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**PANYAM  
CEMENTS & MINERAL  
INDUSTRIES LIMITED**



*If undelivered please return to :*

**PANYAM CEMENTS &  
MINERAL INDUSTRIES LIMITED**

Registered Office :  
C-1, Industrial Estate  
Bommalasatram,  
Nandyal - 518 502  
Kurnool District, A.P.

**2014 - 15**

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**COROPRATE INFORMATION**

**BOARD OF DIRECTORS**

S. SREEDHAR REDDY  
*Managing Director*

V. SURESHKUMAR

V. ARVINDA RANI

V. RAMNATH

P. JAYARAMA REDDY

DR. R. K. PRASAD SUNKARA

**REGISTRAR & SHARE  
TRANSFER AGENTS**

XL Softech Systems Limited  
3, Sagar Society, Road No.2,  
Banjara Hills, Hyderabad - 500 034, TS.

Phone: 040-23545913/14/15  
Fax: 040-23553214  
Email: xffield@rediffmail.com

**CENTRAL ADMINISTRATIVE OFFICE :**

Plot No.188, Phase II,  
Kamalapur Colony,  
Hyderabad - 500 073. TS.  
Phone: 040-23555317  
Fax: 040-23555316  
E-mail: caohyd@panyamcements.com

Website: panyamcements.com  
**ISIN : INE167E01029**  
**CIN : L26940AP1955PLC000546**

**AUDITORS**

**Brahmayya & Co.**  
Chartered Accountants  
Adoni 518 301.

**BANKERS**

State Bank of India  
Main Branch  
Nandyal.

State Bank of Hyderabad  
Overseas Branch  
Somajiguda,  
Hyderabad.

Indian Overseas Bank  
Adarshnagar,  
Hyderabad.

**REGISTERED OFFICE**

C-1, Industrial Estate,  
Bommalasatram,  
Nandyal - 518 502  
Kurnool District, A.P.

Phone: 08514-222274  
Fax: 08514-243106  
E-mail: regoffice@panyamcements.com

**CEMENT WORKS:**

Cementnagar - 518 206.  
Kurnool District, A.P.

Phone: 08516-274638  
Fax: 08516-274644  
E-mail: pcmil@panyamcements.com



**PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED**

Registered Office::C-1 Industrial Estate, Nandyal, Kurnool District - 518 502. A.P.

**NOTICE**

Notice is hereby given that the Fifty Nineth Annual General Meeting of the Members of the Company will be held on Saturday, the 26<sup>th</sup> September, 2015 at 11.45 A.M., at the Registered Office of the company, C-1 Industrial Estate, Nandyal, Kurnool District, Andhra Pradesh to transact the following business:-

**Ordinary Business**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2015, and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Dr.R.K.Prasad Sunkara (DIN NO.02451497), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Smt. V. Aravinda Rani (DIN No. 01241976), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT M/s. Brahmayya & Co., Chartered Accountants, Adoni (Firm Registration No. 000514S), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

**Special Business:**

5. To consider and if thought fit to pass the following resolution with or without modifications as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 149, 152 and other applicable provisions, if any of the Companies Act, 2013(the Act) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the timebeing in force) read with Schedule IV to the Act, as amended from time to time, Mr.Jayarama Reddy Peddireddygar (DIN No.07053207), who has submitted a declaration that he meets the criteria for independence as provided in section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from October 30, 2014 up to October 29, 2019 and that he shall not be liable to retire by rotation.

**By Order of the Board of Directors**  
For Panyam Cements & Mineral Industries Ltd

**S. SREEDHAR REDDY**  
Managing Director

**Place: Nandyal**  
**Dt:- 12<sup>th</sup> August, 2015**

**Regd. Office**  
C-1, Industrial Estate, Nandyal - 518 502,  
Kurnool District, Andhra Pradesh  
CIN: L26940AP1955PLC000546



**Notes:-**

1. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item No. 5 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchange, of persons seeking appointment/ re-appointment as Directors under Item No. 2 to 3 and Item No. 5 of the Notice, are also annexed.
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. 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.
4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are provided.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, during business hours up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from Monday, September 21, 2015 to Saturday, September 26, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / XL Softech Systems Ltd.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / XL Softech Systems Ltd.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website [www.panyamcements.com](http://www.panyamcements.com) under the section 'Investor Relations'.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to XL Softech Systems Ltd, for consolidation into a single folio.
13. Non-Resident Indian Members are requested to inform XL Softech Systems Ltd, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
16. The Annual Report of your company for the financial year 2014-15 would also be made available in the Company's website" [www.panyamcements.com](http://www.panyamcements.com)
17. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with XL Softech Systems Ltd/Depositories.
18. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.



**The instructions for members for voting electronically are as under:-**

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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



- (i) After entering these details appropriately, click on "SUBMIT" tab.
  - (ii) Members holding shares in physical form will then reach directly the Company selection screen. However members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (iii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (iv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
  - (v) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (vii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (ix) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (x) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.



**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
  - (B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. Kindly note that the Shareholders can opt only one mode of voting, i.e. either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case the Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
  20. The voting period begins at 9.00 A.M. on 23<sup>rd</sup> September, 2015 and ends at 5.00 P.M. on 25<sup>th</sup> September, 2015. The e-voting module shall also be disabled by CSDL for voting thereafter.
  21. The Company has appointed Mr. GMV Dhanunjaya Rao, Company Secretary, Flat No. 2A, Cheruku Apartments, D.No. 3-6-653/1, Street No. 9, Himayath Nagar, Hyderabad - 500 029. Who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit his report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour of or against, if any, to the Chairman of the Company. Results will be uploaded on the company's website as well as intimated to the Stock Exchange(BSE).
  22. The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of the e-voting process and the results will be announced at the Registered Office of the Company situate at C-1, Industrial Estate, Nandyal - 518 502, Kurnool District, Andhra Pradesh on 26th September 2015.

**Information as required by clause 49 (VIA) of the Listing Agreement:**

As required by clause 49(VIA) of the Listing Agreement with the Stock Exchange, the information relating to the Directors proposed to be appointed/re-appointed is provided hereunder:

**Item No.2:**

Dr.R.K.Prasad Sunkara, aged about 69 years, is a Doctor by Profession.having practice at USA. He is having a total experience of about 37 years in medical field.. His guidance and services are immense for further growth of the company.

**Item No.3:**

Mrs. V. Aravinda Rani, aged about 34 years, is a graduate in Mechanical Engineering from the prestigious GPREC Kurnool. An academician by profession now, she is the key founder member of Nandi academy, an international standards based school that offers all-round development of students through project based learning, adopting varied curriculum like Exceed, Multiple intelligence techniques etc with CBSE and IGCSE affiliations.



Mrs. V. Aravinda Rani also participates in the day-to-day operational and financial decisions in the Nandi Group of Companies.

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:**

**Item No.5:**

Sri P.J.Reddy (DIN No.07053207) is a Mechanical Engineer with PG in Materials Management and having about 40 years of experience in Cement Industry in various capacities. He has worked with ACC, Andhra Cements, Deccan Cements and Panyam Cements as Vice-President during the period December, 2004 to June, 2010. He has good skills in Project execution, optimization of production and power. He has the credit of executing three projects in Deccan Cements and one in Panyam Cements.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

**By Order of the Board of Directors**  
For Panyam Cements & Mineral Industries Ltd

**Place: Nandyal**  
**Dt:- 12<sup>th</sup> August, 2015**

Regd. Office  
C-1, Industrial Estate  
Nandyal - 518 502, Kurnool District  
Andhra Pradesh  
CIN: L26940AP1955PLC000546

**S. SREEDHAR REDDY**  
Managing Director



**Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting:-**

Particulars	Dr. R.K. Prasad Sunkara	V. Aravinda Rani	Jayarama Reddy Pedireddygari
Date of Birth	16.11.1946	12-01-1979	07.01.1946
Date of Appointment	26.11.1994	13-08-2014	31.12.2014
Qualifications	MBBS	B. Tech	Engg., Graduate
Expertise in specific functional areas	By Profession Doctor	Academician by Profession	Cement Technocrat
Directorships held in other companies (excluding foreign companies)	NIL	Sujala Feeds Pvt Ltd Nandi Pipes Pvt Ltd. Sreekanth Trading Pvt Ltd Nandi Pipes Hyderabad Pvt Ltd Nandi Milk Products Pvt Ltd. S.P.Y.Agro Industries Ltd Nandi PVC Products Pvt Ltd Monarch Water Container Pvt.Ltd. Integrated Thermo Plastics Limited Sreekanth Pipes Private Limited (Part IX)	NIL
Memberships/ Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Number of shares held in the Company	<b>166135</b>	<b>1033081</b>	<b>NIL</b>



**DIRECTORS' REPORT :**

To  
The Members

Your Directors have pleasure in presenting the 59<sup>th</sup> Annual Report and Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2015:

**FINANCIAL RESULTS :**

	(Rs.in lakhs)	
	Year ended 31 <sup>st</sup> March 2015	Year ended 31 <sup>st</sup> March 2014
<b>Income:</b>		
Gross Sales of manufactured products ..	11265.10	6175.91
Less: Excise Duty and Sales Tax ..	2366.79	1410.83
Net Sales of manufactured products ..	8898.31	4765.08
Other Income ..	523.13	457.53
Total ..	9421.44	5222.61
Profit(+) / (Loss) (-) before Interest and Depreciation	256.39	(-) 1292.06
Less: Interest and Finance charges ..	1179.43	1293.22
Less: Depreciation ..	592.50	661.50
Net Profit (+) / (Loss) (-) before exceptional and Extra-Ordinary Items and Tax	(-) 1515.54	(-) 3246.78
Add:Exceptional Items on transfer of Wire Division Land property under Joint Development Agreement	-	2820.97
Extra - Ordinary Items	-	-
Net Profit(+) / (Loss) (-) / before Tax	(-) 1515.54	(-) 425.81
Provision for - Income Tax for the year (MAT)	-	0.00
Deferred Tax Liability	-	0.00
Net Profit / (Loss) after tax	(-) 1515.54	(-) 425.81
Loss Brought Forward from previous year	(-)1950.65	(-)1524.84
Depreciation on Fixed Assets whose useful life is over	(-)22.37	-
Loss carried to Balance Sheet	(-) 3488.56	(1950.65)

**OPERATIONS:**

The company has produced during the year 2014-15, 2,45,779 M.Tonnes of cement as against 1,40,298 M. Tonnes produced during the previous year. The performance of the Company has improved during the second half of the financial year. The major factor for improved performance was due to favourable market conditions and manufacture of slag cement.

The gross sales for the year under report was Rs. 11265.10 lakhs as against Rs.6175.91 lakhs in the previous year. The Net Loss after tax for the year was Rs.1515.54 lakhs as against net loss (before exceptional income of Rs. 3246.78 Lakhs and net loss of Rs. 425.81 lakhs in the previous year after exceptional income of Rs. 2820.97 Lakhs.

As stated in our last year Annual Report, the developer Greenage Griha Nirman Private Limited (formerly known as Bhimsankar Realtors Private Limited) has completed the first phase of construction of four blocks and the remaining six blocks in second phase will be completed before 31<sup>st</sup> December, 2015.

**MODERNISATION OF THE CEMENT UNIT:**

The modernization works for improving the efficiency and productivity to reduce the operational costs and cutting down of logistics has been shelved to stabilize the operations of the unit.

**DIVIDEND:**

Your Directors regret their inability to recommend any dividend on Equity Shares in view of the carry forward losses. Consequently the payment of dividend in respect of Redeemable "C" Cumulative Preference Shares held by the Financial Institutions also has been passed over.

**FIXED DEPOSITS:**

The Company has not accepted any Fixed Deposit during the year and there are no fixed deposits outstanding as on 31<sup>st</sup> March, 2015.

**INSURANCE:**

The assets of the Company are adequately insured.

**CURRENT YEAR PROSPECTS:**

The efforts taken by the management to improve the performance of the company has started yielding improved results.

We expect that the demand for cement during the current financial will also continue due to initiatives by the new Government such as housing for all, smart cities, Swachh Bharat campaign, infrastructure spending, concrete road initiatives and an increase in allocation of funds to states are likely to see a positive impact on the Cement Industry.

**INDUSTRIAL RELATIONS:**

Company's Industrial Relations continue to be harmonious and cordial.

**EMPLOYEES:**

Your Directors wish to place on record their sincere appreciation of the whole-hearted co operation extended and the valuable contribution made by the employees at all levels.

**AUDITORS:**

M/s. Brahmayya & Co., Chartered Accountants, Adoni, were appointed as Statutory Auditors of the Company for a term of 3 years upon the recommendation of the Audit Committee at its meeting held on 13<sup>th</sup> August, 2014 by the Board in its meeting held on 13<sup>th</sup> August, 2014, subject to the members ratification every year to comply with the Section 143 of the Companies Act, 2013. Accordingly, a resolution for ratification by the members will be placed at the ensuing Annual General Meeting and will be effective upto the next Annual General Meeting.

**AUDITOR'S REPORT:**

As regards non-provision of gratuity, superannuation and leave encashment liability on actuarial valuation, it is provided on retirement of employees on a consistent basis and the liability is not ascertained.

As regards non-remittance of undisputed statutory dues as mentioned in para vii(a) of Annexure to Auditors' Report and dues to banks as mentioned in para (ix) of the Annexure to the Report, the Company is clearing the statutory dues in a faced manner and dues to banks were paid after 31-03-2015.

**COST AUDIT:**

The Cost Audit is not applicable for the financial year 2014-15, as the Gross Turnover of the Company was below Rs.100.00 crores during the previous financial year pursuant to Section 148 of the Companies Act, 2013. In accordance with the Companies (Cost Audit Report) Rules, 2011, the Cost Audit Report in XBRL for the financial year ended 31<sup>st</sup> March, 2014 was filed vide SRN No.S37744216 with the Ministry of Corporate Affairs, New Delhi.

**DIRECTORS:**

In terms of the Articles of Association of the Company, Dr.R.K.Prasad Sunkara and Smt. V.Aravinda Rani will retire by rotation at the ensuing Annual General Meeting and being



eligible offer themselves for re-appointment. Sri A.V. Narasimha Reddy has resigned as a Director of the Company on 20<sup>th</sup> April, 2015. The Board placed on record its appreciation for his active participation and advice during the deliberations of Board and Audit Committee during his tenure of office.

Pursuant to provisions of 149, 152 and other applicable provisions, if any of the Companies Act, 2013 read with schedule IV to the Act, Sri Jayarama Reddy Pedireddygari (DIN NO.07053207) was appointed as an Independent Director of the Company to hold the said office for a period of five years with effect from 30<sup>th</sup> October, 2014 to 29<sup>th</sup> October, 2019.

**KMPS OTHER THAN DIRECTORS:**

In accordance with the provisions of the Companies Act, 2013 and Listing Agreement with the Stock Exchange, Sri S.Nageswara Reddy has been appointed as Chief Financial Officer of the Company w.e.f.30<sup>th</sup> March, 2015.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility statement, it is hereby confirmed:

- a) that in preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the statement of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2015 on a "going concern" basis.

**AUDIT COMMITTEE:**

The Audit Committee continues to function to comply with the provisions of Clause 49 of the Listing Agreement and other statutory provisions. The Audit Committee was reconstituted with the following members Sri P.Jayarama Reddy, Sri V.Ramnath and Sri A.V.Narasimha Reddy. Sri P.Jayarama Reddy is the Chairman of the Audit Committee. The Audit Committee met four times during last year and reviewed the Internal Audit Reports and quarterly results.

**CORPORATE GOVERNANCE:**

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, your company was in compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange relating to Corporate Governance.

A separate report on Corporate Governance is incorporated along with a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance and are given separately as a part of the Directors' Report. Further as a part of the report, "Management Discussion and Analysis" has also been furnished.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO:**

The information required under section 134(3)(1) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 with respect to these matters are set out in the Annexure I and forms part of the report.

**COMPLIANCE WITH LISTING AGREEMENT:**

**Clause 43A:**

The Equity/Preference Shares of the Company are listed on the Bombay Stock Exchange Limited and the annual listing fee was paid to the said Stock Exchange for the financial year 2015-16 on 3<sup>rd</sup> May, 2015.

Cash Flow statement is attached as Annexure II and forms part of this report.

**Statement concerning development and implementation of Risk Management Policy of the Company.**

A Special Team with Senior Executives has been



formed which has been entrusted with the responsibility to assist the Managing Director in (a) Over seeking and approving the Company's enterprise risk management frame work, and (b) Overseeking that all the risks that the operation faces such as strategic, financial, credit market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Management and business the Company.

The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal controls, Management and Assurance frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across country wide Risk Management, Internal Control and Internal Auditor methodologies and processes.

**Details of Policy developed and implemented by the Company on its Corporate Responsibility initiatives**

The Company has taken various Corporate Social Responsibility (CSR) activity around the factory site since its inception. The Company has taken appropriate steps to the possible extent to implement CSR activities for the development of areas surrounding the company in particular and other areas in general. A well documented CSR Policy has been drafted by a Team of Senior Executives of the Company and the same was approved by the Board in its meeting held on 30<sup>th</sup> March, 2015.

**Particulars of Contracts or Arrangements made with Related Parties:**

During the course of its business, the company is dealing with the Group Companies which are Related Parties pursuant to Section 188 of the Companies Act, 2013. According to Standard 18 and clause 49 of the Listing Agreement for Sale, Purchase, Lease Rental Transactions,

services availed / provided and monetary value of the transactions are mentioned in notes to Accounts Point No.25.9 to comply with Accounting Standards 18 and other applicable provisions of the Companies Act, 2013. All the Related party transactions were on arm-length.

**Extraction or comments on qualifications, reservations or adverse remarks or disclosures made by the Auditors and the Practicing Company Secretary in their Reports**

Statutory Auditors of the Company and the Practicing Company Secretary, who have conducted statutory audit and Secretarial Audit have not made any adverse comments on the activities of the Company for the financial year 2014-15.

**Company's Policy relating to Directors appointment, payment of Remuneration and discharge of their duties.**

The Nomination and Remuneration Committee has been constituted by the Board in its meeting held on 30<sup>th</sup> March, 2015 to ensure the appointment of persons having wide exposure in their fields, having independence as defined in the Act to be available for appointment as Director (The Committee always keeps a list of eminent persons having independence available for the Company's requirement depending upon vacancy on the Board). As regards remuneration payable to Wholetime Directors including Chairman and Managing Director, the Board will take collective decision within the parameter of various statutes including Companies Act, 2013 and Listing Agreement. The Committee will follow the Company's policy to discharge its duties whenever necessity arises. It will not be out of place to mention that the set policy being followed since inception of the Company to ensure transparency.

**Internal Financial Controls:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

**Secretarial Auditor:**

The Board has appointed M/s.G.M.V.D.R. and Associates, Practicing Company Secretaries to conduct the Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2015 is annexed herewith The Secretarial Auditor Report does not





contain any qualification, reservation or adverse remark.

**Annual Return in Form MGT-9 format:**

The details of Annual Return in MGT-9 format is enclosed

**Subsidiaries, Joint Ventures and Associate Companies:**

The Company is not having any Subsidiaries, Joint Ventures and Associated Company.

**Declaration of Independent Directors:**

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Evaluation:**

The Board evaluated the effectiveness of its functioning and that of the Committees and individual Directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long term strategic planning and the fulfillment of Directors' obligation and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee Meetings.

The Chairman of the Board has one-on-one meetings with the independent directors and the Chairman of the Nomination and Remuneration Committee had one-on-one meetings with the Executive and Non-Executive Directors. These meetings were intended to obtain Directors' inputs on effectiveness of Board/Committee processes.

The Board considered and discussed the inputs received from the Directors.

Further, the independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and Non-Executive Directors.

**Disclosure as per the Sexual Harassment of Women at workplace(Prevention, Prohibition and Redressal) Act, 2013.**

The Company has zero tolerance towards sexual harassment at the work place and has adopted a policy on prevention, prohibition and redressal

of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has no such cases of sexual harassment at workplace.

**Vigil Mechanism:**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics and Compliance Task Force comprising Senior Executives of the Company, Protected disclosures can be made by a whistle blower through an e mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the company's website at the link <http://www.panyamcements.com>.

**ACKNOWLEDGEMENTS:**

Your Directors are happy to acknowledge the financial assistance given to the Company by the Banks. Your Directors also express their thanks to the various Central and State Government Departments and the shareholders for their support and help extended during the year.

**By Order of the Board of Directors**  
For Panyam Cements & Mineral Industries Ltd

**S. SREEDHAR REDDY**  
Managing Director

**Place: Nandyal**  
**Dt:- 12<sup>th</sup> August, 2015**



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

**ANNEXURE I**

**A. Conservation of Energy:**

(a) Energy conservation measures taken:

High Efficiency fans are being installed to save energy.

To increase the Mills efficiency AIA liners are being installed in all the seven mills.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

High Efficiency separators are being installed for better output and energy saving.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production:

Savings on energy thereby reducing the cost of production.

(d) Total energy consumption per unit of production:

Particulars given in Form "A" annexed.

**B) Technology Absorption:**

Particulars given in Form "B" annexed.

**C) Foreign Exchange Earnings and Outgo:**

a) Activities relating to exports, initiatives taken to increase the export, development of new export market for products and services and export plans:

No exports were made during the year under review.

b) Total foreign exchange used: Nil

Total Foreign Exchange earned: Nil



<b>FORM 'A'</b>			
<b>FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY</b>			
Particulars	Unit	<b>CEMENT DIVISION</b>	
		31-03-2015	31-03-2014
<b>A. Power and Fuel Consumption:</b>			
<b>1. Electricity:</b>			
a) Purchased			
Units	000 KWH	33137.63	20044
Total Amount	Rs. Lakhs	2297.91	2011.58
Average Rate	Rs./KWH	6.93	10.04
b) Own Generation			
Units	000 KWH	-	-
Units per Litre of Diesel	KWH	-	-
Cost per unit	Rupees	-	-
<b>2. Cost (Mineral Coal C - E / Imported Grade)</b>			
Quantity	Tonnes	59926	27428
Total Cost	Rs.Lakhs	2330.61	4130.56
Average Rate	Rs.per MT	3889.15	4332.89
<b>3. Furnace Oil</b>			
Quantity	Kilo.Lts	-	-
Total Cost	Rs.lakhs	-	-
Average Rate	Rupees	-	-
<b>B Consumption per unit of Production:</b>			
Electricity	KWH/tonnes of cement	135	140
Coal	Kgs/tonnes of cement	244	200
<b>FORM "B"</b>			
<b>A. RESEARCH AND DEVELOPMENT (R &amp; D)</b>		<b>3. Future course of action:</b>	
1. Specific area in which R & D is carried out by the Company:		The Company has a system of continuously evaluating various production processes for up-gradation	
The company has not carried out R & D in any specific area.		<b>4. Expenditure on R and D:</b>	
2. Benefits derived as a result of the above efforts		No separate amount is incurred in respect of Research and Development.	
- Not applicable -		<b>B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:</b>	
		- Not applicable -	



<b>ANNEXURE - II</b>			
Amount in Rupees			
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED - 31.03.2015</b>			
		LESS	ADD
		NET	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	<b>NET PROFIT / (LOSS) BEFORE TAX</b>		<b>-151553621</b>
	ADJUSTMENT FOR :		
	Depreciation		59250381
	Dividend Received	8300	
	Interest received/paid	51178778	113488279
	Profit / Loss on sale of Assets / Investments	98589	7762867
	Property under development	0	
	Operating Profit before Working Capital Changes	51285667	180501527
	<b>ADJUSTMENT FOR :</b>		<b>-22337762</b>
	Trade and other receivables		5948353
	Inventories	53936427	
	Trade payables/Working Capital		323752581
	Working Capital Changes(Use)	53936427	329700934
	Cash generated from Operations		275764507
	Less: Interest paid	113488279	1753428
	Direct Taxes paid	-	
		113488279	1753428
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>141691893</b>
	Extra Ordinary Expenses / Income		0
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase/Sale of Assets	25349642	2128609
	Purchase/Sale of investments in property under development		2500000
	Interest received		49425350
	Dividend received		8300
		25349642	54062259
	<b>NET CASH FLOW USED IN INVESTING ACTIVITIES</b>		<b>170404510</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Share Capital		
	Repayment of/ Proceeds from Loans & Advances Secured/Unsecured borrowings (Net)	49584279	
		116649813	
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	166234092	0
	Net Increase/Decrease in cash and cash equivalents		4170418
	<b>Cash and Cash equivalents as on 01.04.2014</b>		<b>23819373</b>
	<b>Cash and Cash equivalents as on 31.03.2015</b>		<b>27989791</b>
As Per our Report of even date attached		For and on behalf of the Board	
<b>For Brahmayya &amp; Co.,</b>		M/s. Panyam Cements & Mineral Industries Limited	
Chartered Accountants			
Firm's Regn. No :000514S			
<b>B. DAIVADHEENAM REDDY</b>	<b>V. SURESHKUMAR</b>	<b>S. SREEDHAR REDDY</b>	
Partner	Director	Managing Director	
M.NO:026450			
Place: Nandyal			
Date: 30.05.2015			
	<b>S. NAGESWARA REDDY</b>	Chief Financial Officer	



## SECRETARIAL AUDIT REPORT

To,  
The Members,  
**Panyam Cements and Mineral Industries Limited**  
Nandyal, Kurnool District.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Panyam Cements and Mineral Industries Limited** (hereinafter referred as "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. 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. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2015, 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 Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment only. The Company has not made any Overseas Direct Investment and not availed 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable as the Company has not delisted its equity shares from any Stock exchange during the Audit Period**); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable as the Company has not bought back any of its securities during the Audit Period**);
- (vi) Other laws applicable to the Company as per the representation made by the Management. (Refer Annexure -1)

We have also examined compliance with the applicable clauses of the Listing Agreement related to Debt Instruments entered into by the Company with BSE Limited.

We have **not examined** compliance by the Company with:

- a) the Secretarial Standards issued by the Institute of Company Secretaries of India (**Not notified hence not applicable to the Company during the audit period**).



- b) applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review and as per the explanations and clarifications given to us and their presentations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except the following:

- a) As required under Section.203(1)(ii) of the Companies Act, 2013, the company doesn't have a Company Secretary;
- b) The Company has accepted unsecured loans, from entities in which the promoters are interested, not in accordance with the provisions of the Act;

We further report that:

- a) 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.
- b) 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that 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.

For **GMVDR & Associates**  
Company Secretaries

(**G.Mohan**)  
Proprietor

ACS # 16886 C.P # 5250

Place: Hyderabad  
Date: 12.08.2015

### ANNEXURE - 1

#### List of applicable laws to our company:

- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees Provident Fund And Misc. Provisions Act, 1952
- Employers State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Environment (Protection) Act, 1986
- Electricity Act 2003
- Indian Stamp Act, 1999
- Income Tax Act 1961
- Central Excise Act
- Customs Act
- Negotiable Instrument Act 1881
- Payment of Gratuity Act, 1972
- The Apprentices Act 1961
- Service tax
- VAT Act
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
- Mines Act
- Industries (Development and Regulation) Act, 1951
- Environment Protection Act, 1986
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013



**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:**

CIN	L26940AP1955PLC000546
Registration Date	23.06.1955
Name of the Company	Panyam Cements & Mineral Industries Ltd
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered office and contact details	C1, Industrial Estate, Bommalasatram, Nandyal - 518502, (A.P) Tele : 08514-222274 Email: regoffice@panyamcements.com
Whether listed company Yes / No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s X L Softech Systems Ltd 3, Sagar Society, Road No - 2 Banjara Hills, Hyderabad - 500 034, (TS) Tele: 040-23545913/14/15, Fax: 040-23553214 Email: xlfield@rediffmail.com

**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:-

S.No.	Name and Description of main Products/service	NIC Code of the Product / Service	% to total turnover of the company
1.	Ordinary Portland Cement, Portland Pozzolana Cement and Portland Slag Cement	23941	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

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

S.No.	Name and Address of the Company	CIN / GIN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1.					
No Subsidiary and Associate Companies					



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

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Changes during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No. of Shares	% Change during the year
<b>A. Promoters</b>										
<b>(1) Indian</b>										
g) Individual / HUF										
h) Central Govt										
i) State Govt (s)										
j) Bodies Corp.										
k) Banks/FI										
l) Any Other...										
<b>Sub-total (A) (1):-</b>	<b>8304248</b>	<b>500</b>	<b>8304748</b>	<b>51.85</b>	<b>8330795</b>	<b>500</b>	<b>8331295</b>	<b>52.01</b>	<b>26547</b>	<b>0.16</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>8304248</b>	<b>500</b>	<b>8304748</b>	<b>51.85</b>	<b>8330795</b>	<b>500</b>	<b>8331295</b>	<b>52.01</b>	<b>26547</b>	<b>0.16</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>										
<b>B. Public Shareholding</b>										
1. Institutions										
a) Mutual Funds	57860	1400	59260	0.37	57860	1400	59260	0.37	0	0
b) Banks/FI	50	0	50	0.00	50	0	50	0.00	0	0
c) Central Govt										
d) State Govt(s)										
e) Venture Capital Funds										
f) Insurance Companies										
g) FIs										
h) Foreign Venture Capital Funds										
i) Others (specify)										
<b>Sub-total (B)(1):-</b>	<b>2946267</b>	<b>1400</b>	<b>2947667</b>	<b>18.40</b>	<b>2946267</b>	<b>1400</b>	<b>2947667</b>	<b>18.40</b>	<b>0</b>	<b>0</b>
2. Non-Institutions										
i) Others (specify)										
<b>Sub-total (B)(1):-</b>										
2. Non-Institutions										
a) Bodies Corp.	121780	81830	203610	1.27	121562	81830	203392	1.27	218	0
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	637710	614760	1252470	7.82	648827	604540	1253367	7.82	897	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2986286	230850	3217136	20.08	2956162	230850	3187012	19.90	30124	0.19
c) Others (specify)	91596	310	91906	0.57	92443	310	92753	0.58	847	0
Bodies (Clearingmem)	602	0	602	0.00	2653	0	2653	0.02	2051	0.01
<b>Sub-total (B)(2):-</b>	<b>38379974</b>	<b>927750</b>	<b>4765724</b>	<b>29.75</b>	<b>3821647</b>	<b>917530</b>	<b>4739177</b>	<b>29.59</b>	<b>26547</b>	<b>0.16</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>6784241</b>	<b>929150</b>	<b>7713391</b>	<b>48.15</b>	<b>6767914</b>	<b>918930</b>	<b>7686844</b>	<b>47.99</b>	<b>26547</b>	<b>0.16</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>15088489</b>	<b>929650</b>	<b>16018139</b>	<b>100</b>	<b>15098709</b>	<b>919430</b>	<b>16018139</b>	<b>100</b>	<b>0</b>	<b>0</b>



**ii) Share Holding of Promoters**

Sl. No.	Shareholder's Name	Shareholders' at the Beginning of the year			Shareholders' at the End of the year			
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged Encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged Encumbered to total Shares	% change in share holding during the year
1	S.P.Y. Reddy	1681404	10.50	100	1681404	10.50	100	0
2	S. Sreedhar Reddy	1717876	10.72	99.90	1744423	10.89	98.38	0.16
3	V. Suresh Kumar	1843752	11.51	100	1843752	11.51	100	0
4	S. Sujala	1106274	6.91	100	1106274	6.91	100	0
5	V. Aravinda Rani	1033081	6.45	100	1033081	6.45	100	0
6	S.Parvathi	921861	5.76	100	921861	5.76	100	
7	Francis Reddy	500	0.00	0	500	0.00	0	
	<b>TOTAL</b>	<b>8304748</b>	<b>51.85</b>	<b>99.97</b>	<b>8331295</b>	<b>52.01</b>	<b>99.65</b>	

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

Sl. No.	Shareholder's Name	Shareholder's at the Beginning of the year		Cummulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	S.Sreedhar Reddy	1717876	10.72	1744423	10.89

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

Sl. No.	Shareholder's Name	Shareholder's at the Beginning of the year		Cummulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Cophthal Mauritius Investment Ltd	1380700	8.62	1380700	8.62
2	Deutsche Securities Mauritius Ltd	920784	5.75	920784	5.75
3	Eight Capital India (M) Ltd	686751	4.29	686751	4.29
4	CLSA (Mauritius) Ltd	680822	4.25	680822	4.25
5	Duetsche Securities Mauritius Ltd	600000	3.75	600000	3.75
6	Velamati Ramnath	568550	3.55	568550	3.55
7	Kali Prasad Sunkara	437400	2.73	437400	2.73
8	Ramakrishna Prasad Sunkara	166135	1.04	166135	1.04
9	Saieswari V	94350	0.59	94350	0.59
10	L Rama Devi	73300	0.46	73300	0.46



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

Sl. No.	For each of the Directors and KMP	Shareholder's at the Beginning of the year		Datewise Increase/ Decrease in Share holding during the year	Reason	Cummulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company			No. of Shares	% of Total Shares of the Company
1	S.Sreedhar Reddy	1717876	10.72	26547	Purchase	1744423	10.89
2	V.Suresh Kumar	1843752	11.51		No Change	1843752	11.51
3	V.Aravinda Rani	1033081	6.45		No Change	1033081	6.45
4	V.Ramnath	568550	3.55		No Change	568550	3.55
5	Dr. R.K Prasad Sunkara	166135	1.04		No Change	166135	1.04
	At the end of the Year	5329394	33.27	26547		5355941	33.44

**(v) INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2823.27	4075.43	0	6898.70
ii) Interest due but not paid	91.16	0	0	91.16
iii) Interest accrued but not due	796.70	0	0	796.70
<b>Total (i+ii+iii)</b>	<b>3711.13</b>	<b>4075.43</b>	<b>0</b>	<b>7786.56</b>
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	767.42	1032.12	0	1799.54
<b>Net Change</b>	<b>767.42</b>	<b>1032.12</b>	<b>0</b>	<b>1799.54</b>
Indebtedness at the end of the financial year				
i) Principal Amount	2055.85	3043.31	0	5099.16
ii) Interest due but not paid	23.46	0	0	23.46
iii) Interest accrued but not due	759.30	0	0	759.30
<b>Total (i+ii+iii)</b>	<b>2838.61</b>	<b>3043.31</b>	<b>0</b>	<b>5881.92</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. No.	Particulars of Remuneration	Name of MD	Total Amount
		S.Sreedhar Reddy	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17 Income-tax Act, 1961 (c) Profits in lieu of salary under section 17 (Income- tax Act, 1961	Rs. 18,00,000	Rs. 18,00,000
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission : - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify		
	Total (A)	Rs. 18,00,000	Rs. 18,00,000
	Ceiling as per the Act		

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount
3.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify		
	Total (1)		
4.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify		
	Total (2)		
	Total (B) = (1 + 2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		



**C. Remuneration to Key Managerial Personnel Other than MD/Manager/Wtd**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		S. Nageswara Reddy CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 10,80,000	Rs. 10,80,000
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	<b>Total</b>	<b>Rs. 10,80,000</b>	<b>Rs. 10,80,000</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					



**CORPORATE GOVERNANCE REPORT :**

**1. Company's Philosophy on Code of Governance:**

The Company believes in adopting and adhering to the best corporate practice and continuously evaluate it against each of such practices. The company understands and respects its fiduciary role and responsibility to all stakeholders and strives hard to meet their expectations. We believe that the corporate governance is an important tool for shareholders protection and maximizing their long-term values. Panyam Cements & Mineral Industries Limited functions keeping in tune with this philosophy.

The fundamental objective of company's Corporate Governance is to adopt a methodology, which enhances effectiveness, better utilization of resources, transparency and harmonious relations between various interest groups. The company has been regular in sending its quarterly compliance report on Corporate Governance to Stock Exchange.

**Board of Directors:**

The Companies Act, 1956 and/or Companies Act, 2013, to the extent applicable, and the Listing Agreement with Stock Exchange govern the composition of the Board of Directors of the Company.

**The Board comprises of Managing Director and five other Directors. Amongst them, Managing Director is only the Executive Director and all others are Non-Executive Directors.**

The Board functions either as a full Board or through Committees. The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with the Board, while the Committees oversee the share transfers and audit functions.

The Board has constituted four committees viz. the Audit Committee, Share Transfer Committee, Shareholders'/Investors' Grievance Committee and Remuneration Committee.

During the year 2014-15, the company convened eight Board Meetings on 15<sup>th</sup> April, 2014; 14<sup>th</sup> May, 2014; 30<sup>th</sup> May, 2014; 13<sup>th</sup> August, 2014; 11<sup>th</sup> November, 2014; 31<sup>st</sup> December, 2014; 13<sup>th</sup> February, 2015 and 30<sup>th</sup> March, 2015.

Sl. No.	Name of the Director	Catagory of Directorship	No. of Board Meetings Attended	Attendance at last AGM held on 27-09-2014	No. of other Directorships	No. of Membership Chairmanship in Board / Committees (Including our Company)
1.	Sri S.Sreedhar Reddy	Promoter - Managing Director	8	Yes	13	1
2	Sri V. Suresh Kumar	Promoter-Director	8	Yes	5	-
3.	Sri V. Ramnath	Independent Non-Executive Director	4	No	4	-
4	Dr.R.K. Prasad Sunkara	NRI-Non-Executive	-	No	-	-
5.	Smt. V. Aravinda Rani	Director	5	Yes	10	-
6.	Sri P.J. Reddy	Independent Director	3	No	-	-
7.	*Sri A.V. Narasimha Reddy Resigned with effect from 20th April 2015	Director	1	-	-	-



**3) Audit Committee:**

The Audit Committee met four times during the year i.e. 30<sup>th</sup> May; 2014 13<sup>th</sup> August, 2014; 11<sup>th</sup> November, 2014 and 13<sup>th</sup> February, 2015.

The role and terms of reference of Audit Committee cover the areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors from time to time.

The company continued to derive immense benefit from the deliberations of the Audit Committee comprising of Sri P.J.Reddy, Sri V.Ramnath and A.V.Narasimha Reddy, who are independent and Non-Executive Directors. The minutes of each Audit Committee are placed before and discussed by the Board of Directors of the Company

The attendance at the Audit Committee Meetings is given below:

Sl. No.	Name of the Member	No. of Meetings Held	No. of Meetings Attended
1.	Sri A.Sathya Bhushana Rao*	4	1
2.	Sri A.V.Narasimha Reddy	4	3
3.	P.J. Reddy	4	1
4.	Sri V. Ramnath	4	2

- A.Sathya Bhushana Rao has resigned as a Director of the Company with effect from 30<sup>th</sup> May, 2014.

**4) Remuneration Committee and Policy:**

The Remuneration Committee Meeting was held on 13<sup>th</sup> August, 2014 to consider the reappointment of Sri S.Sreedhar Reddy, as a Managing Director of the Company and revised his remuneration.

The role of the Committee is to determine the remuneration payable to the whole-time directors taking into account their qualification, experience, expertise, contribution and the prevailing levels of remuneration in companies of corresponding size and stature and recommending the same to the Board for its approval

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

**i) Executive Directors:**

The Managing Director has drawn an amount of Rs.18.00 lakhs towards salary for the year ended 31<sup>st</sup> March, 2015.

**ii) Non-Executive Directors:**

No remuneration other than sitting fee is paid to Non-Executive Directors.



**5) a) Share Transfer Committee:**

During the year 2014-15, the Committee met 13 times. All shares received for transfer were registered in favour of the transferees and dispatched within a month's time, if the documents received were in order.

During the year 2014-2015, there were no requests pending for transfer.

The attendance at the Share Transfer Committee Meetings is given below:

Sl. No.	Name of the Member	No. of Meetings Held	No. of Meetings Attended
1	Sri S. Sreedhar Reddy	13	13
2.	Sri A.V. Narsimha Reddy	13	10
3	Sri P.J.Reddy	13	5
4.	Smt.V.Aravinda Rani	13	1

**B. Shareholders/Investors' Grievance Committee:**

The Shareholders/Investors' Grievance Committee consists of Smt.V.Aravinda Rani, Sri P.J.Reddy and Sri V.Ramnath

The Committee could not meet during the financial year 2014-15, since there were no complaints/grievances from the shareholders.

**6) Annual General Meetings:**

The last three Annual General Meetings were held as under:

Year	Location	Date	Time
2012	Registered Office C-1, Industrial Estate, Nandyal, Kurnool Dist., A.P.	22.09.2012	11.30 A.M.
2013	Registered Office C-1, Industrial Estate, Nandyal, Kurnool Dist., A.P.	21.09.2013	11.45 A.M.
2014	Registered Office C-1, Industrial Estate, Nandyal, Kurnool Dist., A.P.	27.09.2013	11.45 A.M.



**Special Resolutions :**

During the year, there were no Extra-Ordinary General Meetings were held.

In respect of the resolutions passed in the above three respective Annual General Meetings, wherever applicable, the necessary Form No. MGT14 were filed with the Registrar of Companies.

**7) Disclosures :**

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in Clause 49 of the Listing Agreement with the Stock Exchanges

There were no instances of non-compliance on any matter relating to the capital market, during the last three years.

**8) Means of Communication:**

The Quarterly results are normally published in "Business Standard" in English and "Andhra Prabha" regional news paper published in the vernacular language. The results are promptly furnished to the stock exchange for display on its web site.

Both "Management Discussion and Analysis" and "Shareholders Information" forms part of the Annual Report.

**9) General Information for Shareholders :**

- i) Date, Time and Venue of the Annual General Meeting : 26<sup>th</sup> September, 2015 at 11.45 A.M.  
Registered Office of the Company situated at Nandyal, Kurnool District, A.P.
- ii) Financial calendar - 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016  
Financial Reporting Un-audited  
  
For the quarter ending June 30, 2015 : Second week of August 2015  
For the quarter ending Sept.30, 2015 : Second week of November 2015  
For the quarter ending December 31, 2015 : Second week of February 2016  
For the quarter ending March 31 2016 (audited) : Last week of May 2016  
Annual General Meeting for the year ending 31<sup>st</sup> March, 2015 : 26<sup>th</sup> September, 2015 at 11.45 A.M.
- iii) Date of Book Closure : From 21.09.2015 to 26.09.2015 (both days inclusive)
- iv) Dividend payment date : N.A.
- v) Listing on Stock Exchanges : The Company's shares are listed on: Bombay Stock Exchange Limited Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.

**Listing fee was paid to the said Stock Exchange.**





vi) Market Price Data :

Month	Stock Exchange Mumbai (BSE) Rs.	
	High (Rs.)	Low (Rs.)
April 2014	35.30	26.75
May 2014	35.40	26.60
June 2014	43.80	31.75
July 2014	43.05	37.05
August 2014	39.45	36.05
September 2014	40.00	31.60
October 2014	39.90	30.85
November 2014	44.80	30.50
December 2014	39.00	25.65
January 2015	41.70	21.20
February 2015	45.25	36.50
March 2015	44.80	36.50

vii) Registrar and Share Transfer Agents

M/s. XL Softech Systems Limited  
3, Sagar Society Road No. 2,  
Banjara Hills Hyderabad - 500 034.  
Tel : 040-23545913; 914 & 915  
Fax : 040-23553214  
Email : xlfield@rediffmail.com  
Website : www.xlsoftech.com

7) a) Distribution of shareholding as on 31st March 2015 :

Nominal Value of Shares	No. of Shares Holders	Percentage of Share Holders	Shares Amount in Rs.	Percentage of Share Holders %
Upto - 5000	6691	93.92	6530160	4.08
5001 - 10000	197	2.77	1555550	0.97
10001 - 20000	108	1.52	1603660	1.00
20001 - 30000	35	0.49	897760	0.56
30001 - 40000	15	0.21	535430	0.33
40001 - 50000	14	0.20	652480	0.41
50001 - 100000	20	0.28	1407930	0.88
100001 & above	44	0.62	146998420	91.77
<b>TOTAL</b>	<b>7124</b>	<b>100.00</b>	<b>160181390</b>	<b>100.00</b>



b) Pattern of shareholding as on 31<sup>st</sup> March 2015

Category	No. of Shares	% of shareholding
<b>A Promoter's holding:</b>		
1 Promoters: Indian Promoters	6586872	41.12
Foreign Promoters	-	-
2 Persons acting in concert	1744423	10.89
Sub Total	<b>8331295</b>	<b>52.01</b>
<b>B Non-Promoters holding</b>		
3 Institutional Investors:		
A Mutual Funds and UTI	1200	-
B Banks, Financial Institutions, Insurance companies(Central/ State Government Institutions/ Non-Govt.Institutions)	58110	0.37
C FII's	4269057	26.65
<b>Sub-Total</b>	<b>4328367</b>	<b>27.02</b>
4 Others		
A Private Corporate Bodies	203392	1.27
B Indian Public	3059679	19.10
C NRIs/OCBs	92753	0.58
D Any other (Please specify)	2653	0.02
<b>Sub Total</b>	<b>3358477</b>	<b>20.97</b>
<b>Grand Total</b>	<b>16018139</b>	<b>100.00</b>
Note: Total foreign shareholdings:	<b>4360963</b>	<b>27.23</b>

**11 Dematerialization of Shares and Liquidity:**

As on 31<sup>st</sup> March, 2015, 94.26% Equity Shares have been dematerialized.

The Company's shares are available for Demat with **National Securities Depository Limited and Central Depository Services (India) Limited**. As per directives issued by SEBI, it is compulsory to trade in the Company's Equity Shares in the dematerialized form with effect from September, 2001. The ISIN number allotted for trading in the Company's Equity Shares in Demat form is **INE167E01029** at both the Depositories.

During the year 2014-15, the company had received requests for de-materialization 10320 shares. The Company has acted upon all valid requests received for dematerialization during 2014-15.

As on 31<sup>st</sup> March, 2015, no requests were pending for demat confirmation.



**12) Plant Locations:**

**Registered Office** : C-1 Industrial Estate, Bommalasatram Nandyal  
Kurnool District, A.P. - 518 502  
Telephone No.: 08514-222274  
Fax No.: 08514-243350  
Website: panyamcements.com  
Email: regoffice @panyamcements.com

**Cement Works** : Cement Nagar 518 206, Kurnool District, A.P.  
Tel: 08516-274638, Fax: 08516-274644

**Central Administrative Office:** Plot No.188, Phase-II,  
Kamalapuri Colony, Hyderabad 500 073.  
Telephone No.: 040-23555317  
Fax No.: 040-23555316

**MANAGEMENT DISCUSSION AND ANALYSIS:**

**1. Industry structure and development:**

In the earlier years the Cement Division was incurring losses due to its inability to operate continuously at optimum levels on account of inadequate working capital and high cost of production which is mainly due to high power consumption and coal when compared to industry norms of similar capacity. Now the management has taken various steps to optimize the production levels and taken necessary measures to reduce the cost of production. The efforts of the management is yielding results.

**2. Opportunity and threats:**

Our cement plant being strategically located with high quality limestone mines very near to the plant can cater to the neighbouring States of Tamilnadu, Karnataka, Goa and Kerala where the realizations are better. The Company has also made arrangements to augment its working capital by getting approval of working capital from bank and is looking to reach optimum operational levels. Further, the company has enhanced its capacity by modernization of Kiln No.1 whereby the existing capacity of the kiln was enhanced from 550 M.Tonnes per day to 1800 M.Tonnes per day.

**3. Outlook:**

The initiatives by the new Government such as housing for all, smart cities, Swachh Bharat campaign, infrastructure spending, concrete road initiatives and an increase in allocation of funds to States are likely to see a positive impact on the Cement Industry.

Infrastructure development is the need of the nation; this along with rising housing provision will accelerate construction activity. Recovery of the global scenario could also provide impetus to economic growth and cement. The State has seen new players and also the existing players expanding capacities due to huge availability of limestone, which is the primary material for cement.

**4. Risks and concerns**

The drying up of Government contracts through irrigation, infrastructure and housing programmes was major reason for hitting the Industry. We presume that the bifurcation of erstwhile Andhra Pradesh will impetus the growth of cement consumption during the year.

Concerns of the Indian Cement Industry are high cost of power and coal, high freight costs, inadequate infrastructure, non-availability of wagons and poor quality of coal and heavy taxes/royalty levies.

**SEGMENT-WISE PERFORMANCE TOGETHER WITH DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

Segment-wise (only one segment) performance together with discussion on financial performance with respect to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.



**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorised use of disposition.

The internal control systems of the company comprises of statutory audit, cost audit and internal audit. The work of all the audits have been assigned to reputed, external, independent and qualified people.

The Audit Committee comprising of independent directors will reviews all quarterly, half yearly and annual financial statements.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

The industrial relations at all the plant and offices continue to be cordial during the year under review. The total number of employees at the end of the financial year 2014-15 on the rolls of the Company is 456 at Cement Division and Central Administrative Office.

**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 policies and regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations. The company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speaks only as of their dates.

**CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS OF THE COMPANY:**

We, S. Sreedhar Reddy, Managing Director and S.Nageswara Reddy, Chief Financial Officer of M/s. Panyam Cements & Mineral Industries Limited do hereby certify that:-

- a) We have reviewed the financial statements and the Cash Flow Statement for the financial year ended March 31, 2015 and that to the best of our knowledge and belief:
  - i) These statements do not contain any material 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.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the period, which are fraudulent, illegal and violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee that:
  - a) There have been no significant changes in internal control over financial reporting during the year;
  - b) There have been no significant changes in accounting policies during the year; and
  - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**S. SREEDHAR REDDY**  
Managing Director

**S. NAGESWARA REDDY**  
Chief Financial Officer

Place: Nandyal  
Dt. 12<sup>th</sup> August, 2015



**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE :**

To  
The Members of

**M/s. Panyam Cements & Mineral Industries Limited**

We have examined the compliance of conditions of Corporate Governance by M/s.Panyam Cements & Mineral Industries Limited for the year ended 31<sup>st</sup> March, 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 procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievance remaining unattended/pending for more than 30 days.

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.

Place: Nandyal  
Date 12<sup>th</sup> August, 2015

**For Brahmayya & Co.,**  
Chartered Accountants  
Firm's Registration No.000514S

**B.DAIVADHEENAM REDDY**  
Partner  
M.No.026450



**INDEPENDENT AUDITORS' REPORT :**

To  
The Members of  
M/s. Panyam Cements & Mineral Industries Limited

**(1) Report on the Stand alone Financial Statements**

We have audited the accompanying financial statements of **M/s. Panyam Cements & Mineral Industries Limited, Nandyal** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 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.

**(2) Management's Responsibility for the Stand alone Financial Statements**

The management and Board of Directors of the company are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these stand alone 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 Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**(3) Auditors' Responsibility**

Our responsibility is to express an opinion on these stand alone 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give 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 management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

**(4) Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid stand alone 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015

- b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**(5) Report on Other Legal and Regulatory Requirements**

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 Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we further 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid stand alone financial statements comply with the applicable Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2015 and 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) in our opinion and to the best of our information and according to the explanations given to us, we report as under 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;
  - (i) The company does not have any pending litigations which would impact its financial position.
  - (ii) The company did not have any long term contracts including derivative contracts; as such there were no material foreseeable losses thereon.
  - (iii) During the year under report, there are no amounts that require to transfer to the Investor Education and Protection Fund; therefore delay in transferring such sums does not arise.

**For Brahmayya & Co.,**  
Chartered Accountants  
Firm's Registration No.000514S

**B. DAIVADHEENAM REDDY**  
Partner  
M.No.026450

Place: Nandyal (Camp)  
Dt. 30<sup>th</sup> May, 2015



**ANNEXURE TO AUDITOR'S REPORT**

**Re: M/s. Panyam Cements & Mineral Industries Limited.**

Referred to in paragraph 5 of our report of even date;

- (i) In respect of 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 company has a regular programme of physical verification of its fixed assets and have been physically verified by the management in a phased manner during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
- (ii) In respect of inventory;
  - a. The physical verification of inventory has been conducted by the management at reasonable intervals during the year. 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 of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification and the small discrepancies, if any, have been properly dealt with in the books of account.
- (iii) The Company has granted loans to companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
  - a) In our opinion and according to the information and explanations given to us and as represented by the company, in respect of loans granted by the company, the interest and the principal amounts are receivable on demand and therefore the question of irregularity in receipt of principal and the interest amounts does not arise.
  - b) In our opinion and according to the information and explanations given to us and as represented by the company, these are receivable on demand and therefore the question of over due amount does not arise.
- (iv) In our opinion and according to the information and explanations given to us, 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, we have not observed any major weakness in the internal control system.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public specified under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.



- (vi) In our opinion and according to the information and explanations given to us, the Central Government has prescribed for the maintenance of Cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of the products manufactured by the company and prime facie, the prescribed cost records have been made and maintained by the company pursuant to the rules made there under.
- (vii) In respect of statutory dues;
  - a. According to the information and explanations given to us and based on the records of the company examined by us, **the Company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Value Added Tax, Duty of Customs, Duty of Excise, Cess and other statutory dues applicable to it.**

According to the information and explanations given to us, **the following undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable and the due dates for payment of sales tax dues for July and August, 2012 considered as per the installments granted by the Department.**



**Statement of arrears of statutory dues outstanding as at 31.03.2015 for more than six months:**

Sl. No.	Name of the Statute	Nature of the Dues	Amount Rs. Lakhs	Period to which the amount relates
1	CST Act, 1956	Central Sales Tax	7.22 24.92 0.07	2009-10 2010-11 2013-14
2	A.P.VAT Act, 2005	Value Added Tax and Interest	581.23	July 2012 to August 2013
3	T.N.G.S.T Act	Tamilnadu Sales Tax	51.88	March 1999 to Feb 2000
4	Goa G.S.T Act, 1956	Goa Sales Tax	13.87	Feb.1999 to Feb 2000
5	A.P.G.S.T.Act, 1956 (Consignment Agents in Different States)	Consignment Sales Tax	16.82	1998-99 to 2003-04
6	CST Act, 1956	Central Sales Tax	11.51	2008-09
7	A.P. Profession Tax Act,1987	Profession Tax Collections	1.13	October 2000 to August 2005
8	Income Tax Act, 1961	I.T.D.S from Interest	14.30	2004-05 to, 2005-06 & 2013-14
9	Income Tax Act, 1961	I.T.D.S from Professionals	1.08	2004-05 & April 2013 to August, 2014
10	Income Tax Act, 1961	I.T.D.S from Contractors	1.97	2000-01 & 2001-02
11	Income Tax Act, 1961	I.T.D.S from Contractors	6.20	2004-05 & Apr 2013 to August 2014
12	Income Tax Act, 1961	T.C.S. on Royalty	20.87	July 2010 to August 2014
13	Income Tax Act, 1961	Income Tax	11.22 152.47 306.26	2008-09 2011-12 2012-13
14	E.P.F Act, 1952	P.F. Recoveries and Contributions	90.00	April 2005 to March 2014
		P.F. Recoveries and Contributions	27.45	April 2014 to August 2014
		P.F. Penal Damages	230.70	Up to 2005
15	The Central Excise Act,1944	Excise Duty & Cess	26.88	July & August 2012
16	The Finance Act,1994	Service Tax & Cess	2.90	April 2012 to August 2013
17	A.P.Panchayat Raj Tax Act,1994	Property Tax	4.62	2004-05
18	Mines and Minerals Act,1957	Royalty on Limestone	777.44	2005-06 to Aug - 2014
19	Mines and Minerals Act,1957	Cess on Royalty	41.86	2006-07 to Aug - 2014
20	NALA Act, 1963	Non Agriculture Land Tax	0.58	1999-2000



**(b) According to the information and explanations given to us, the following are the statutory dues which have not been deposited on account of dispute:**

Sl. No.	Name of the Statute	Nature of the Dues	Amount Rs. Lakhs (Net of Payments)	Period to Which the amount relates	Forum where dispute is pending
1	TNGST Act, 1956	Tamilnadu Sales Tax	5.56	1994-95	Remanded to Assessing Officer by the Appellate Tribunal
2	The Central Excise Act, 1944	CENVAT credits availed on D.G.Sets disallowed by the Dept.	232.36	Feb.97 to June 1999	Commissioner (Appeals)
3	.do.	CENVAT credit availed on refractory bricks	4.37	1994-95	A.P. High Court
4	.do.	CENVAT credit availed on service tax paid on outward freight	24.52	Dec. 06 to Aug. 07	Commissioner, Tirupati
5	.do.	CENVAT credit availed on service tax paid on outward freight	28.54	Sep. 07 to Feb. 08	Commissioner, Tirupati
6	.do.	CENVAT credit availed on service tax paid on outward freight	12.88	Apr. 2009 to Oct. 2009	Commissioner, Tirupati.
7	.do.	<b>Differential Duty</b> for Supplies made to Direct parties	40.63	Mar. 2007 to Feb. 2008	Appeal in CESTAT, Bengaluru
8	The Central Excise Act,1944	Duty on captive consumption	1.46	2007-08	Appeal in CESTAT, Bengaluru
9	.do.	Duty on captive consumption	0.87	2008-09	Appeal in CESTAT, Bengaluru
10	.do.	Differential Duty on D.G.Set	42.37	2007-08	Appeal in CESTAT, Bengaluru
11	.do.	Differential Duty on D.G.Set	10.24	2004-05	A.P.High Court
12	.do.	Cenvat on Capital Goods (TMT Bars)	42.11	2008-09 & 2009-10	Appeal in CESTAT Bengaluru
13	.do.	<b>Differential Duty</b> on high seas imported coal	34.32	August 2012	Addl. Commissioner, Guntur
14	do.	CENVAT on Service Tax on outward GTA	35.18	Nov. 2009 to Dec. 2010	Addl. Commissioner, Tirupati
15	.do.	<b>Differential Duty</b> for Supplies made to Direct Parties	383.80	Apr. 2008 to Oct. 2011	Appeal in CESTAT Bengaluru
16	.do.	<b>Differential Duty</b> for Supplies made to Direct Parties	246.81	Nov. 2011 to Dec. 2013	Commissioner, Tirupati
17	Income Tax Act, 1961	Capital Gains Tax on Land Development Agreements	3309.50	2005-06	CIT Appeals, Hyderabad
18	Income Tax Act, 1961	MAT on Book Profit of Sick Company	878.68	2007-08	CIT Appeals, Hyderabad
19	AP VAT Act, 2005	Penalty for delay in Payment of Tax before Due dates	58.27 55.78 10.80 19.69	2011-12 2012-13 June 2013 2004-15	Request for waiver before the Govt. of A.P.
20	Mines & Mineral Act,1957	Penal Interest on Royalty dues	1249.75	May. 2006 to Mar. 2015	Revision application for waiver before the Dept / Ministry of Mines
21	The Electricity Act, 2003	Fuel Surcharge Adjustment (FSA) Charges	30.08	2008-09	Supreme Court of India
			23.48	Apr. 2009 to Jun 2009	High Court of A.P. Hyderabad



- c. According to the information and explanations given to us, during the year under report, there are no amounts which require to transfer to the Investor Education and Protection Fund.
- (viii) In our opinion, the accumulated losses of the company have exceeded fifty percent of its net worth as at 31<sup>st</sup> March, 2015. The company has incurred cash loss of Rs.923.03 lakhs during the financial year covered by our audit and not incurred cash loss in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks except **delays in payment of interest and term loan installments to banks and an amount of Rs.222.81 lakhs outstanding towards interest and installments of term loans at the year end on 31.03.2015**
- (x) In our opinion and according to the information and explanations given to us, the company has given guarantees for loans taken by Cheran Cement Limited from financial institution (SIPCOT) and by M/s S.P.Y. Agro Industries Limited from State Bank of India, State Bank of Hyderabad; Bank of India, Syndicate Bank, Indian Overseas Bank, Central Bank of India and Canara Bank and the terms and conditions of the guarantees given are not prima facie, prejudicial to the interest of the company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans received during the year were applied for the purpose for which the loans were obtained,
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

**For Brahmayya & Co.,**  
Chartered Accountants  
Firm's Registration No.000514S

Place: Nandyal (Camp)  
Date 30<sup>th</sup> May, 2015

**B.DAIVADHEENAM REDDY**  
Partner  
M.No.026450



BALANCE SHEET AS AT 31 <sup>st</sup> MARCH, 2015		Amount in Rupees				
Sl. No.	Particulars	Note No.	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	(a) Share Capital	1	162141085.00		162141085.00	
	(b) Reserves and Surplus	2	-17562892.26		136227767.85	
	(c) Money received against share warrants		-		-	
				144578192.74		298368852.85
	<b>(2) Share application money pending allotment</b>					
	<b>(3) Non-current liabilities</b>					
	(a) Long-term borrowings	3	507287785.10		593444538.74	
	(b) Deferred tax liabilities (Net)	4	41393576.00		41393576.00	
	(c) Other Long term liabilities	5	71098722.71		99091781.98	
	(d) Long-term provisions		-		-	
				619780083.81		733929896.72
	<b>(4) Current liabilities</b>					
	(a) Short-term borrowings	6	307576637.76		307013202.76	
	(b) Trade payables	7	167241501.63		95585299.14	
	(c) Other current liabilities	8	914790902.84		643257958.79	
	(d) Short-term provisions	9	30000000.00		50000000.00	
				1419609042.23		1095856460.69
	<b>TOTAL</b>			<b>2183967318.78</b>		<b>2128155210.26</b>
<b>II</b>	<b>ASSETS</b>					
	<b>(1) Non-current Assets:</b>					
	(a) Fixed Assets	10				
	(i) Tangible Assets		728199747.57		712563698.82	
	(ii) Intangible Assets		0.00		0.00	
	(iii) Capital work-in-progress		250431554.27	978631301.84	311998267.54	1024561966.36
	(iv) Intangible assets under development		-		-	
	(b) Non-current investments	11		3816200.00		3816200.00
	(c) Deferred tax assets(net)			-		-
	(d) Long-term loans and advances	12		436937440.75		387353162.02
	(e) Other non-current assets			-		-
	<b>(2) Current Assets:</b>					
	(a) Current investments in land property		9423740.00		9423740.00	
	(b) Inventories	13	228206758.79		174270331.40	
	(c) Trade receivables	14	137202582.05		106871802.65	
	(d) Cash and Cash equivalents	15	27989793.51		23819373.32	
	(e) Short term loans and advances	16	361016072.84		397913787.51	
	(f) Other current assets	17	743429.00	764582376.19	124847.00	712423881.88
	<b>TOTAL</b>			<b>2183967318.78</b>		<b>2128155210.26</b>
	Significant Accounting policies and Notes to Accounts	25				

Notes "1" to "17" and Note No. 25 Annexed form an Integral part of Balance Sheet

As Per our Report of even date attached

**For Brahmayya & Co.,**  
Chartered Accountants  
F.R NO:000514S

**B. DAIVADHEENAM REDDY**  
Partner  
M.NO:026450

Place: Nandyal  
Date: 30.05.2015

For and on behalf of the Board  
M/s. Panyam Cements & Mineral Industries Limited

**V. SURESHKUMAR**  
Director

**S. SREEDHAR REDDY**  
Managing Director

**S. NAGESHWARA REDDY**  
Chief Financial Officer



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 <sup>st</sup> MARCH, 2015						Amount in Rupees	
Sl. No.	Particulars	Note No.		For the Year Ended 31.03.2015		For the Year Ended 31.03.2014	
I	Revenue from Operations	18		889831092.62		476508005.00	
II	Other Income	19		52313289.33		45753223.85	
III	<b>Total Revenue (I+II)</b>			<b>942144381.95</b>		<b>522261228.85</b>	
IV	<b>Expenses:</b>						
a)	Cost of materials consumed	20		195191205.83		64176838.69	
b)	Purchases of Stock-in-Trade			-		-	
c)	Changes in inventories of finished goods work-in-progress and stock in Trade	21		-18481965.00		24282439.00	
d)	Employee benefits expenses	22		78190009.55		82041760.44	
e)	Finance costs	23		117943068.76		129321855.63	
f)	Depreciation and amortization expense	10		59250380.66		66149941.50	
g)	Other expenses	24		661605303.26		480966518.22	
	<b>Total Expenses</b>			<b>1093698003.06</b>		<b>846939353.48</b>	
V	Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			-151553621.11		-324678124.63	
VI	Exceptional items			0.00		282096985.00	
VII	Profit/(Loss) before extraordinary items and tax (V-VI)			-151553621.11		-42581139.63	
VIII	Extraordinary Items			-		-	
IX	Profit/(Loss) before tax (VII-VIII)			-151553621.11		-42581139.63	
X	Tax expense:						
	(1) Current tax			-		-	
	(2) Deferred tax			-		-	
XI	Profit/(Loss) for the period from continuing operations (IX-X)			-151553621.11		-42581139.63	
XII	Profit/(loss) from discontinuing operations			-		-	
XIII	Tax expense of discontinuing operations			-		-	
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			-		-	
XV	<b>Profit/(Loss) for the period (XI+XIV)</b>			<b>-151553621.11</b>		<b>-42581139.63</b>	
XVI	Earnings per equity share: face value Rs.10/- each						
	(1) Basic (Loss)			-9.48		-2.67	
	(2) Diluted (Loss)			-9.48		-2.67	
	Significant Accounting Policies and Notes to Accounts	25					
Notes "18" to "24" and Note No:25 Annexed form an integral part of Statement of Profit and Loss							
As Per our Report of even date attached <b>For Brahmayya &amp; Co.,</b> Chartered Accountants F.R NO:000514S <b>B. DAIVADHEENAM REDDY</b> Partner M.NO:026450 Place: Nandyal Date: 30.05.2015				For and on behalf of the Board M/s. Panyam Cements & Mineral Industries Limited <b>V. SURESHKUMAR</b> Director <b>S. SREEDHAR REDDY</b> Managing Director <b>S. NAGESWARA REDDY</b> Chief Financial Officer			



NOTES TO BALANCE SHEET						Amount in Rupees			
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014				
<b>NOTE No. 1 - SHARE CAPITAL</b>									
<b>EQUITY SHARE CAPITAL</b>									
1.1	<b>AUTHORISED:</b>								
a)	1,85,00,000 Equity shares of Rs.10/- each	185000000.00		185000000.00					
	<b>ISSUED:</b>								
b)	1,39,32,770 Equity Shares of Rs.10/-each 20,90,909 Equity Shares of Rs.10/- each at a premium of Rs.45/- each	139327700.00 20909090.00		139327700.00 20909090.00					
<b>SUBSCRIBED AND FULLY PAID</b>									
c)	1,60,18,139 Equity Shares of Rs.10/-each		160181390.00		160181390.00				
<b>SUBSCRIBED BUT NOT FULLY PAID</b>									
d)	5540 Equity shares of Rs.10/- each								
<b>CALLS UNPAID</b>									
e)	<b>FOREFITED SHARES</b>								
f)	Amount received on forfeiture of 5540 equity shares originally issued		29795.00		29795.00				
<b>TOTAL</b>									
			160211185.00		160211185.00				
<b>PREFERENCE SHARE CAPITAL</b>									
1.2	<b>AUTHORISED:</b>								
a)	5500 - 15% Redeemable 'A' Cumulative Preference Shares of Rs.100/- each	550000.00		550000.00					
	23500 - 15% Redeemable 'B' Cumulative Preference Shares of Rs.100/-each	2350000.00		2350000.00					
	21000 - 14% Redeemable 'C' Cumulative Preference Shares of Rs.100/-each	2100000.00		2100000.00					
	250000 - Preference Shares of Rs.100/-each	250000000.00		250000000.00					
		300000000.00		300000000.00					
	<b>ISSUED:</b>								
b)	20942- 14% Redeemable 'C' Cumulative Preference Shares of Rs.100/-each	2094200.00		2094200.00					
<b>SUBSCRIBED AND FULLY PAID</b>									
c)	19299 - 14% Redeemable 'C' Cumulative Preference Shares of Rs.100/-each		1929900.00		1929900.00				
<b>TOTAL</b>									
			1929900.00		1929900.00				
d)	SUBSCRIBED BUT NOT FULLY PAID								
<b>TOTAL SHARE CAPITAL (1.1+1.2)</b>									
			162141085.00		162141085.00				



NOTES TO BALANCE SHEET					
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
<b>RECONCILIATION OF NUMBER OF SHARES OUTSTANDING</b>					
<b>1.3 EQUITY SHARES</b>			<b>No. of Shares</b>		<b>No. of Shares</b>
a)	At the beginning of the year		16018139		16018139
	Add: Issued during the year				
	Less: Bought back during the year				
	At the end of the year		16018139		16018139
<b>PREFERENCE SHARES</b>					
b)	At the beginning of the year		19299		19299
	Add: Issued during the year				
	Less: Redeemed during the year				
	At the end of the year		19299		19299
<b>1.4 LIST OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES</b>					
a)	<b>EQUITY SHARES</b>	%	<b>No. of Shares</b>	%	<b>No. of Shares</b>
	S.P.Y. Reddy	10.00	1681404	10.00	1681404
	S. Sreedhar Reddy	11.00	1744423	11.00	1717876
	V. Suresh	12.00	1843752	12.00	1843752
	S. Parvathi	6.00	921861	6.00	921861
	S. Sujala	7.00	1106274	7.00	1106274
	V. Aravinda Rani	6.00	1033081	6.00	1033081
	Copthal Mauritius Investment Limited	9.00	1380700	9.00	1380700
b)	<b>PREFERENCE SHARES</b>				
	Life Insurance Corporation of India	72.00	13891	72.00	13891
	Oriental Fire & General Insurance Co.Ltd.	28.00	5390	28.00	5390
1.5	The Company has no Subsidiaries/Associates and has no Holding Company				
1.6	Equity Shares issued, subscribed and fully paid up includes 9,17,740 equity shares of Rs.10/- each which were allotted as fully paid up for consideration other than cash pursuant to the Scheme of Amalgamation of the erstwhile Deccan Wires Limited with the Company during the year 1980-81				
1.7	Equity Shares issued, subscribed and fully paid up includes 20,90,909 equity shares of Rs.10/- each at a premium of Rs.45/- each which were allotted on preferential allotment to promoters group on 01.03.2007				
1.8	C' Cumulative Preference Shares have fallen due for redemption on 25.07.1999 and the Company has requested the institutional shareholders for extension of repayment period				



NOTES TO BALANCE SHEET					
Amount in Rupees					
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
<b>NOTE NO - 2 RESERVES AND SURPLUS</b>					
(a)	Capital Reserve-opening balance		229717814.50		229717814.50
(b)	Capital Redemption Reserve-opening balance		7419300.00		7419300.00
(c)	Securities Premium Reserve-opening balance		94155905.00		94155905.00
(d)	Debentures Redemption Reserve-opening balance		0.00		0.00
(e)	Revaluation Reserve		0.00		0.00
(f)	Share Options Outstanding Account		0.00		0.00
<b>Other Reserves</b>					
(g)	General Reserve-opening balance		0.00		0.00
(h)	Surplus-Balance in Statement of Profit and Loss-Opening balance	-195065251.65		-152484112.02	
	Add/(Less): Profit/(Loss) for the Year from Statement of Profit and Loss	-151553621.11		-42581139.63	
	Add/(Less): Balance value of fixed Assets useful life is over as per Companies Act 2013	-2237039.00		0.00	
		-348855911.76		-195065251.65	
	<b>TOTAL</b>		<b>-348855911.76</b>		<b>-195065251.65</b>
			<b>-17562892.26</b>		<b>136227767.85</b>
<b>NOTE NO - 3 LONG TERM BORROWINGS : SECURED:</b>					
3.1	<b>Term Loans from Banks</b>				
i)	<b>Indian Overseas Bank</b>				
	Term Loan II.Rs.10.50 Crores repayable in 28 Quarterly installments of Rs.37.50 lakhs from Dec,2010.	26219341.00		37469341.00	
	Term Loan III.Rs.1.50 Crores repayable in 24 Quarterly installments of Rs.6.25 lakhs from Dec,2012	6875000.00		8750000.00	
ii)	<b>State Bank of Hyderabad</b>				
	Term Loan I Rs.21.70 crores repayable in 22 quarterly installments of Rs.98.50 lakhs from Dec'2010	0.00		39525493.75	
	Term Loan II Rs.5.40 crores repayable in 24 quarterly installments of Rs.54.64 lakhs from October 2012	16265367.00		0.00	
iii)	<b>State Bank of India</b>				
	Term Loan Rs.10.00 Crores repayable in 20 quarterly instalments of Rs.37.50 lakhs from April 2014 and 4 instalments of Rs 62.50 lakhs from April 2019.	70000000.00		83176529.00	
<b>CORPORATE LOANS</b>					
i)	<b>State Bank of India-Nandyal</b> -Rs.6.50 Crores repayable in 7 Quarterly instalments of Rs.26.00 lakhs from Sept 2015 to March 2017, 4 Installments of Rs 31.20 lakhs from June 2017 to March 2018, 4 installments of Rs.52.00 lakhs from June 2018 to March 2019 and 2 installments of Rs. 67.60 lakhs from June 2019 to Sept 2019	57197056.00		0.00	
ii)	<b>State Bank of Hyderabad</b> - Rs. 3.00 Crores repayable in 7 Quarterly instalments of Rs.12.00 lakhs from Sept 2015 to March 2017, 4 Installments of Rs 14.50 lakhs from June 2017 to March 2018, 4 installments of Rs.24.00 lakhs from June 2018 to March 2019 and 2 installments of Rs. 31.00 lakhs from June 2019 to Sept 2019	26400000.00		0.00	
	<b>TOTAL</b>		<b>202956764.00</b>		<b>168921363.75</b>





NOTES TO BALANCE SHEET		Amount in Rupees			
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
3.2	<b>Hire Purchase Finance</b> For purchase of Equipment and Vehicles under hypothecation	0.00			3273636.41
			202956764.00		17219500016
3.4	<b>UNSECURED: Deferred Payment liabilities</b> Royalty payable as on 31.03.2005 of Rs.368 lakhs deferred for payment for 8 years in monthly installments from 24.05.2008 as per Order dated 24.05.2006	0.00		5862663.00	
3.5	Loans and advances from related parties From promoters group contribution to approved Project Scheme.	304331021.10		407543004.58	
3.6	<b>Loans and Advances from Others</b>	-		7843871.00	
			304331021.10		421249538.58
	<b>TOTAL</b>		<b>507287785.10</b>		<b>593444538.74</b>
3.7	There were no long term Debentures, Deposits and Finance Lease obligations.				
3.8	The following are overdue installments of term loans and interest dues as on 31.03.2015 and 31.03.2014 which are included under Other Current Liabilities  Term loans from Banks -Installments of Rs.1,42,25,000/- (Previous Year Rs.2,03,13,600/-) and Interest for the month of March Rs.80,56,426.81 (previous year Rs.85,51,476/-)  Hire Purchase Finance - Installments of Rs.48,59,757.81 (Previous Year Rs.44,07,675/-) and Interest dues of Rs.1,60,199.19 (Previous year Rs.5,65,280/-)				
3.9	<b>SECURITY:</b>				
a)	<b>Term Loans and Corporate Loans from Banks:</b> Secured by first pari pasu charge on all the fixed assets and second charge on all Current Assets of the Company and also personal guarantee of Sri.S.P.Y. Reddy, Sri.S.Sreedhar Reddy, Managing Director and Sri. V.Ramanath, Director and Eknath Ganesh, and V.Venkata Rao, Share holders)				
b)	<b>Hire Purchase Finance:</b> Secured by hypothecation of equipment and vehicles purchased and personal guarantee of two Directors of Company				



NOTES TO BALANCE SHEET		Amount in Rupees			
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
	<b>NOTE NO: 4 DEFERRED TAX LIABILITY (NET)</b>				
a)	Deferred tax liability as on 31.03.2015/31.03.2014 in respect of timing difference arising on account of difference between straight line and written down Value methods and rates of depreciation		75273406.00		75273406.00
b)	Less: Deferred tax asset as on 31.03.2015/31.03.2014 in respect of expenses allowable U/s 43B of IT Act, 1961		38146672.00		38146672.00
c)	Net Deferred Tax Liability as on 31.03.2015/31.03.2014		37126734.00		37126734.00
d)	Opening Deferred Tax Liability as on 01.04.2014/01.04.2013		41393576.00		41393576.00
	Net Deferred Tax (Asset) / Liability for the year		41393576.00		41393576.00
	Note: Deferred Tax Asset for the year was not considered as asset on consideration of prudence				
	<b>NOTE NO: 5 OTHER LONG TERM LIABILITIES</b>				
5.1	Advances against Joint Development of Property in Bangalore (Residential Flats construction work under progress)		31399688.00		28899688.00
5.2	Trade Deposits from Dealers (payable after 12 months from reporting date)		20657358.37		24711358.37
5.3	Caution Deposits from contractors (payable after 12 months from reporting date)		1146722.36		1146722.36
5.4	Advances against staff quarters (pending for final settlement)		7814573.69		8066714.69
5.5	Other liabilities (pending disputes for settlement and legal cases)		10080380.29		36267298.56
	<b>TOTAL</b>		<b>71098722.71</b>		<b>99091781.98</b>



NOTES TO BALANCE SHEET		Amount in Rupees			
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
	<b>NOTE NO: 6 SHORT TERM BORROWINGS SECURED Other loans and advances</b>				
6.1	<b>From Banks</b>				
a)	Working capital Demand Loans		-		-
b)	Cash Credits		307576637.76		307013202.76
	<b>TOTAL</b>		<b>307576637.76</b>		<b>307013202.76</b>
6.2	There were no loans repayable on demand and short term deposits/loans and advances from related parties				
6.3	There was no default as on 31.03.2015 and 31.03.2014 in repayment of loans and interest payments on working capital cash credit loans.				
6.4	<b>SECURITY Cash Credits working capital loans from banks:</b> Secured by hypothecation of inventory of raw materials, finished goods, stocks in-process and book debts and first pari pasu charge on the current assets and second charge on fixed assets of the company and also by the personal guarantee of the above Directors and shareholders given for Term Loans.				
	<b>NOTE NO: 7 TRADE PAYABLES UNSECURED CREDITORS</b>				
7.1	For Capital goods		-		-
7.2	For Supplies of raw materials/stores and spares etc		167241501.63		95585299.14
7.3	For Services		-		-
	<b>TOTAL</b>		<b>167241501.63</b>		<b>95585299.14</b>
7.4	DUES TO MICRO, SMALL & MEDIUM ENTERPRISES AS REQUIRED UNDER THE MICRO, SMALL & MEDIUM ENTERPRISES AND DEVELOPMENT ACT, 2006 (Refer Notes to Accounts No: 25.3)				
	<b>NOTE NO: 8 OTHER CURRENT LIABILITIES</b>				
8.1	Current maturities of long term debt				
	<b>SECURED :</b>				
a)	Non Convertible Debentures (redeemed during the year 2005-06) Interest accrued and due to JM Capital Management Pvt.Ltd		0.00		1151110.00
b)	<b>Term Loans from - Indian Overseas Bank, State Bank of Hyderabad and State Bank of India</b>				
	Installments payable within 12 months after the reporting date		83400505.53		103093916.00
	Interest accrued and due on Term Loans and instalments due		22281426.81		28865075.79
	LC Bills Discounting with Banks		49900000.00		-



NOTES TO BALANCE SHEET		Amount in Rupees			
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
c)	<b>Hire Purchase Finance</b>				
	Installments payable within 12 months after the reporting date		2820551.41		24494565.03
	Interest accrued and due on Hire Purchase Loans and Instalment due		5019957.00		4972955.98
	<b>UNSECURED:</b>				
8.2	Deferred Payment of Royalty arrears payable within 12 months after the reporting date	16462663.00		10600000.00	
	L & T Finance Corporate Loan Instalments payable within 12 months	115098.00		4910586.30	
	Interest accrued and due on above loan and instalments due	-		64704.70	
8.3	<b>OTHERS</b>				
a)	Caution Deposits from Dealers/Employees payable on demand	3093322.42		2697828.42	
b)	Statutory Dues towards Royalty, Excise duty, Service tax, VAT, TDS etc	325001705.70		197628604.70	
c)	Employees Salaries, Bonus and P F/ ESI recoveries and contributions to Superannuation Fund	61282353.75		58032442.65	
d)	Advances from customers	101776780.38		50655591.95	
e)	Power Charges and Other expenses payable	242396372.84		153801411.27	
f)	Other Advances from Transporters/Creditors	1240166.00	751368462.09	2289166.00	480680335.99
	<b>TOTAL</b>		<b>914790902.84</b>		<b>643257958.79</b>
8.4	There were no current maturities of Finance Lease Obligations, unpaid Dividends, unpaid matured Debentures or deposits and interest accrued thereon, Income received in advance and Application money received for allotment of securities.				
	<b>NOTE NO: 9 SHORT TERM PROVISIONS</b>				
9.1	Provision for employee benefits. Gratuity and Leave encashment obligation/contribution				
9.2	Others				
a)	Provision for Income Tax		30000000.00		50000000.00
	<b>TOTAL</b>		<b>30000000.00</b>		<b>50000000.00</b>



**NOTE TO BALANCE SHEET  
NOTE NO. 10 : FIXED ASSETS**

Amount in Rupees

S.No.	Particulars	GROSS BLOCK		DEPRECIATION			NET BLOCK				
		As at 1st April 2014	Additions during the Year	Deductions during the Year	As at 31st March 2015	As at 1st April 2014	For The Year 2015	Debited to Reserve Account	Deductions during the Year	As at 31st March 2015	As at 31st March 2014
1	Freehold Land	417536	0	0	417536	0	0	0	0	417536	417536
2	Buildings-Factory	53384127	0	0	53384127	26547856	10824	0	29219540	24164587	26836271
3	Building-Residential & Non Factory	13073434	0	0	13073434	10804488	113447	0	10917935	2155499	2268946
4	Building-others (Temporary)	752284	0	0	752284	752284	0	0	752284	0	0
5	Roads, Culverts and Bridges	2730052	0	0	2730052	906162	72370	0	1556816	1173236	1823890
6	Wells and Water Works	5450780	0	0	5450780	4014170	169196	957512	5140877	309902	1436610
7	Plant and Machinery - Continuous Process	960933433	8303137	0	969236570	347254792	34121472	107253	0	381483517	587753053
8	Plant and Machinery-Power Generation	34069380	0	0	34069380	28366056	1475827	0	0	29841883	4227497
9	Plant and Machinery-Others	10386749	0	0	10386749	5338390	1022417	0	0	6340807	4025942
10	Plant and Machinery-Electrical Equipments	23332938	0	0	23332938	22524134	1252	0	0	22525386	807551
11	Plant and Machinery-Others	253989	0	0	253989	60442	29671	0	0	90113	163877
12	Plant and Machinery-Others	0	78484767	0	78484767	0	3728026	0	0	3728026	74756741
13	Electrical Installation	6452729	0	0	6452729	6411805	0	0	0	6411805	40923
14	Telephone Installations	552852	0	0	552852	434671	26303	0	0	460974	91878
15	Railway Sliding and Weigh Bridge	1389297	0	0	1389297	1023156	78437	0	0	1101593	287704
16	Ropeway	9471240	0	0	9471240	9453952	0	0	0	9453952	17287
17	Quarry Equipment	161190497	0	0	161190497	137789242	6136508	648056	0	144573805	16616692
18	Workshop Equipment	657815	0	0	657815	649349	0	0	0	649349	8466
19	Laboratory Equipment	729523	0	0	729523	494336	86660	0	0	580996	148527
20	Mining Lease and Mineral Prospects	218226	0	0	218226	216032	0	0	0	216032	2194
21	Computers	8472261	87551	0	8559812	8188990	19209	34053	0	8242252	317560
22	Office Equipments	5866972	40900	0	5907872	5087862	25763	297441	0	5643067	264806
23	Servers & Networks	5049391	0	0	5049391	4140501	429863	0	0	4570364	479027
24	Furniture & Fixtures	5171691	0	0	5171691	4023444	440326	0	0	4463770	707921
25	Library	48948	0	0	48948	48448	0	0	0	48448	500
26	Vehicles	93193770	0	38630196	54563574	66155655	7874859	109528	28837309	45302733	9260842
	<b>Total:</b>	<b>1403249912</b>	<b>86916355</b>	<b>38630196</b>	<b>1451536071</b>	<b>690686216</b>	<b>59250378</b>	<b>2237038</b>	<b>28837309</b>	<b>723336325</b>	<b>728199747</b>

**NOTES TO BALANCE SHEET**

Amount in Rupees

S. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
<b>11</b>	<b>NOTE NO: 11 NON CURRENT INVESTMENTS NON-TRADE INVESTMENTS</b>				
a)	In Government Securities:				
b)	In Equity Shares (Quoted and valued at cost)				
i)	10000 Units of Rs.10/- each fully paidup of BOB Mutual Fund	100000.00		100000.00	
ii)	7800 Equity Shares of Vijaya Bank at Rs.10/- each and 300 Shares at Rs.24/- per share of face value of Rs.10/- each	85200.00		85200.00	
iii)	900 Equity Shares of Gujarat State Finance Corporation of Rs.10/- each at a premium of Rs. 6.16 per share (Market value not available)	18000.00		18000.00	
iv)	1000 Redeemable 13% Preference Shares of Rs.10/- each in Ceat Finance	10000.00		10000.00	
v)	Principal Focussed Advantage Fund, Mumbai 10000 units of Rs.10/- each (Market value not available)	100000.00		100000.00	
			313200.00		313200.00
<b>11.2</b>	<b>TRADE INVESTMENTS</b>				
i)	In Equity Shares (unquoted and valued at cost) Panyam Cements Co-Operative Stores Limited, Cementnagar	2500.00		2500.00	
ii)	Sri. Somappa Co-Operative House Building Society Limited, Kurnool	500.00		500.00	
iii)	350000 Equity Shares of Rs.10/- each in Cheran Cement Limited	3500000.00		3500000.00	
			3503000.00		3503000.00
	<b>TOTAL</b>		<b>3816200.00</b>		<b>3816200.00</b>
	Aggregate Amount of:				
	Quoted Investments		313200.00		313200.00
	Market value of Quoted Investments		321975.00		321975.00
	Unquoted Investments		3503000.00		3503000.00
	Provision for diminution in value of investments		Nil		Nil
	There were no investments in Subsidiaries, Associates, Joint Ventures and controlled special purpose Entities and in Preference Shares, Bonds, Debentures, Mutual Funds and in Partnership Firms				



NOTES TO BALANCE SHEET					
Amount in Rupees					
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
<b>NOTE NO: 12 LONG TERM LOANS AND ADVANCES:</b>					
12.1	<b>Unsecured and considered good</b>				
(a)	Capital Advances		23934680.65		20149440.50
(b)	Security Deposits with Power Distribution Corporation Ltd		2408599.00		1092375.42
(c)	Inter Corporate Loans and advances to related parties		410594161.10		366111346.10
	<b>TOTAL</b>		<b>436937440.75</b>		<b>387353162.02</b>
<b>NOTE NO: 13 INVENTORIES:</b>					
13.1	Raw Materials		15011604.23		7003727.81
13.2	Work-in-progress		72245304.00		57095447.00
13.3	Finished Goods		3454703.00		122595.00
13.4	Stores and spares, Chemicals and consumables		59153673.77		50836322.35
13.5	Coal and packing materials		24719014.69		25432727.14
13.6	Coal in transit		53622459.10		33779512.10
	<b>TOTAL</b>		<b>228206758.79</b>		<b>174270331.40</b>
<b>METHOD OF VALUATION OF STOCKS:</b> Refer Accounting Policies under Note No:25					
<b>NOTE NO : 14 TRADE RECEIVABLES</b>					
14.1	Trade Receivables outstanding for a period exceeding six months from the date due for payment				
a)	Unsecured and considered good		145377662.44		115046883.04
b)	Considered Doubtful				
	Less :Provision for doubtful debts	10000000.00		10000000.00	
			-10000000.00		-10000000.00
			135377662.44		105046883.04
14.2	Other Trade Receivables :				
a)	Unsecured and considered good		1824919.61		1824919.61
	<b>TOTAL</b>		<b>137202582.05</b>		<b>106871802.65</b>



NOTES TO BALANCE SHEET					
Amount in Rupees					
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
<b>NOTE NO: 15 CASH AND CASH EQUIVALENTS</b>					
15.1	Cash on hand		7431724.00		7015368.00
15.2	Balances with banks in current accounts		1247340.51		639472.65
15.3	Balance with Banks in Margin Money / Fixed Deposits for LC/BG		19310729.00		16164532.67
15.4	Deposit accounts with more than 12 Months Maturity		0.00		0.00
	<b>TOTAL</b>		<b>27989793.51</b>		<b>23819373.32</b>
<b>NOTE NO: 16 SHORT TERM LOANS AND ADVANCES UNSECURED AND CONSIDERED GOOD</b>					
16.1	Inter Corporate loans and advances to related parties	288933896.48		288933896.48	
16.2	Others				
a)	Advance to Suppliers	16100448.60		16357030.12	
b)	Advance to Employees	248173.00		475641.00	
c)	Advance to Contractors & Transporters	814244.42		814245.42	
d)	Prepaid Insurance and other Expenses	1600856.00		1291868.00	
e)	Tender/Security/Telephone Deposits	7862352.08		7278780.66	
f)	Advance Excise Duties/CENVAT/VAT/Service tax	12611588.35		36685618.92	
g)	Advance Income tax and TDS	26519347.46		41202863.46	
h)	Other Advances	6325166.45		4873843.45	
			361016072.84		397913787.51
	<b>TOTAL</b>		<b>361016072.84</b>		<b>397913787.51</b>
<b>NOTE NO: 17 OTHER CURRENT ASSETS</b>					
17.1	Interest Receivable		743429.00		124847.00
	<b>TOTAL</b>		<b>743429.00</b>		<b>124847.00</b>



NOTES TO STATEMENT OF PROFIT & LOSS		Amount in Rupees			
Sl. No.	Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014	For the Year Ended 31.03.2014
<b>NOTE NO: 18 - REVENUE FROM OPERATIONS</b>					
18.1	Sale of Manufactured Products	1126509878.62			617591015.00
	Less: Excise duty collections	150373559.00			82596152.00
	Less: Sales tax collections	86305227.00			58486858.00
	Net Sales of Manufactured Products (Refer Note No: 25.13 for details of Productwise sales)		889831092.62		476508005.00
	<b>TOTAL</b>		<b>889831092.62</b>		<b>476508005.00</b>
<b>NOTE NO: 19 - OTHER INCOME</b>					
19.1	Interest on Bank and other deposits		1753428.33		921227.57
19.2	Interest on Inter corporate loans and advances to related parties		49425350.00		42878634.90
19.3	Dividend Income		8300.00		28350.00
19.4	Scrap Sales		0.00		0.00
19.5	Rent Receipts		454658.00		475433.00
19.6	Creditors written back and bad debts collections		-		505342.64
19.7	Profit on Sale of Assets		98589.00		904620.74
19.8	Other Receipts		290022.00		39615.00
19.9	Income relating to prior period		282942.00		
	<b>TOTAL</b>		<b>52313289.33</b>		<b>45753223.85</b>
<b>NOTE NO: 20 COST OF MATERIALS CONSUMED</b>					
20.1	Consumption of raw materials (Refer Notes to Account No: 25)		149744979.33		37030262.69
20.2	Consumption of packing materials		45446226.00		27146576.00
	<b>TOTAL</b>		<b>195191205.83</b>		<b>64176838.69</b>
<b>NOTE NO : 21 - CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK IN TRADE</b>					
<b>CLOSING STOCKS</b>					
a)	Finished goods		3454703.00		122595.00
b)	Stock-in-process		72245304.00		57095447.00
	<b>TOTAL</b>		<b>75700007.00</b>		<b>57218042.00</b>
<b>OPENING STOCKS</b>					
a)	Finished Goods		122595.00		1509029.00
b)	Stock-in-process		57095447.00		79991452.00
	<b>TOTAL</b>		<b>57218042.00</b>		<b>81500481.00</b>
	<b>NET INCREASE/(DECREASE) IN STOCKS (NET TOTAL)</b>		<b>-18481965.00</b>		<b>24282439.00</b>
<b>NOTE NO:22-EMPLOYEE BENEFITS EXPENSES</b>					
22.1	Salaries, Wages,Bonus and Allowances		58096357.84		58467654.13
22.2	Contribution to ESI & Provident Fund		2705289.00		2884835.00
22.3	Contribution to Gratuity & Superannuation Schemes		403367.00		593476.00
22.4	Staff Welfare expenses		16984995.71		20095795.31
	<b>TOTAL</b>		<b>78190009.55</b>		<b>82041760.44</b>



NOTES TO STATEMENT OF PROFIT & LOSS		Amount in Rupees			
Sl. No.	Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014	For the Year Ended 31.03.2014
<b>NOTE NO: 23 FINANCE COSTS</b>					
<b>Interest Expenses</b>					
a)	On Term Loans	23877281.81		28844504.85	
b)	On Working capital, cash credits and adhoc loan	52052610.00		50824864.00	
c)	On Hire Purchase Loans	1105986.95		2673480.96	
d)	Interest on Corporate Unsecured Loans	0.00		1878642.82	
e)	On Others	36452400.00		40608831.00	
			113488278.76		124830323.63
23.2	Other borrowing costs				
a)	Loan processing charges		4454790.00		4491532.00
	<b>TOTAL</b>		<b>117943068.76</b>		<b>129321855.63</b>
<b>NOTE NO: 24 - OTHER EXPENSES</b>					
	Consumption of stores and spares		32699258.88		22613172.57
	Power and Fuel		462852563.83		320001060.52
	Rent including Lease Rents		96740.00		61200.00
	Insurance		1129773.00		1120758.00
<b>Repairs &amp; Maintenance</b>					
a)	Buildings	15400.00		0.00	
b)	Plant & Machinery	24701675.40		10216864.17	
c)	Others	5309281.48		4346799.40	
			<b>30026356.88</b>		<b>14563663.57</b>
	Rates & Taxes and service tax		5405326.00		4251552.00
	Excise duty on captive consumption/Stocks		-295360.00		-4066814.00
	Travelling and conveyance		2181251.00		1601260.00
	Printing and stationery		266583.78		246178.63
	Postage Telegrams and Telephones		489503.31		472536.79
	Directors sitting fee		0.00		25000.00
	Remuneration to Managing Director		1625000.00		1500000.00
	Directors Travelling		119147.00		137440.00
<b>Remuneration to Auditors</b>					
	Audit and Tax Audit Fee		400000.00		400000.00
	Audit-Expenses		41574.00		15771.00
	Cost Audit Fee		0.00		30000.00
	Cost Audit expenses		0.00		8000.00
	Advertisement		625550.00		1395147.00
	Legal & Professional Fee and Expenses		1447375.00		4950465.00
	Bank Charges		2332984.20		2513046.25
	Other Expenses		2567854.54		3197444.07
	Vehicle Maintenance		879102.48		1145454.93
	Loss on Sale of Assets		7762866.61		-
	Donations		93300.00		493805.00
	Expenses/Income relating to Earlier Years		58898.00		0.00
<b>SELLING EXPENSES</b>					
	Freight outward and forwarding expenses	54449447.02		35275300.42	
	Discounts /price difference and Commission on consignment sales	50229334.44		68060603.57	
	Other Selling expenses	4120873.29		954472.90	
			108799654.75		104290376.89
	<b>TOTAL</b>		<b>661605303.26</b>		<b>480966518.22</b>



**NOTE NO : 25**

**Significant Accounting Policies and Notes to Accounts for the year ended 31<sup>st</sup> March, 2015**

**25.1 SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basis of Preparation and Presentation of Financial Statements:**

The financial statements are prepared under the historical cost convention as a going concern and in accordance with Accounting principles generally accepted in India and the provisions of The Companies Act, 2013. The Company follows the mercantile method of accounting.

**B. Inventories:**

Inventories of Finished goods and process stocks are valued at lower of cost or net realizable value. Inventories of Raw materials and Stores & Spares are valued at waited average cost. Scrap and disposables are valued at net realizable value. Cost of Inventories consist of purchase price including duties and taxes ( other than CENVAT credit and input tax credit recoverable under A.P. VAT Act), cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Value of finished goods includes central excise duty as cost of production in accordance with Accounting Standard (AS-2).

**C. Depreciation:**

Depreciation is provided on straight line method in respect of plant and machinery situated at Cement Division and all other assets have been depreciated on Written down Value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 up to 31.03.2014 and from 01.04.2014 depreciation has been provided on the same method on the basis of useful lives of the assets in accordance with the provisions of Schedule II to the Companies Act, 2013

Change in Accounting Policy of Depreciation on Fixed Assets:

Consequent to the provisions of New Companies Act, 2013, there is a change in accounting policy of Depreciation. As per Section 123 and Schedule II of Companies Act, 2013 depreciation is to be provided based on useful lives of assets as specified in the Schedule II. Accordingly, we have adopted the useful lives of fixed assets as prescribed in Schedule II to the Companies Act, 2013, for all the fixed assets, except, for Buildings-Factory (i.e. 28 years adopted as against 30 years prescribed) Buildings-Residential & Non Factory (i.e. 58 years adopted as against 60 years prescribed) Buildings-Others(temporary) (i.e. 2 years adopted as against 3 years prescribed) continuous process plants (i.e.18 years adopted as against 25 years prescribed) and Thermal Power Plant (i.e. 20 years adopted as against 40 years prescribed) Plant and Machinery-others (i.e.18 years adopted as against 40 years prescribed) Ropeways (i.e. 9 years adopted as against 15 years prescribed). For these class of assets, based on internal assessment and past experience of the company and the technical evaluation report, the Management believes that the previously assessed useful lives as given above best represent the period expected to use these assets. Though the useful lives for these assets is different, but it is less than the useful lives prescribed under Part C of Schedule II to the Companies Act, 2013.

On account of change in accounting policy of depreciation, it will have impact on financial results of this year and future years. Therefore, as a result of change in depreciation policy stated above based on useful lives of assets, the depreciation charged during the year amounts to Rs.592.50 lakhs as against the depreciation of Rs. 663.60 lakhs as per the earlier method i.e. at the rates as prescribed under Schedule XIV to the Companies Act, 1956.

**D. Retirement Benefits to Employees:**

Gratuity /superannuation and leave encashment benefits payable on retirement / resignation of employees provided on retirement/ payment.



**E. Revenue Recognition:**

- (i) Sales revenue is recognized on supply of goods. Gross Turnover includes VAT, Excise Duty and Education Cess in respect of goods sold. Income and Expenditure are recognized on accrual basis except for transactions below Rs.10,000/- per transaction and are accounted in the year of payment / receipt.
- (ii) Dividend on investments is recognized when the right to receive is established.
- (iii) Interest on delay payments to creditors / by debtors accounted on the basis of debit notes Credit notes raised / received from the parties.
- (iv) Insurance claims are accounted on the basis of claims lodged.
- (v) Interest/Hire Charges on Hire Purchase Loans taken into account on due and payable basis.

**F. Investments:**

Long term investments are stated at cost of acquisition and if there is permanent diminution in the value of investments, the same is considered for valuation of investments. Current investments are valued at lower of cost or fair market value.

**G. Fixed Assets and Capital works-in-progress**

Fixed Assets are stated at cost (net of CENVAT credit and including related financial costs till commencement of commercial production) less accumulated depreciation. Capital work-in progress includes indirect cost and pre-operative expenses related or attributable to the capital works and trial run expenses incurred up to commencement of commercial production are added to the cost of fixed assets. Advance paid towards the acquisition of Fixed Assets outstanding at the Balance Sheet Date are disclosed as "Capital Advances" under long term loans and advances as per revised Schedule II to the Companies Act, 2013.

**H. Borrowing Costs:**

Interest and other costs incurred in connection with the borrowing of funds that are directly attributable to the acquisition, construction or erection of a qualifying asset, are capitalised as cost of such asset and the other borrowing costs are expensed in the year in which incurred.

**I. Segment Reporting:**

The business activity and geographical operations of the company is in one segment of cement product and segment reporting is not applicable.

**J. Lease:**

Lease payments in respect of operational leases are recognized as an expenditure on due and payable basis as per the lease agreements and the future lease payments under non cancelable operational leases for each period are disclosed in notes to accounts.

**K. Accounting for taxes on income:**

Current tax and deferred tax liability, if any, for the year is recognized for tax payable on the taxable income and for timing differences, subject to consideration of prudence in respect of deferred tax asset and the same is treated as tax expense in determination of net profit for the year.

**L. Impairment of Assets:**

The company determines any indication of impairment in carrying value of assets and the impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount.

**M. PROVISIONS AND CONTINGENT LIABILITIES/ASSETS:**

Contingent liabilities are not recognized in Accounts but are disclosed in the notes to accounts. Contingent assets are neither recognized nor disclosed in financial statements. Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation and it is probable that there will be out flow of resources.



25.2 Contingent Liabilities not provided in respect of :			
Sl.No.	PARTICULARS	RUPEES IN LAKHS	
		Current Year 2014-15	Previous Year 2013-14
a)	As a signatory to the Memorandum of Cement Allocation and Co-ordinating Organization	1.00	1.00
b)	Guarantees given by the Bankers / Letters of Credit (Net of margin money paid)	204.03	222.02
c)	Corporate guarantee given to SIPCOT for the financial assistance availed by M/s.Cheran Cement Limited (as on 30-04-2013)	3174.79	3174.79
d)	Corporate guarantee given to SBI, SBH, Bank of India, Syndicate Bank, Indian Overseas Bank, Central Bank of India and Canara Bank for financial assistance availed by S.P.Y. Agro Industries Limited	18973.91	19886.91
e)	Arrears of dividend on "C" Cumulative Preference shares held by institutions, being not redeemed and requested for extension of time	43.20	40.50
f)	Estimated amount of contracts remaining to be executed on capital account (Net of advances)	422.18	605.78
<b>g)</b>	<b>Claims against the Company not acknowledged as debts being disputed and pending in appeals and not provided for as the Company is hopeful of success in appeals:</b>		
	<b>i) CENTRAL EXCISE :</b>		
	a) CENVAT credits availed and utilized were subsequently disallowed by the Department and demand raised for differential duty.	469.21	469.21
	b) Differential Duty on supplies made to direct parties The Company has contested in appeals and are pending with the Commssioner of Appeals or CEGAT/or A.P High Court (paid under protest Rs.12.56 lakhs)	671.24	671.24
	<b>ii) ELECTRICITY MATTERS:</b>		
	a) Claim of APSEB for 10% voltage surcharge for the period from September 1983 to November 1984 contested. High Court granted stay and directed APSEB to dispose off the pending representations made by the company.	30.64	30.64



Sl.No.	PARTICULARS	RUPEES IN LAKHS	
		Current Year 2014-15	Previous Year 2013-14
	b) Fuel Surcharge Adjustment (FSA) charges for the years 2008-09, 2009-10 and for the first quarter of 2010-11 payable to APCPDCL contested by the industrial units including the company before the Hon'ble High Court of A.P. and the High Court granted stay for the year 2009-10 and first quarter 2010-11 and the favourable order of the High Court for the year 2008-09 was referred to Supreme Court and the same is pending.	53.56	53.56
	<b>iii) INCOME TAX MATTERS</b>		
	a) The Assessing Officer (Dy. Commissioner of Income Tax, Kurnool) has raised demand for payment of capital gains tax on land under Joint Development Agreement for the Assessment year 2006-07. The company contested the demand before the Commissioner of Income Tax Appeals, Hyderabad.	3309.50	3309.50
	b) The Assessing Officer has re-opened the assessment for the A.Y 2008-09 and demand raised for MAT liability on book profit under section 115JB of Income Tax Act, the Company contested the demand before the Commissioner of Income Tax Appeals, Hyderabad.	878.68	878.68



Sl.No.	PARTICULARS	RUPEES IN LAKHS	
		Current Year 2014-15	Previous Year 2013-14
	<b>iv) COMMERCIAL TAX MATTERS</b>		
	a) Demand raised by the Commercial Tax Department, Tamilnadu in respect of levy of penalty for the assessment year 1994-95 contested in appeal before Appellate Authority and the matter was remanded to assessing authority.	5.56	5.56
	b) Penalties levied by the Commercial Tax Officer, Kurnool for non payment of tax dues before the due date. The Company has requested the Government for waiver of the penalties.	144.54	124.85
	v) Demand raised by the Department of Mines and Geology for penal interest on royalty dues for delay in payments and the Company has filed Revision Application for waiver of interest before the Department and Ministry of Mines, New Delhi	1249.75	835.76
	<b>viii) OTHER MATTERS</b>		
	Suits filed by the parties against the company and pending in Appeals Courts	120.45	120.45
25.3	Under The Micro, Small and Medium Enterprises Development Act, 2006 and in accordance with the notification issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro and Small Enterprises as defined in the said Act. The company is in the process of compiling the relevant information from its suppliers about their coverage under the said Act and hence required disclosures could not be made.		
25.4	<b>Disclosure of discontinued operations of Wire / Engineering Division:</b>  The operations of the Wire/ Engineering Division at Bangalore were permanently discontinued from October 2005 and the division was closed on 31.01.2006. The company has entered into agreements for joint development of land with the developers. As per the disclosure requirements under Accounting Standard (AS 24), the book value Rs.94.24 lakhs of land property under joint development agreements, was shown separately under "Current Assets" as current investment in land property and the amounts received from intending buyers of Rs.314.00 lakhs (previous year Rs.289.00 lakhs) were shown separately under "Non-Current Liabilities" as other long term		



Sl.No.	PARTICULARS	RUPEES IN LAKHS	
		Current Year 2014-15	Previous Year 2013-14
	liability. There was no revenue income/expenses incurred during the year (previous year profit on sale of property Rs.2820.97 lakhs considered as exceptional item).		
25.5	Belated charges/overdue interest on delay in payment of statutory dues/liabilities have not been provided in the absence of demand for the same.		
25.6	The balances of sundry debtors, sundry creditors, other liabilities, advance to suppliers for raw materials and spares, other advances including claims and deposits have been shown as appearing in the books of account and are subject to reconciliation and confirmation.		
25.7	<b>Lease payments:</b>  The Company has not taken any assets under non cancelable operating lease agreements and hence no future lease payments.		
25.8	<b>Segment Reporting</b>  The business activity and geographical operations of the company is in one segment of cement product and hence segment reporting is not applicable.		





**25.9 Related party transactions:**

The following are the transactions of the related parties, which are related on account of shareholding by key management personnel and their relatives viz. Sri S. Sreedhar Reddy, Managing Director and other Directors and the Associated Companies :

Sl.No.	Nature of Transaction	Rs. in lakhs			
		For the Year		Balance as at	
		2014-15	2013-14	31-03-15	31-03-14
1.	Sales/advances and receivable (Cheran Cement Limited)	-	-	264.23	264.23
2	Remuneration to Managing Director	16.25	15.00	13.89	Nil
3	Sitting Fee to other Directors	0.00	0.25	Nil	Nil
4	Corporate Guarantee given to SIPCOT for financial assistance availed by Cheran Cement Limited (estimated liability)	-Nil-	49.94	3174.79	3174.79
5	Corporate Guarantee given to SBI, SBH, Bank of India, Syndicate Bank, Indian Overseas Bank, Central Bank of India and Canara Bank for Financial assistance availed by S.P.Y. Agro Industries Limited	(913.00)	14009.64	18973.91	19886.91
6	Unsecured loans from Promoters/Associates	(1032.12)	3550.66	3043.31	4075.43
7	Purchases and services availed from and due to Associate Companies	237.74	33.23	76.51	Dr. 18.28
8	Sales and services provided to and due from Associate Companies	172.21	12.72	160.66	151.49
9	Advances/Inter-corporate Deposits given to Associate Companies	444.83	320.00	6995.28	6550.45

**25.10 EARNING PER SHARE**

Basic and diluted earnings/(Loss) per share (face value of Rs.10/-each) calculated in compliance with the provisions of Accounting Standard 20 for the year ended 31.03.2015 comes to loss Rs.(9.48) (Previous year Rs.(2.67).

The denominator for basic/diluted EPS is 16018139 Equity Shares of Rs.10/- each numerator is net loss of Rs.15,15,53,621.11 for the year as per Statement of Profit and Loss (Previous year net Loss Rs.4,25,81,139.63) and as increased by the preference dividend for the year of Rs.2,70,186/- on "C" Cumulative Redeemable Preference Shares, which is not provided.

Therefore basic/diluted earning per share = Net Loss of Rs.15,18,23,807.11 ÷ 16018139 shares = Rs.(9.48)

**25.11** Figures have been rounded off to the nearest decimal of Lacs under Notes to Accounts.

**25.12** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.



**25.13 Revenue from operations or sale of goods (Gross sales) Rs. in lakhs**

S. No.	Description of Products	Qty. in Mts.	For the year ended 31.03.2015	Qty. in Mts.	For the year ended 31.03.2014
<b>A</b>	<b>Manufactured Goods</b>				
1	Clinker			Nil	Nil
2	Cement	244852	11265.10	140754	6175.91
	<b>Total</b>		<b>11265.10</b>		<b>6175.91</b>
<b>B</b>	<b>Traded Goods</b>		Nil		Nil

**25.14 Cost of Raw Material Consumed Rs. in lakhs**

S. No.	Description	2014-15		2013-14	
		Qty. in Tonnes	Value	Qty. in Tonnes	Value
1	Limestone (Cement Grande) *	253278	214.70	172230	118.02
2	Laterite	9420	118.07	3757	49.85
3	Gypsum	8959	153.68	5406	92.12
4	Iron Ore	4574	54.62	4026	37.29
5	Clinker	10352	362.67	881	23.61
6	Fly ash & Other	53825	593.70	6442	49.41
	<b>Total</b>		<b>1497.45</b>		<b>370.30</b>
7	Purchase of Traded Goods	-	Nil	-	Nil

\* represents royalty, welfare cess on own quarrying of limestone.

**25.15 Value of imports calculated on CIF Basis Rs. in lakhs**

	2014-15	2013-14
a) Raw Materials	Nil	Nil
b) Components and spare parts	Nil	Nil
c) Capital goods	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>



25.16 Earnings in foreign Exchange		Rs. in lakhs			
		2014-15		2013-14	
	FOB Value of Exports	Nil		Nil	
25.17 Expenditure in Foreign Exchange		Rs. in lakhs			
		2014-15		2013-14	
i)	Raw Materials	Nil		Nil	
ii)	Travelling Expenses	Nil		Nil	
iii)	Others	Nil		Nil	
	<b>Total</b>	<b>Nil</b>		<b>Nil</b>	
25.18 Value of imported and indigenous raw materials components, spare parts and other materials consumed:		2014-15		2013-14	
		Value	%	Value	%
i)	<b>Raw Materials</b>				
	Imported	Nil	Nil	Nil	Nil
	Indigenous	1497.45	100%	370.30	100%
	<b>Total</b>	1497.45	100%	370.30	100%
ii)	<b>Stores and spare parts</b>				
	Imported	Nil	Nil	Nil	Nil
	Indigenous	326.99	100%	226.13	100%
	<b>Total</b>	326.99	100%	226.13	100%

As Per our report of even date attached

**For BRAHMAYYA & CO.,**  
Chartered Accountants  
Firm's Regn/ No. 000514S

**B.DAIVADHEENAM REDDY**  
Partner  
M.No. 026450

Place : Nandyal  
Date: 30<sup>th</sup> May, 2015

For and on behalf of the Board  
M/s. Panyam Cements & Mineral Industries Limited

**V. SURESHKUMAR**  
Director

**S. SREEDHAR REDDY**  
Managing Director

**S. NAGESWARA REDDY**  
Chief Financial Officer

**PANYAM CEMENTS & MINERAL INDUSTRIES LIMITED**

(CIN: L26940AP1955PLC000546)

**Registered Office:** C-1, Industrial Estate, Bommalasatram,

Nandyal - 518 502, Kurnool Dist. A.P.

**Central Administrative Office:** Plot No.188, Phase - II, Kamalapur Colony,  
Hyderabad - 500 073, TS. INDIA.

**Form No. MGT-11**

**PROXY FORM**

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

Regd. Folio No. :		*DP ID :	
No. of Shares Held :		*Client ID :	

I / We, being the member (s) of.....shares of the above named Company, hereby appoint

1. \_\_\_\_\_ of \_\_\_\_\_ E-mail ID \_\_\_\_\_

1. \_\_\_\_\_ of \_\_\_\_\_ E-mail ID \_\_\_\_\_

and whose signatures are appended below as my/our proxy to attend and vote, in case of a poll, for me/ us and on my/our behalf at the Fifty Nineth Annual General Meeting of the Company, to be held on Saturday, the 26<sup>th</sup> September, 2015 at 11.45 A..M. at the Registered Office: C-1, Industrial Estate, Bommalasatram, Nandyal - 518 502, Kurnool Dist., A.P. and any adjustment thereof :

S.No.	Resolution(s)	Vote	
		For	Against
	<b>Ordinary Business</b>		
1	Adoption of Audited Financial statements for the year ended 31.03.2015.		
2.	Re-appointment of Dr. R.K. Prasad Sunkara as a Director		
3.	Re-appointment of Mrs.V. Aravinda Rani as a Director		
4.	Ratification of Re-Appointment of M/s. Brahmayya & Co, as Statutory Auditors of the Company		
	<b>Special Business - Ordinary Resolution:</b>		
5.	Regularization of Sri.P. Jayarama Reddy as a Director.		

Signed this \_\_\_\_\_ of September, 2015.

Signature of Share holders \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_



**Note :**

1) 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.

2) The proxy need not be a member of the company.

\*applicable for investors holding shares in Electronic form.

