinstated value. The Management is of the view that these assets will realise the values stated therein.

### 33.28 The accounting policies adopted by the holding Company have been applied from the financial year 2001-2002. It is not practicable to apply the standards for the earlier years.

### 33.29 In accordance with the requirement of Part C of Schedule II to Companies Act, 2013, the carrying value of depreciable assets has been adjusted based on the useful life of asset resulting in adjustment of Rs. 233.34 Crores against the retained earnings. The depreciation charge for the current year is lower by Rs.10.28 Crores due to adoption of new rates of depreciation.

### 33.30 Previous year's figures have been regrouped wherever necessary.

As per our Report of 2<sup>nd</sup> November, 2015.

For P.S.SUBRAMANIA IYER & CO.,  
Chartered Accountants  
V. SWAMINATHAN  
Partner  
Membership No. 22276

For BRAHMAYYA & CO.,  
Chartered Accountants  
N.SRI KRISHNA  
Partner  
Membership No. 26575

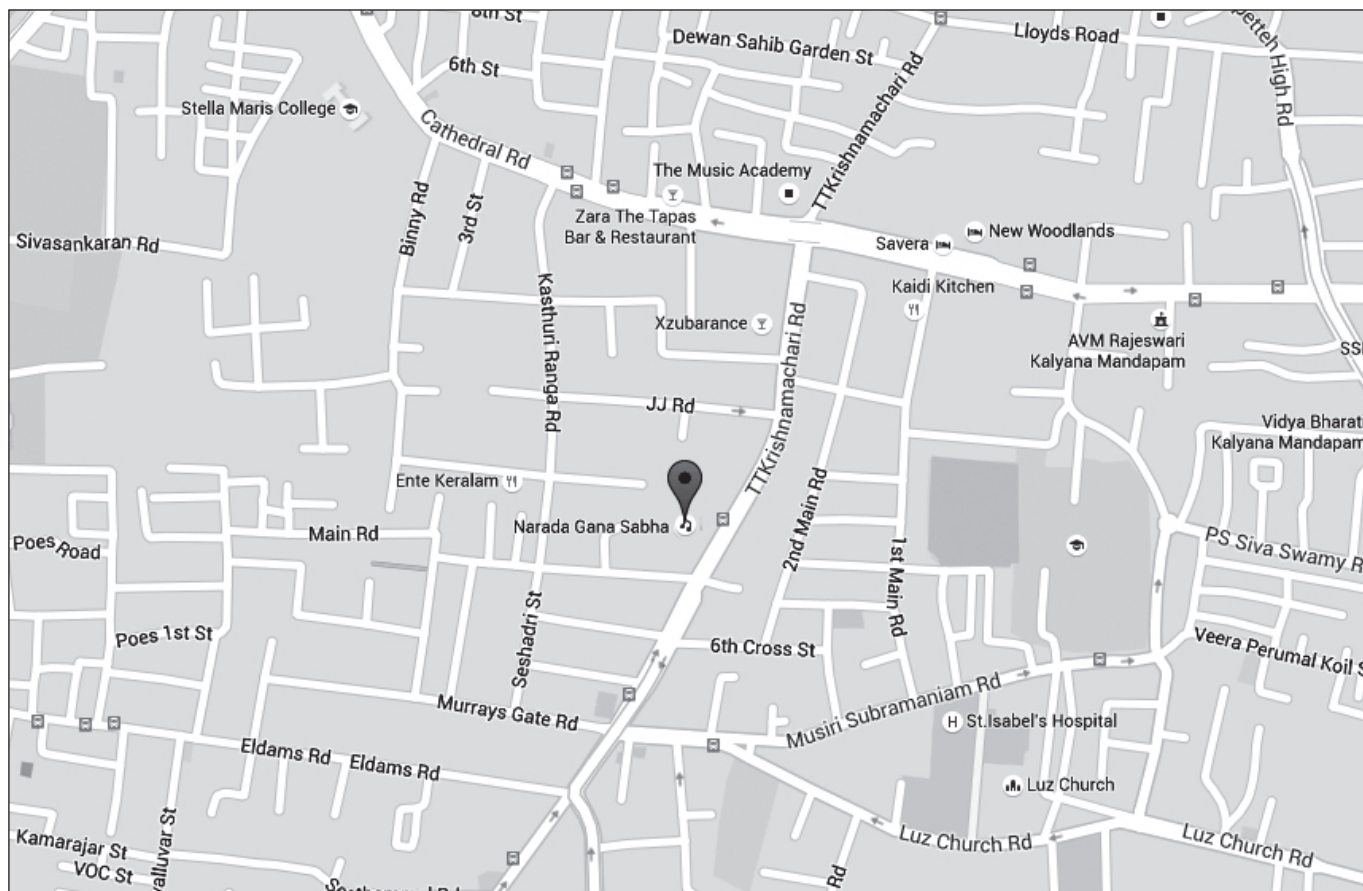
N.SRINIVASAN  
Vice Chairman & Managing Director  
R.SRINIVASAN  
President (Finance & Accounts)

RUPA GURUNATH  
Wholetime Director  
G.BALAKRISHNAN  
Senior President &  
Company Secretary

N.SRINIVASAN  
Director

Place : Chennai

Date : 2<sup>nd</sup> November, 2015.



Sixtyninth Annual General Meeting Venue:  
 'Sathguru Gnanananda Hall', (Narada Gana Sabha),  
 No.314, T.T.K.Road, Alwarpet, Chennai 600018.



## THE INDIA CEMENTS LIMITED

CIN : L26942TN1946PLC000931

Registered Office : "Dhun Building", 827, Anna Salai, Chennai - 600 002.

Corporate Office: 'Coromandel Towers', 93, Santhome High Road,  
Karpagam Avenue, R.A.Puram, Chennai - 600 028.

Website: www.indiacements.co.in E-Mail ID: investor@indiacements.co.in

Phone: 044-28521526 / 28572100 / 400 Fax: 044-28517198

### PROXY FORM

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No./DP ID & Client ID :

I/We, being the Member(s) of ..... shares of the above named company, hereby appoint

1. Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him
2. Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him
3. Name : ..... Address : .....  
E-mail Id : ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Sixty-ninth Annual General Meeting of the Company to be held on Monday, the 7<sup>th</sup> December, 2015 at 9.30 A.M at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K. Road, Alwarpet, Chennai 600 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	
<b>Ordinary Business</b>		
1	Adoption of Standalone Audited Accounts for the year ended 31.03.2015.	Ordinary Resolution
2	Adoption of Consolidated Audited Accounts for the year ended 31.03.2015.	Ordinary Resolution
3	Appointment of a director in the place of Smt.Chitra Srinivasan, who retires by rotation and being eligible, offers herself for reappointment.	Ordinary Resolution
4	Ratification of appointment of Auditors of the Company.	Ordinary Resolution
<b>Special Business</b>		
5	Appointment of Sri Basavaraju as a Director of the Company.	Ordinary Resolution
6	Appointment of Sri PL Subramanian as a Director of the Company.	Ordinary Resolution
7	Re-appointment of Smt. Rupa Gurunath as Whole-time Director of the Company.	Ordinary Resolution
8	Creation of Security.	Special Resolution
9	Ratification of remuneration to Cost Auditor of the Company.	Ordinary Resolution
10	Contribution to Bonafide Charitable Funds.	Ordinary Resolution

Signed: ..... day of ..... 2015.

Signature of Shareholder .....

Signature of Proxyholder(s) .....

Affix  
Re.1/-  
Revenue  
Stamp

Note: Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. before 9.30 A.M on Saturday, the 5<sup>th</sup> December 2015.





## TOWARDS CORPORATE SOCIAL RESPONSIBILITY



COMMUNITY HALL CONSTRUCTED FOR PEOPLE OF SEZHIANALLUR VILLAGE, SANKARNAGAR



FREE TAILORING CLASSES FOR RURAL WOMEN AT SANKARNAGAR



EYE CAMP AT SANKARI



FREE TAILORING CLASSES FOR LOW INCOME WOMEN AT CHILAMKUR



DISTRIBUTION OF STUDY MATERIALS TO SSC STUDENTS, ZILLA PARISHAD SCHOOL, YERRAGUNTLA



MEDICAL CAMP AT MALKAPUR



CAREER GUIDANCE FOR PANCHAYAT SCHOOL STUDENTS, VALLUR



TWO WHEELER REPAIR TRAINING FOR YOUTHS AT PARLI

# IT'S NOT JUST ABOUT STRONGER BUILDINGS. IT'S ABOUT BUILDING A STRONGER INDIA.

Strength is second nature to India Cements, South India's No. 1 cement company. With a capacity of nearly 16 Million Tonnes per annum, the company has played a vital role in the booming construction and infrastructure growth in the peninsula for over 60 years. Its commitment to building a stronger India can be seen in the rapid growth achieved with 8 cement plants and two grinding units located across Tamil Nadu, Andhra Pradesh, Telangana, Maharashtra and Rajasthan

South India's  
No.1  
cement  
company

India's  
6th largest  
cement  
company

8 cement plants  
& 2 grinding  
units across  
India

Annual Cement  
capacity of  
nearly  
16 million tonnes



The India Cements Limited

