

# **25<sup>TH</sup> ANNUAL REPORT**

## **2015-2016**

### **RCC CEMENTS LIMITED**

CIN : L26942DL1991PLC043776

Regd. Office: 807, Arunachal Building, 19, Barakhamba Road,  
Connaught Place, New Delhi-110 001

Tel.: 91-11-43571042

Email: [rccementlimited@gmail.com](mailto:rccementlimited@gmail.com) Website: [rccements.com](http://rccements.com)

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Sunil Kumar  
Managing Director

Mr. Mukesh Sharma  
Independent Director

Mr. Kishore Bhatia  
Independent Director

Ms. Madhu Sharma  
Non Executive Woman Director

### CHIEF FINANCIAL OFFICER

Mr. Soban Singh Aswal

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Kanika Dua

### AUDITORS

M/s . RMA & Associates, Chartered Accountants  
(Firm Registration No. 000978N)

### BANKERS

Vijaya Bank  
Kamla Nagar, New Delhi

### REGISTERED OFFICE

807, Arunachal Building, 19, Barakhamba Road,  
Connaught Place, New Delhi-110 001  
Tel.: 91-11-43571042 Fax : 91-11-43571047  
Email: rccementlimited@gmail.com Website: www.rccements.com

### CIN NO. OF THE COMPANY

L26942DL1991PLC043776

### REGISTRAR & SHARE TRANSFER AGENTS

MAS Services Limited  
Registrar & Share Transfer Agents.  
T-34, 2<sup>nd</sup> Floor,  
Okhla Industrial Area  
Phase -II, New Delhi-110020.  
Ph. No.:011-26387281-83  
Fax No.: 011- 26387384

Contact Person Details: Mr. Sharwan Mangla  
Email Id: mas\_serv@yahoo.com

### DIRECTORS' IDENTIFICATION NUMBER (DIN)

Name of Director	Director Identification Number
Mr. Sunil Kumar	00175301
Mr. Mukesh Sharma	00166798
Mr. Kishore Bhatia	00162190
Ms. Madhu Sharma	06947852

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF RCC CEMENTS LIMITED WILL BE HELD ON FRIDAY, 30<sup>TH</sup> SEPTEMBER, 2016 AT 09:00 A. M. AT THE REGISTERED OFFICE OF THE COMPANY AT 807, ARUNACHAL BUILDING, 19, BARAKHAMBA ROAD, CONNAUGHT PLACE, NEW DELHI-110001.**

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To transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the company including the Balance Sheet of the Company as at 31st March, 2016 and the Statement of Profit and Loss of the Company and Cash Flow statement & other Annexures thereof for the financial year ended 31st March, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Madhu Sharma (DIN 06947852), the Director of the Company, who is liable to retire by rotation and being eligible, offers herself for re-appointment pursuant to the provisions of Section 152 of the Companies Act, 2013.
3. To re appoint Auditors and to pass with or without modification, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder, the appointment of M/s RMA & Associates, Chartered Accountants, New Delhi (Registration No. 000978N), who were appointed as Statutory Auditors of the Company at 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2015, to hold office for a term of five years, i.e. , from the conclusion of 24<sup>th</sup> Annual General Meeting until the conclusion of 29<sup>th</sup> Annual General Meeting of the Company, be and is hereby ratified and confirmed from the conclusion of 25<sup>th</sup> AGM of the Company till the conclusion of 26<sup>th</sup> AGM of the Company on such remuneration as may be agreed upon between the Board of Directors and the Statutory Auditors.”

**For and on behalf of the Board  
of RCC Cements Limited**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

**Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301**

### **NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or member.

2. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send at the Registered Office of the Company, a duly certified copy of the Board Resolution, authorising their representative to attend and vote on their behalf at this General Meeting.
3. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to keep the information ready at the meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September, 2016 to Friday, 30th September, 2016 (both days inclusive) for the purpose of the AGM.
5. Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the 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 name will be entitled to vote.
7. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
8. The members are requested to intimate changes if any, in their registered address to the Registrar & Share Transfer Agents for shares held in physical form & to their respective Depository participants for shares held in electronic form.
9. All documents referred to in the accompanying Notice are opened for inspection at the Registered Office of the Company on all working days, except Sunday between 2 P.M. to 4 P.M. upto the date of the Annual General Meeting.
10. Members are requested :
  - i) To quote their folio Nos. in all correspondence.
  - ii) To note that no gifts will be distributed at the meeting.
  - iii) 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.
11. **Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars, etc from the Company electronically.**
12. In terms of Section 72 of the Companies Act, 2013, a Member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH – 13 to the Company/RTA in case shares are held in Physical form, and to their respective depository participant, if held in electronic form.
13. **Members holding shares in demat form are requested to submit their Permanent Account Number (PAN) to their respective Depository Participant and those holding shares in physical form are requested to submit their PAN details to the company / RTA in order to comply with the SEBI guidelines.**
14. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the e-voting facility to the members to exercise their right to vote by electronic means. The Company has fixed 23<sup>rd</sup> September, 2016 as a cut – off date to record the entitlement of the shareholders to cast their vote electronically at the 25<sup>th</sup> Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules thereunder. Consequently, the same cut off date, i.e. 23<sup>rd</sup> September, 2016 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 25<sup>th</sup> AGM on 30th September, 2016.

The e-voting period will commence at 09.00 A.M. on 27<sup>th</sup> September, 2016 and will end at 05.00 P.M. on 29th September, 2016. The Company has appointed Mr. Kundan Agrawal (Membership No. FCS –7631 & CP No. 8325), Company Secretary in Practice to act as Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given as Annexure to the Notice.

The Company has engaged the services of MAS Services Limited and NSDL as the Authorised Agencies to provide e-voting facilities.

**For and on behalf of the Board  
of RCC Cements Limited**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

**Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301**

**VOTING THROUGH ELECTRONIC MEANS**

The procedure and instructions for e-voting as given in the Notice of the 25<sup>th</sup> Annual General Meeting are again reproduced hereunder for easy reference:

- I. **In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):**
  - a. Open e-mail and open PDF file viz."RCC-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
  - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
  - c. Click on Shareholder-Login.
  - d. Put user ID and password as initial password noted in step (i) above. Click Login.
  - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - g. Select "EVEN" of "RCC Cements Limited".
  - h. Now you are ready for remote e-voting as Cast Vote page opens.
  - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [cskundanagrawal@gmail.com](mailto:cskundanagrawal@gmail.com) with a copy marked to [rccementlimited@gmail.com](mailto:rccementlimited@gmail.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- II. **In case of Members receiving Physical copy of Notice of 25<sup>th</sup> Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**
  - a. Initial password is provided in the box overleaf.
  - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
  - A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  - B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2016.
  - E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., 23<sup>rd</sup> September, 2016, may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited.  
  
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
  - F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  - G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- H. Mr. Kundan Agrawal Practicing Company Secretary (Membership No. FCS –7631 & CP No. 8325), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - I. The e-voting period will commence at 09.00 A.M. on 27th September, 2016 and will end at 05.00 P.M. on 29th September, 2016.
  - J. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - K. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - L. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.rccements.com](http://www.rccements.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.
  - M. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
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## DIRECTORS' REPORT

### To the Members of RCC Cements Limited

The Directors are pleased to present their 25<sup>th</sup> Annual Report on the business and operations of RCC Cements Limited and the Financial Accounts of the company for the Financial Year ended on March 31, 2016.

### FINANCIAL RESULTS

Particulars	(Rs. In Lacs)	
	Current Year 31.03.2016	Previous Year 31.03.2015
Income from Operations	2.25	9.11
<b>Total Revenue</b>	<b>2.25</b>	<b>9.11</b>
Profit(Loss) before Depreciation and Taxation	(6.44)	0.27
Less: Depreciation	-	-
Profit(Loss) before taxation	(6.44)	0.27
Provision for taxation	-	0.08
Deferred Tax	-	-
Profit(Loss) after taxation	(6.44)	0.19
Profit/(Loss) brought forward from previous year	(221.67)	(221.86)
Balance carried forward	(228.12)	(221.67)

#### 1. Results of operations

During the year under review, total revenue of the Company was Rs. 2,25,000/- as against Rs. 9,11,000/- in the previous year. During the financial year under review the company has incurred a net loss (after tax) of Rs.6,44,434/- as compared to a profit (after tax) of Rs.18,831/- in the previous financial year.

#### 2. Dividend

Keeping in view the insufficiency of profits, the Board of Directors do not recommend any dividend for the year ended March 31, 2016.

#### 3. Reserves

In view of insufficiency of profits, no amount is proposed to be transferred to Reserves for the year under review.

#### 4. Brief description of the Company's working during the year

##### A. Review Of Operations

During the year under review, total revenue of the Company was Rs. 2,25,000/- as against Rs. 9,11,000/- in the previous year. The company earned a net loss (before tax ) of Rs. 6,44,354/- as against a net profit (before tax ) of Rs. 27,251/- during the previous year. Your Directors are putting in their best efforts to improve the overall financial position and the profitability of the Company.

##### B. Future Prospects

##### Merger of the Company

The company has initiated the process of merger with M/s Virgo Softech Limited i.e., the transferor company in the F.Y. 2012-13. The Board is of the opinion that the transferor company is a closely held professionally managed, rapidly growing, multifaceted information technology company with vast experience and substantial business relating to e-Governance and Smart Card.

The managements of the two companies found it mutually beneficial to amalgamate transferor company and consolidate the business and financial strengths with Transferee Company, i.e., RCC Cements Limited. The consolidation of Transferor's company business with transferee company would at one hand strengthen the financials of RCC Cements Limited for the benefit of all its stakeholders and on the other hand would help transferor company business in getting future contracts and raising funds for expansion due to its listed status.

The Hon'ble High Court of Delhi had duly convened and held Meeting of the Equity Shareholders of your Company on 20th July, 2013 for consideration and approval of the aforesaid scheme of amalgamation. The shareholders of the Company had duly approved the aforesaid scheme of amalgamation in the aforesaid general meeting. However, the Order of the Hon'ble High Court for approval of the aforesaid scheme of amalgamation is still pending.

**5. Change in the nature of business, if any**

During the year, there is no change in the nature of business activity of the company.

**6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

During the period between the end of the financial year of the company and the date of the report, there are no material changes and commitments, which affect the financial position of the company.

**7. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future**

During the year, there is no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

**8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements**

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its asset, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosure.

**9. Details of Subsidiary/Joint Ventures/Associate Companies**

The Company has no Subsidiary. During the year, no company has become or ceased as subsidiary/Joint-venture/Associate of the company.

**10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement**

During the year, no consolidated financial statements have been prepared by the company as the Company has no subsidiary company.

**11. Deposits**

Your Company has not accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, during the year under review. The details relating to deposits, covered under Chapter V of the Act is as under:-

(a)		accepted during the year	Rs Nil
(b)		remained unpaid or unclaimed as at the end of the year	Rs Nil
(c)		whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	No
	(i)	at the beginning of the year	Rs Nil
	(ii)	maximum during the year	Rs Nil
	(iii)	at the end of the year	Rs Nil

**12. Auditors**

In accordance with the provisions of Section 139(1) of the Companies Act, 2013, the members had at the 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2015 appointed M/s. RMA & Associates, Chartered Accountants, New Delhi, the Statutory Auditors of the Company (Registration No. 000978N), for five consecutive financial years, i.e. from the conclusion of the 24<sup>th</sup> AGM till the conclusion of the 29<sup>th</sup> AGM of the shareholders of the Company. Section 139(1) further provides that the appointment of statutory auditors shall be placed before the members at every AGM for ratification.

The Company has received a certificate from the auditors confirming that they are eligible for appointment as auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the Companies Act, 2013 and SEBI Listing Regulations.

Based on the recommendations of the Audit Committee and as per the provisions of Section 139(1) of the Companies Act, 2013, the Board of Directors of your Company proposes to ratify the appointment of M/s RMA & Associates, Chartered Accountants, as the Statutory Auditors of the Company for F.Y. 2016-17.

**13. Auditors' Report**

The comments on statement of accounts referred to in the report of the Auditors are self explanatory. Auditor Report does not contain any qualification, reservation or adverse remark.

**14. Share Capital**

A	Issue of equity shares with differential rights:	During the year, company has not issued any equity shares with differential rights.
B	Issue of sweat equity shares	During the year, company has not issued any Sweat equity shares.
C	Issue of employee stock options	During the year, company has not issued employee stock options.
D	Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees	Rs Nil
E	Bonus Shares	No bonus shares were issued during the year under review.

**15. Extract of the annual return (MGT-9)**

The extract of the annual return in Form No. MGT-9 is annexed herewith (**Annexure 1**).

**16. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

**A) Conservation of energy:**

Your company has undertaken various energy efficient practices which has strengthened the Company's commitment towards becoming an environment friendly organization. The Company makes all efforts towards conservation of energy, protection of environment and ensuring safety. As far as possible, company is utilizing alternate sources of energy.

**(B) Technology absorption:**

The business of the company is not technology driven. No technology has been imported. There is nothing to be disclosed on account of technology absorption.

**(C) Foreign exchange earnings and Outgo during the year:**

	Rs
Foreign Exchange Earned in terms of actual inflows	Nil
Foreign Exchange outgo in terms of actual outflows	Nil

**17. Corporate Social Responsibility (CSR)**

In terms of Section 135(1) of the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable to the Company.

**18. DIRECTORS AND KEY MANAGERIAL PERSONNEL****A) Changes in Directors and Key Managerial Personnel****Appointment and Cessation**

During the year under review, Ms. Madhu Sharma, Director of the company, who was appointed as the additional director of the company on 31<sup>st</sup> March, 2015 was appointed as the Director of the Company liable to retire by rotation at the last Annual General Meeting held on 30/09/2015 and Mr. Sunil Kumar, Managing Director of the Company was reappointed as the Managing Director of the Company for a period of five years w.e.f. 07/05/2015 at the last Annual General Meeting held on 30/09/2015.

During the year under review, Ms. Kanika Dua was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 03/02/2016 and Mr. Soban Singh Aswal was appointed as the Chief Financial Officer (CFO) of the Company w.e.f. 22/03/2016 as per the provisions of Section 203 of the Companies Act, 2013 and SEBI Listing Regulations, 2015.

**Cessation**

Ms. Pooja Chuni, Company Secretary of the Company has tendered her resignation w.e.f. 05<sup>th</sup> August, 2015 and Mr. Jata Shanker Jha had resigned from the post of CFO of the Company w.e.f. 21<sup>st</sup> October, 2015 during the year under review.

**Retirement by Rotation**

In accordance with the provisions of the Companies Act, 2013, Ms. Madhu Sharma (DIN 06947852), Director of the Company, retires by rotation at the forthcoming AGM, and being eligible, offers herself for re-appointment. Considering the background and experience of Ms. Madhu Sharma, the Board is of the opinion that his reappointment will immensely benefit your Company. The Board recommends his reappointment. Brief resume of the Ms. Madhu Sharma, Director of the Company who is proposed to be re-appointed is mentioned hereinbelow:

Ms. Madhu Sharma, aged 55 years, is a Bachelor of Arts from prestigious University. She has extensive experience of almost 20 Years in various aspects of management, viz., the field of marketing and general administration. She has always demonstrated a certain dynamism and foresight seen in the most pragmatic of professional.

Ms. Madhu Sharma does not hold any shares in the Company. Detail of her Directorship in other companies is as follows:-

Sl. No.	Directorships in other Public Companies	Committee Membership/Chairmanship	
1	M/s B.P.Capital Limited	-	-
2.	M/s Polar Marmo Agglomerates Limited	Audit Committee Nomination and Remuneration Committee Stakeholder's Relationship Committee Risk Management Committee	Chairman Chairman Chairman Member
3.	M/s MPS Infotechnics Limited	-	-
4.	M/s Interworld Digital Limited	Nomination and Remuneration Committee Stakeholder's Relationship Committee Risk Management Committee	Member Member Member
5	M/s RCC Cements Limited	Nomination and Remuneration Committee	Member

**B. Appointment of Independent Directors**

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, your Company has requisite number of Independent Directors on its Board. Your Company has duly complied with the requirements of the said provisions for appointment of Independent Directors during the year under review.

**C. Declaration by Independent Directors**

Your Company has received necessary declaration from each Independent Directors of the Company under Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that they meet with the criteria of independence as prescribed under the aforesaid Section and Regulation.

**D. Formal Annual Evaluation**

In compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Individual Directors including the Chairman of the Board. Structured questionnaires were used in the overall Board evaluation comprising various aspects of Board function.

The evaluation of Independent Directors was carried out by the entire Board and that of the Chairman and Non – Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**19. Number of meetings of the Board of Directors**

Eleven meetings of the Board of Directors were held during the year on 06.05.2015, 14.05.2015, 29.05.2015, 12.08.2015, 03.09.2015, 30.09.2015, 21.10.2015, 10.11.2015, 03.02.2016, 13.02.2016 and 22.03.2016.

One separate meeting of Independent Directors of the Company were held on 22.03.2016.

**20. Committees of the Board**

During the year under, in accordance with the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board reconstituted some of its Committees. The Committees are as follows:

- \* Audit Committee
- \* Stakeholders' Relationship Committee
- \* Nomination and Remuneration Committee
- \* Risk Management Committee

Details of the said Committees alongwith their charters, compositions and meetings held during the year are provided in the Report of Corporate Governance as a part of this Annual Report.

**Recommendation of Audit Committee**

During the year under review, there were no instances of non-acceptance of any recommendation of the Audit Committee by the Board of Directors.

**21. Board Evaluation**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board Evaluation framework. The Companies Act, 2013 provides that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as

prescribed by Securities and Exchange Board of India (“SEBI”) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Structured questionnaires were used in the overall Board evaluation comprising various aspects of Board function.

The performance of the Board was evaluated by the Board on the basis of Performance Evaluation Policy formulated by the Board and after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of Committee meetings, etc. and on such further criteria as is set out in the Performance Evaluation Policy (**as per Annexure 2**) formulated by the Nomination and Remuneration Committee and approved by the Board to evaluate the performance of the Board and its Committees.

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors held on 22.03.2016, performance of non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

Based on the outcome of performance evaluation for the financial year 2015-16, further measures/actions have been suggested to improve and strengthen the effectiveness of the Board and its Committees.

## **22. Policy On Directors’ Appointment And Remuneration**

Your Company has a policy to have an appropriate mix of executive and Independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2016, the Board consisted of 4 members and out of which 1 is an Executive Director, 2 are Independent Directors and 1 is a Non Executive Woman Director..

The policy of the Company on directors’ appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director, and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is attached as **Annexure – 3** to the Board Report. Further, the remuneration paid to the Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

## **23. Risk management policy and Internal Control**

The Company has adopted a Risk Management Policy duly approved by the Board and also has in place a mechanism to identify, access, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## **24. Whistle Blower Policy and Vigil Mechanism**

Your Company has established a “Whistle Blower Policy” and Vigil Mechanism for directors and employees to report to the appropriate authorities concerns about the unethical behavior actual or suspected, fraud or violation of the Company’s code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the company. The same can be accessed at the link <http://www.rccements.com/policy.html>.

## **25. Particulars of loans, guarantees or investments under Section 186**

Particulars and details of loan given, investments made or guarantees given and securities provided, if any, are given in the Notes to the Financial Statements.

**26. Contracts and arrangements with related parties**

During the year under review, no contracts have been entered into by the company with related parties. The Company had not entered into any transactions with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the <http://www.rcccements.com/policy.html>.

However, as a matter of Company's policy, all contracts/arrangements/transactions, if any, which will be entered by the company with related parties would be in the ordinary course of business and on an arm's length basis and details and prescribed particulars of all such transactions (if any), will be contained in the Notes to the Financial Statements.

**27. Secretarial Audit Report**

In terms of Section 204(1) of the Companies Act, 2013 and the rules made thereunder, M/s A. K. Friends & Co. was appointed as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the F.Y. 2015-16. The report of the Secretarial Audit in Form No. MR -3 is annexed to and forms part of this Report as per **Annexure – 4**

There are no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditor in the Report.

**28. Corporate Governance**

Your Company has been benchmarking itself with well established Corporate Governance practices besides strictly complying with the requirements of Regulation 17 to 27 and any other applicable Regulation of the SEBI under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

A separate "Report on Corporate Governance" together with requisite certificate obtained from Statutory Auditors of the Company, confirming compliance with the provisions of Corporate Governance as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report.

**29. Directors' Responsibility Statement**

Pursuant to Section 134(3)(c) read with 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and belief confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2016, the applicable accounting standards had been followed and no material departures have been made from the same;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year i.e. on 31<sup>st</sup> March, 2016 and of the profit or loss of the company for that period;
- (c) the directors had taken proper and sufficient care for 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 fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating efficiently; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**30. Particulars Of Employees**

There are no employees employed throughout the financial year who were in receipt of remuneration of Rs. 60 Lacs or more or employed for part of the year who were in receipt of remuneration of Rs. 5 lacs or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014.

Disclosure u/s 197(12) and Rule 5(1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as **Annexure – 5**.

During the year under review, none of the Directors of the Company have received remuneration from the Company.

The Nomination and Remuneration Committee of the Company has affirmed in its meeting held on March 22, 2016 has affirmed that the remuneration paid to the Senior Management Employee/KMPs is as per the remuneration policy of the Company.

### **31. Internal Auditors & Their Report**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s Sanghi & Co. as Internal Auditor for the financial year 2015-16.

#### **Internal Financial Control And Their Adequacy**

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its asset, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosure.

The Company has an adequate internal controls system commensurate with its size and the nature of its business. All the transactions entered into by the Company are duly authorized and recorded correctly. All operating parameters are monitored and controlled. The top management and the Audit Committee of the Board of Directors review the adequacy and effectiveness of internal control systems from time to time.

### **32. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder**

Pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

### **33. Human Resources**

Your Company treats its "human resources" as one of its most important assets. We focus on all aspects of the employee lifecycle. This provides holistic experience for the employees as well. During their tenure at the Company, employees are motivated through various skill development programs. We create effective dialogue through our communication channels to ensure effective dialogue through our communication channels to ensure that feedback reach the relevant team, including leadership.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### **34. Segment-wise performance**

The Company is into single reportable segment only.

### **35. Management Discussion and Analysis**

The Management Discussion and Analysis Report on the business of the Company and performance review for the year ended March 31, 2016, as stipulated in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate report which forms part of the Report.

### **36. Acknowledgements**

Your Directors are grateful to the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Stock Exchanges and other regulatory authorities for their valuable guidance and support and wish to express their sincere appreciation for their continues co-operation and assistance. We look forward for their continued support in future.

Your directors would like to express their sincere appreciation for the assistance and cooperation received from banks, customers, vendors, Government, members and employees during the year under review.

Finally, the Directors thank you for your continued trust and support.

**For and on behalf of the Board  
of RCC Cements Limited  
Sd/-**

**Sunil Kumar  
Chairman  
DIN: 00175301**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERVIEW OF THE ECONOMY

During the year under review (2015-16) uncertainty gripped the world economy as in the previous year. Reflecting weak global activity, most of the advanced and emerging economies faced sluggish growth and tight financial conditions. They struggled to post recovery. It is estimated that global growth had slowed down to 3.1% in 2015 from 3.4 % in 2014 triggered by the slowdown in China which recorded its slowest growth in 25 years at 6.9% during 2015. Also, world trade remained subdued due to weak growth in the economy and falling imports from emerging markets.

Amidst the global headwinds, Indian economy appears to have held its ground firmly due to its strong economic fundamentals and macroeconomic stability. Global agencies like IMF and World Bank have hailed India as a "Bright Spot" among major economies and the fastest growing large economy in global landscape with GDP growth exceeding 7% in 2014-15 and 2015-16. Adopting the revised base year of 2011-12, CSO and Economic Survey had projected a GDP growth at 7.6% in 2015-16 against 7.2% in 2014-15. In line with CSO's advance estimate, the economy grew at a five year high of 7.6% aided by 7.9% growth during the Fourth Quarter of 2015-16.

As in the previous year, the high growth in GDP last year was largely driven by the strong growth of above 8 % in the Services sector. On the other hand, both agriculture and industrial sectors reported weak growth. Deficient rainfall for the second year in 2015-16 is said to have depressed farm sector growth to a mere 1.5%. It is estimated that agriculture and allied sectors grew by an average of 1.6% in the first four years of the 12th Five Year Plan (2012-17) against the plan target of 4% per annum. Similarly, industrial sector reported subdued growth for most part of last year due to weak manufacturing activity. Although RBI had cut Repo rate by 1.5% to 6.5% since January 2015, it had translated into only about 70 basis points reduction in lending rates by the banks. With weak demand, a number of industries operated at low capacity. Since the beginning of 2016, there were signs of industrial recovery with eight core sectors (which account for nearly 38% of the weight of items included in the Index of Industrial Production) recording a growth of 5.7% in February 2016. This was followed by the 16 month high growth at 6.4% in March. More particularly, cement industry reported a robust recovery with a 13.5% growth in February followed by 11.9% in March. However, the overall core sector growth during 2015-16 was lower at 2.7% (2004-05 base year) against 4.5% in 2014-15 as per the latest official figures released by the Ministry of Commerce & Industry. Industrial output growth slowed down to 2.4 per cent in financial year 2015-16 with the Index of Industrial Production remaining virtually flat in March 2016, growing by a mere 0.05 per cent. The cumulative growth of industrial production, at 2.4 per cent, was slower than the 2.8 per cent recorded in 2014-15. In the last decade, industrial output has grown at a slower pace only on two occasions (1.1 per cent in 2012-13 and -0.1 per cent in 2013-14).

With the NDA Government retaining focus on fiscal consolidation, the fiscal deficit for the year under review was contained at the targeted level 3.9% of GDP against 4.2% in the previous year.

For most part of last year retail inflation (CPI) hovered within RBI's target range of 4% to 6% due to continued softening in oil, commodity and food prices. Core or WPI inflation has remained in the negative zone since November 2014.

### OVERVIEW OF INDIAN CEMENT INDUSTRY

The weak demand for cement continued with the industry witnessing a surplus situation with capacity overhang and with practically nil growth. While there was an unprecedented abnormal rainfall with consequent floods in Tamil Nadu, the neighbouring states continued to have weak monsoon resulting in no improvement in rural demand for cement. In spite of economic growth of over 7% as per the reports, the overall cement demand in the country increased by 5% during the year under review over the nominal 4% growth in the previous year and nil growth in the year before as per the information published by Department of Industrial Policy and Promotion. However the cement production in the country, during the last quarter of the fiscal, registered an impressive 12% growth over the previous year. This was against a growth in production of mere 2% in April to December 2015. The South which witnessed negative growth of 4% in the first 9 months, however, recovered to register an impressive growth of 11% in the last quarter. It is expected that this trend in growth will continue excepting for the influence of the seasonal monsoon. The Indian cement industry which has a capacity of over 370 million tons could achieve a capacity utilisation of around 70% only for the year under review. The South in particular was affected with a much lower capacity utilisation. While the industry had to cope with inflationary pressures, including additional payouts on account of wage board settlements for the employees, the impact of the same was considerably reduced due to the sharp fall in oil prices and thereby reduction in the price of fuel. With fairly consistent selling price of cement coupled with improved operating parameters, the Industry could make reasonable bottom line despite lower capacity utilisation; the silver lining being the recovery in cement demand towards the end of the fiscal. With positive outlook for the Indian economy, as predicted by experts, prospects for the Industry is expected to improve in the medium term. Infrastructure development, at a faster pace, as promised in the budget and with revival of housing and industrial growth, improvement in cement

consumption can be expected. With the emphasis and focus being given to ambitious projects like Make in India, Smart Cities Mission, Housing for all schemes and creation of new capital for Andhra Pradesh, there could be a further acceleration in the demand growth. The Industry over the years has achieved improvements in manufacturing technology, efficiency in operating parameters, increased usage of blending materials with the focus on reducing manufacturing costs.

The year 2014 has been a landmark year in the history of Indian Politics as the new NDA government came into power and formed the government with sweeping majority. The first quarter of FY 2014-15 saw a surge in investor sentiments that was triggered by the ascent to power of the NDA. The Central and State elections were a mixed bag. India has a single party majority at the Centre after a long time, resulting in high policy intent, but, moderate action due to constraints. The Government's recent usage of the ordinance route to pass reforms in key issues such as land acquisition, coal auctions, mining and FDI in Insurance, reflects its conviction behind reforms and willingness to act outside of conventional avenues. The Government's flagship initiative "Make in India" aims to promote manufacturing, which currently constitutes approximately 18% of GDP versus a targeted 25%. India's unique combination of democracy, demography and demand would also help make it a suitable manufacturing destination.

The Finance Minister presented the Budget, which addresses some pending concerns, such as (1) laying out a transforming tax regime in terms of GST, GAAR, phased reduction in corporate taxes, abolition of wealth tax, (2) higher public investments to kick start growth, (3) direct benefit/transfers/ Jan Dhan to streamline. India's growth story got a boost with the rebasing of GDP Data. Based on the new series, the real GDP growth stands at 7.4% in FY 2014-15 and 6.9% in FY 2013-14, i.e., approximately 180 bps higher than earlier estimates. While the data shows that growth recovery has been swift and substantial, several on-ground indicators like growth in industrial output, credit and net tax revenues, suggest that activity is still sub par. The new government presented the budget for the FY 2015-16 which focused on growth, weaker sections and social security and at the same time, fiscal responsibility was maintained.

Riding on the wave of optimism, growth picked up during 2014-15 according to figures released by Economic Survey, which pointed out that the service sector, particularly financing, insurance, real estate and business services have been the most dynamic sectors in the economy in recent years. During FY 2013-14, the GDP growth was well below 5% and has shown recovery from the first quarter of FY 2014-15 where the GDP growth rate moved to 5.7%. The World Bank has estimated that the GDP growth for India for the FY 2015-16 would be around 7.5% as per the new series of calculating GDP. The measures and policies taken by the RBI have controlled the inflation in India.

## **OPPORTUNITIES AND THREATS OF CEMENT INDUSTRY**

Risk Management has become a critical focus area in today's economic environment. The aim of risk management is to proactively identify all major risks, prepare a mitigation plan and monitor/ watch out for events that may pose risks for the business.

Cement consumption and demand is primarily driven by growth and investments in the housing and infrastructure sectors. As these sectors have remained subdued, the growth in cement demand in India had slowed down considerably in the last two years or so. With the general elections currently on, the markets are waiting for the post-election dispensation for the new direction and policy framework.

The long term prospects of the industry remain bright. India's per capita cement consumption (@ 225 kg) is much too low, compared to the world average of over 350 kg per capita, which shows great potential for growth. The corresponding figure is 660 kg per capita in China, 631 kg per capita in Japan and 447 kg per capita in France.

But India's economy is growing fast. Over the past 15 years, the per capita consumption of cement has almost doubled in the country. Though the growth in demand for cement in the last financial year was just 3.5 per cent, it will definitely improve in the coming years. In fact, India's low per capita consumption of cement is one of the main reasons for strong interest shown by the foreign players in India.

The major consuming sectors — housing and infrastructure — have tremendous growth potential and continue to receive policy support from the government. The housing segment accounts for a major portion of the total domestic demand for cement in India. Demand from the housing sector will be driven in the coming years by the increasing per capita income, nuclear families, rapid urbanization and government stimulus to various rural and affordable housing schemes. These trends do not show any deceleration.

The focus of the government on strengthening infrastructure, besides promotion of low-cost affordable housing etc. is expected to drive cement demand. The Government of India (GOI) is strongly focused on infrastructure development to boost economic growth and plans to increase investment in infrastructure to \$1 trillion in the 12th Five Year Plan (2012-17). Infrastructure projects such as dedicated freight corridors as well as new and upgraded airports and ports are expected to further drive the industry.

The government also plans to expand the capacity of the railways to ease the transportation of cement. With the ever-increasing industrial activities, real estate, construction and infrastructure, there is a continuous demand for cement.

## GOVERNMENT INITIATIVES

Some major initiatives of the Government to boost the cement industry are as follows:

- An expert appraisal committee under Ministry of Environment, Government of India, has provided approval to India Cements to double its capacity and set up a 40 megawatt (MW) power plant at one of its facilities in Tamil Nadu. The proposed expansion project will come up at Dalavoi in Ariyalur district.
- The Competition Commission of India (CCI) has approved the proposed acquisition of cement plants of Jaypee Cement Corporation Ltd, comprising an integrated cement unit at Sewagram and grinding unit at Wanakbori in Gujarat by Ultratech Cement Ltd.
- Giving impetus to green initiatives, Goa State Pollution Control Board (GSPCB) has signed a memorandum of understanding (MoU) with Vasavadatta Cement, a company with its plant in Karnataka. The cement manufacturer will use the plastic waste collected from Goa as fuel for its manufacturing plant.

## OUTLOOK

Major global markets are still grappling with slow down and weak recovery. The World Bank has lowered its global growth forecast, expecting it to grow at 2.4% in 2016 and at 2.8% in 2017. Notwithstanding the turmoil in global markets, Indian economy is continued to be viewed as a "Bright Spot" by Global agencies like World Bank and IMF. They expect Indian economy to remain on high growth track with an estimated GDP growth of 7.5% to 7.6% during 2016-17 on the back of macro economic stability, fiscal discipline, benign inflation, rising real income and private consumption, better policy reforms and increasing confidence of global investors in the Indian market. RBI has also estimated that the uneven recovery in growth in 2015-16 is likely to strengthen gradually into 2016-17, assuming a normal monsoon and the likely boost to consumption from the implementation of the 7th Pay Commission recommendations and one rank, one pension (OROP). Since February 2016, core sector is on a recovery mode and the cement industry is slowly coming out of the long down cycle that had forced it to post a single digit growth since 2010-11. Budget for 2016-17 has envisaged stepping up public expenditure on farming, irrigation, rural economy, infrastructure, roads, urban development and housing. In view of this, construction activity is expected to pick up momentum and increase the demand for cement in the coming months.

The cement sector is hoping for a revival this financial year. After a gap of four years, the industry is optimistic on demand and capacity utilisation increasing. The first half of FY15 nurtured hopes of better growth but the second half was shot by a slowdown, especially in the quarter ending in March because of the government cutting expenditure.

Despite the slowdown, sector insiders and analysts are hopeful of increase in production — by at least seven to 7.5 per cent — in the current financial year. Credit rating firm Icria said all-India cement production increased only 1.8 per cent in the period between October, 2014 and March, 2015. In the April-September, 2014 period it grew by 9.7 per cent. "The pre-election spending and a delayed monsoon had led to a spurt in growth of demand for cement in the first half of FY15 but it slowed down after the elections got over."

In the final quarter of FY15, government spending was cut, demand from the real estate and construction sectors was mute and income from agriculture decreased because kharif production saw a decline in due to poor monsoon. All of this affected demand for cement. The trend, however, is expected to reverse.

Centre for Monitoring Indian Economy Private Limited said: "This trend in cement demand is likely to reverse during

FY16 on account of higher government spending on infrastructure as announced in the Union Budget. This is likely to boost the demand for cement from real estate and infrastructure sectors. Therefore, we expect the growth in cement output to accelerate to nine per cent during the year. A total of 289.4 million tonnes of cement is likely to be manufactured during the year." In the following year, the output is likely to grow by 8.1 per cent backed by a sustained healthy growth in demand.

## INTERNAL CONTROL SYSTEM

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firm of Chartered Accountants has been entrusted with the job to regular conduct the internal audit and report to the management the lapses, if any. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up, remedial measures are being taken including review thereof. The Audit

Committee of Directors in its periodical meetings, review the adequacy of internal control systems and procedures and suggests areas of improvements.

In view of the changes in Companies Act, the Company has taken additional measures from the financial year 2014-15 to strengthen its internal control systems. Some of the additional measures in this regard are strengthening background verification process of new joiners, whistle blower policy and strengthening the process of risk assessment.

The organization is well structured and the policy guidelines are well documented with pre defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations. The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported.

The Audit Committee of Directors in its periodical meetings, reviews the adequacy of internal control systems and procedures and suggests areas of improvements. Needless to mention, that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain central point of the entire control system.

### **HUMAN RESOURCES**

Human resource is considered as key to the future growth strategy of the Company and looks upon to focus its efforts to further align human resource policies and processes to meet its business needs. The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's growth.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement.

### **CAUTIONARY STATEMENT**

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate intend, will, expect and other similar expressions are intended to identify "Forward Looking Statements". The company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Actual results could differ materially from those expressed or implied. Important factors that could make the difference to the Company's operations include cyclical demand and pricing in the Company's principal markets, changes in Government Regulations, tax regimes, economic developments within India and other incidental factors.

**For and on behalf of the Board  
of RCC Cements Limited**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

**Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301**

## REPORT ON CORPORATE GOVERNANCE

### Philosophy on Code Of Corporate Governance

Your Company stand committed to good Corporate Governance - transparency, accountability, disclosure and independent supervision to increase the value to the stakeholders. The Company is committed to transparency in all its dealings with shareholders, employees, the Government and other parties and places high emphasis on business ethics. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and increasing long-term shareholder value, keeping in view the interests of the company's stakeholders. Your company believes that Corporate Governance is a powerful tool for building trust and long-term relationship with stakeholders, employees, customers and suppliers. The Company has consistently endeavored to be transparent in all areas of its operations.

Corporate Governance to the Company is not just a compliance issue but central guiding principle for everything it does. It's a way of thinking, way of conducting business and a way to steer the organization to take on challenges for now and for the future. The following report on the implementation of the Corporate Governance Code is a sincere effort of the Company to follow the Corporate Governance Principles in its letter and spirit.

Your Directors are committed to good Governance practices and the company has been sharing all important information about its various business segments and operations of the company through Directors Report, Quarterly Results, Chairman's Statement and Annual Reports. Further as required by the Listing Agreement, report on Corporate Governance is given below:

### Board of Directors

The Company is managed by well- qualified Directors. All directors are suitably qualified, experienced and competent .The members of the Board of Directors are persons with considerable experience and expertise in Audit, Accounts, Finance, Administration and Marketing. The Company is benefited by the experience and skills of the Board of Directors.

As on 31<sup>st</sup> March, 2016, the Board of Directors consists of Four members, comprising of One Executive Director, Two Non Executive Independent Directors, One Non Executive Woman Director. The Board's composition meets the stipulated requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors hold directorship in more than ten public limited companies or act as an Independent Director in more than seven Listed Companies, none of the Directors acts as a member of more than ten or Chairman of more than five Committees as on 31<sup>st</sup> March, 2016 across all public limited companies in which they are Directors.

### Board Meetings

The Board of Directors formulates the business policies of the company, reviews the performance and decides on the main issues concerning the company. During the year under review, Eleven Board Meetings were held on 06<sup>th</sup> May, 2015, 14<sup>th</sup> May, 2015, 29<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 03<sup>rd</sup> September, 2015, 30<sup>th</sup> September, 2015, 21<sup>st</sup> October, 2015, 10<sup>th</sup> November, 2015, 03<sup>rd</sup> February, 2016, 13<sup>th</sup> February, 2016 and 22<sup>nd</sup> March, 2016.

Details of attendance of each Director at various meetings of the Company are as follows:

Name	Category and Designation	No. of Board Meeting		Whether attended last AGM Yes/No	No. of Committees Chairmanship /Membership of other Board Committees*		Number of other Directorships Held		No. of Shares and convertible instruments held by Executive/ Non-Executive Directors
		Held	Attended		Chair man	Mem bers	Public	Private	
Mr. Sunil Kumar	Executive and Managing Director	11	11	Yes	0	0	2	5	NIL
Mr. Mukesh Sharma	Non Executive and Independent Director	11	11	Yes	0	0	4	9	NIL
Mr. Kishore Bhatia	Non Executive and Independent Director	11	11	Yes	0	0	0	4	NIL
Ms. Madhu Sharma	Non Executive & Non Independent Director	11	11	Yes	2	1	5	0	NIL

\* As per the requirements of Clause 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committees in other Public Limited Companies is mentioned only.

The Board of Directors has complete access to any information within the Company. At the Board Meetings, Directors are provided with all the relevant information on important matters, working of the Company as well as related details that require deliberations by the members of the Board.

#### Relationship Between Directors

None of the Directors are related to each other.

#### Induction and Familiarisation Programme for Independent Directors

On appointment, the concerned Directors is issued a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a familiarization programme. The programme aims to familiarize the Directors with their role, rights and responsibilities, nature of business model of the Company, etc.

The Details of the familiarisation programme held for the Independent Directors are available on the Company's website i.e. <http://www.rccements.com/investor.html>.

#### Independent Directors' Meeting

In compliance with Section 149(8) of the Companies Act, 2013, read alongwith Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. One separate meeting of Independent Directors of the Company was held on 22<sup>nd</sup> March, 2016.

All the Independent Directors were present at the meeting.

## Performance Evaluation

In compliance with the provisions of the Companies Act, 2013 and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted a formal mechanism for evaluation of its performances as well as that of its committees and Individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and other criteria as set out in Performance Evaluation Policy.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

## Board Committees

### I. Audit Committee

The role and terms of reference of the Audit Committee are in accordance with Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. This, inter alia, includes the overview of Company's financial reporting process, review of quarterly, half yearly and annual financial statements, review of internal control and internal audit systems, engage consultants who can analyze/review the internal practices and give a report thereon to the audit committee from time to time in respect of Company's Financial Reporting and controls thereto, recommendation for appointment, remuneration and terms of appointment of auditors of the company, review and monitor the auditors' independence, approval of any subsequent modification of transactions with the related parties, scrutiny of inter corporate loans and investments, etc.

During the year under review, Six Audit Committee Meetings were held on 29<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 03<sup>rd</sup> September, 2015, 10<sup>th</sup> November, 2015, 13<sup>th</sup> February, 2016 and 31<sup>st</sup> March, 2016. The Committee is headed by a Non Executive Independent Director. The Chairman of the Audit Committee was present at the last AGM held on 30.09.2015.

Details of attendance of each members of the Audit Committee are as under:

Name of the Director	Category	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Mukesh Sharma	Chairman & Independent Director	6	6
Mr. Sunil Kumar	Executive Director	6	6
Mr. Kishore Bhatia	Independent Director	6	6

### II. Nomination and Remuneration Committee

The constitution and terms of reference of the Committee are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 and Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The broad terms of reference of the Nomination and Remuneration Committee (NRC), inter alia, are as follows:

- Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of directors, key managerial personnel and other employees..
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal

- e. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Five meetings of Nomination and Remuneration Committee were held on 06<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 21<sup>st</sup> October, 2015, 03<sup>rd</sup> February, 2016 and 22<sup>nd</sup> March, 2016.

The Composition of the Nomination and Remuneration Committee (NRC) as on March 31, 2016 and the attendance of each member at the Nomination and Remuneration Committee Meetings held during the year is as given below:

Name of Members	Status	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Mukesh Sharma	Chairman & Independent Director	5	5
Mr. Kishore Bhatia	Independent Director	5	5
Ms. Madhu Sharma	Non Executive Director	5	5

### Performance Evaluation

The Nomination and Remuneration Committee had laid down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and Committees of the Board of Directors. The assessment was carried on the basis of following criteria:

1. Valuable Input Provided;
2. Dedication and Commitment;
3. Industry Knowledge;
4. Raising of Concern;
5. Compliances under Companies Act;
6. Contribution to development of strategy and to risk management.
7. Updatations with the latest developments.
8. Communication with other Board members, senior management and others.

### Remuneration of Directors

During the year under review, none of the Non Executive Directors has entered into pecuniary relationship or transaction with the Company.

The detailed criteria for making remuneration to Non- executive Director is mentioned in the Nomination and Remuneration Policy of the Company and is displayed at the website of the Company at <http://www.rccements.com/investor.html>.

At present, none of the Non- Executive Directors is drawing any remuneration from the Company.

None of the Directors of the Company holds any equity shares of the Company as on 31<sup>st</sup> March, 2016.

During the financial year 2015-16, the Company did not come out with any stock option plans and no Stock Options were granted to any of the Directors.

### III. Stakeholders' Relationship Committee:

In Compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board has formed an "Stakeholders' Relationship Committee". Stakeholders' Relationship Committee reviews the redressal of grievances of stakeholders pertaining to the requests/complaints of the shareholders related to transfer/transmission of shares, Dematerialization/ Rematerialisation of shares, non-receipt of annual reports, non-receipt of

dividend, recording the change of address and to deal with all related matters. The Minutes of the Committee are circulated to the Board of Directors.

The committee met 4 times during the year i.e as on 03<sup>rd</sup> September, 2015, 21<sup>st</sup> September, 2015, 1<sup>st</sup> November, 2015 and 31<sup>st</sup> March, 2016.

The Composition of the Committee as on 31<sup>st</sup> March, 2016 and details of attendance of the Committee members at the meetings are as follows:

Name of Members	Status	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Mukesh Sharma	Chairman & Independent Director	4	4
Mr. Sunil Kumar	Executive Director	4	4
Mr. Kishore Bhatia	Independent Director	4	4

Ms. Kanika Dua, the Company Secretary is the Compliance Officer of the Company.

Details of Investor complaints received and redressed during the Financial Year 2015-16 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	3	2	1*

The Company had received a complaint from M/s. Focus Impex Pvt. Ltd., Promoter of the Company, managed and controlled by Mr. Yogesh Jain and his family members, and the matter is sub judice before the Hon'ble Delhi High Court and in the Court of Shri. Sunil Sharma, M,M,, Patiala House Court, Delhi and hence pending.

The Company had received the same complaint from M/s. Focus Impex Pvt. Ltd. through SEBI SCORES also during the year under review and the Company had sent a suitable reply to SEBI Scores during the year under review.

#### IV. Risk Management Committee

The Risk Management Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a risk management programme which comprises of a series of processes, structures and guidelines to assist the Company to identify, assess, monitor and manage its business risks, including any material changes to its risk profile. The objectives and scope of the Risk Management Committee broadly comprises:

- (i) Oversight of the risk management performed by the executive management,
- (ii) Review of the risk management policy,
- (iii) Reviewing risks and initiating mitigation activities,
- (iv) Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

During the Financial Year 2015-16, the Risk Management Committee met once on 31<sup>st</sup> March, 2016.

The Composition of the Risk Management Committee as at March 31, 2016 and the attendance of each member at the Risk Management Committee Meetings held during the year is as given below:

Name of Members	Status	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Kishore Bhatia	Chairman & Independent Director	1	1
Mr. Sunil Kumar	Executive Director	1	1
Mr. Mukesh Sharma	Independent Director	1	1

### Annual General Meetings

The details of last three Annual General Meetings are as follows:

Year	Date	Venue	Time
2013	30.09.2013	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110001	10.00 A.M.
2014	30.09.2014	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110001	11.00 A.M.
2015	30.09.2015	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110001	10.00 A.M.

### Special Resolutions passed during the last three Annual General Meetings:

The following special resolutions have been passed by the shareholders of the company in the previous three Annual General Meetings:

Sr. No.	Particulars of Special Resolutions passed	AGM Details
1.	Authorisation for the Borrowing Limits u/s 180(1)(c) of the Companies Act, 2013.	24 <sup>th</sup> AGM held on 30.09.2015

### Postal Ballot

During the year under review, no resolution was passed through Postal Ballot. None of the Businesses proposed to be transacted at the ensuing Annual General Meeting require passing of a special resolution through Postal Ballot.

### Means of Communication

The quarterly audited/un-audited financial results are sent to BSE, i.e., where the Company's shares are listed immediately after the conclusion of the Board Meetings.

The Company regularly publishes its Audited/Unaudited Financial Results, Notices of Board Meeting, E voting Notice and other Communications in either of the following Newspapers:

- For English Edition- Pioneer, Business Standard and Financial Express.
- For Hindi Edition- Pioneer, Business Standard and Jansatta.

At the Company's website [www.rccements.com](http://www.rccements.com) information for shareholders is available. The Company's website displays the information as stipulated under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2016 such as Quarterly/Annual Financial Results, Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern, Policies, Investors' Contact details etc.

In addition, the Company makes use of this website for publishing official news release, if any.

### General Shareholders' Information

#### Details of 25<sup>th</sup> Annual General Meeting of the Company

Day & Date	Friday, 30th September, 2016
Time	09:00 A.M.
Venue	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110001

#### Calendar for the financial year ending 31st March, 2017

Financial Reporting for the	Tentative time frame
First quarter ended 30th June, 2016	First fortnight of August, 2016
Second quarter ending 30th September, 2016	First fortnight of November, 2016
Third quarter ending 31st December, 2016	First fortnight of February, 2017
Fourth quarter ending 31st March, 2017	By the end of May, 2017

#### Date Of Book Closure

From 24<sup>th</sup> September, 2016 to 30<sup>th</sup> September, 2016 (both days Inclusive) for the purpose of 25<sup>th</sup> Annual General Meeting of the Company.

#### Listing on Stock Exchanges

Name and Address of the Stock Exchanges	Stock Code
The Bombay Stock Exchange Ltd ( BSE) 1st Floor, P.J. Towers, Dalal Street, Mumbai-400001	Scrip Code – 531825/ RCCCEMEN

#### Listing Fees

The Listing Fees of the Bombay Stock Exchange (BSE) for the Financial Year 2016-17 is pending. The Company is in the process of making the payment of the same.

**CIN Number: L26942DL1991PLC043776**

#### ISIN No.

The Company's Demat International Security Identification Number (ISIN) for its equity shares in NSDL and CDSL is INE 335N01015.

**Stock Market Data**

The Company's equity shares are listed at Bombay Stock Exchange Ltd. (BSE). The monthly high and low quotations of equity shares traded on the Bombay Stock Exchange Limited during the financial year 2015-16 are as follows:

Share prices as per BSE Ltd. are as under:

Company: RCC CEMENTS LIMITED-531825

Period: April, 2015 to March, 2016

Month	High Price	Low Price	No. of Shares
Apr-15	13.97	11.93	1541
May-15	11.34	8.8	55
Jun-15	8.36	8.36	270
Jul-15	8.77	8.77	2
Aug-15	10.14	9.2	512
Oct-15	10.64	10.25	341
Dec-15	12.9	11.17	12435
Jan-16	12.9	12.9	8

**The Equity Shares of the company have not been suspended from trading by SEBI and/or by Bombay Stock Exchange i.e. BSE, where the shares of the Company are listed.**

**Name and Address of the Registrar and Share Transfer Agent (RTA):**

MAS Services Ltd.  
T-34, 2<sup>nd</sup> Floor,  
Okhla Industrial Area  
Phase -II, New Delhi-110020.  
Ph. No.:011-26387281-83  
Fax No.: 011- 26387384  
Contact Person Details: Mr. Sharwan Mangla  
Email Id: mas\_serv@yahoo.com

**Share Transfer System**

The Company's equity shares which are in dematerialized form are transferable through the dematerialized system Equity Shares in physical form are processed by Registrar and Share Transfer Agent, M/s. MAS Services Limited and approved by the Shareholders' Relationship Committee of the Board.

**Reconciliation of Share Capital Audit Report:**

A practicing Company Secretary carried out reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit report confirms that the total issued/ paid up capital is in consonance with the total number of shares in physical form and the total number of dematerialized shares held with the depositories.

**Distribution of Shareholding as on 31<sup>st</sup> March, 2016:**

<b>Nominal Value of Each Share : Rs. 10/-</b>					
Share or Debenture holding Nominal Value <b>(Rs.)</b>	Number of Shareholders	% to Total Numbers	Number of Shares	Share or Debenture holding Amount <b>(Rs.)</b>	% to Total Amount
1	2	3	4	5	6
1 To 5,000	1265	60.76	213315	2133150	3.81
5001 To 10,000	700	33.62	628750	6287500	11.22
10001 To 20,000	26	1.25	36635	366350	0.65
20001 To 30,000	1	0.05	2200	22000	0.04
30001 To 40,000	0	0.00	0	0	0.00
40001 To 50,000	4	0.19	20000	200000	0.36
50001 To 1,00,000	23	1.11	199250	1992500	3.56
1,00,001 and Above	63	3.03	4501850	45018500	80.36
<b>Total</b>	<b>2082</b>	<b>100</b>	<b>5602000</b>	<b>56020000</b>	<b>100</b>

**Dematerialisation of Shares and Liquidity**

The Company shares are traded in dematerialized form and have to be delivered in the dematerialized form to all Stock Exchanges. To enable shareholders an easy access to the de-mat system, the Company has executed agreements with both existing Depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India ) Limited (CDSL). M/s. MAS Services Ltd. is the Registrar and Transfer Agent of the Company for the purposes of electronic connectivity for effective dematerialization of shares.

**Status of Dematerialised Shares as on 31<sup>st</sup> March, 2016****(Equity ISIN No. INE335N01015)**

<b>Shares Held through</b>	<b>No. of Shares</b>	<b>Percentage of Holding</b>
NSDL	2179	0.04
CDSL	8721	0.16
Physical	5591100	99.80
<b>Total</b>	<b>5602000</b>	<b>100.00</b>

**Shareholding Pattern of the Company as on 31st March, 2016**

Category	No. of Shares held	% of share holding
A. Promoters' holding		
Promoters	2191100	39.11
Indian Promoters	140000	2.50
Body Corporates	-	-
Foreign Promoters	-	-
2. Persons Acting in Concert	Nil	Nil
Sub-total (A)	2331100	41.61
B. Non-Promoters' holding		
3. Institutional Investors		
a. Mutual Funds & UTI	Nil	Nil
b. Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/Non-government Institutions)	Nil	Nil
c. FII's	Nil	Nil
Sub-total	Nil	Nil
4. Non Institutional Investors		
a. Bodies Corporate	1476076	26.35
b. individuals		
-Individual shareholders holding nominal share capital up to Rs. 2 Lakhs	1110169	19.82
-Individual shareholders holding nominal share capital up in excess of Rs. 2 Lakhs	684650	12.22
c. Any Other		
NRI	5	0
Hindu Undivided Family	-	-
Clearing Members	-	-
Sub-total (B)	3270900	58.39
Grand Total (A)+(B)	5602000	100.00

**ADRs/GDRs/Warrant:**

The Company has not issued any ADRs/GDRs/Warrants or any other convertible instruments.

**Commodity Price Risk or Foreign Exchange Risk And Hedging Activities:**

The Company is not involved into any activities relating to commodities price risks and hedging thereof.

### **Brief profile of the Directors liable to retire by rotation and others**

Brief resumes of the Directors who are proposed to be appointed/ re-appointed is furnished in the explanatory statement to the notice of the ensuing Annual General Meeting forming part of this Annual Report.

### **Address for Correspondence**

RCC Cements Limited  
Registered Office: 807, Arunachal Building, 19,  
Barakhamba Road, Connaught Place,  
New Delhi – 110001  
Phones: 011 – 43571042  
Fax: 011 - 43571047  
Email Id: rcccementslimited@gmail.com

### **Investor's Correspondence may be addressed to**

The shareholders desiring to communicate with the Company on any matter relating to their shares of the Company may either visit in person or write quoting their Folio Number at the following address:

The Company Secretary,  
RCC Cements Limited  
807, Arunachal Building,  
19, Barakhamba Road,  
Connaught Place,  
New Delhi – 110001  
Ph. No.: 011-43571042  
Fax No.: 011-43571047  
Email Id: rcccementslimited@gmail.com

### **SEBI Complaints Redress System (SCORES)**

SCORES, i.e., a Sebi Complaints Redress System is a centralized web based complaints redress system which serves as a centralised database of all Complaints received enables uploading of Action Taken Reports (ATR's) by the concerned Companies & online viewing by the investors of actions taken on the Complaint & its current status. Your Company, is registered with SEBI under the SCORES system.

### **Prohibition of Insider Trading**

In compliance with SEBI's Regulations on Prevention of Insider Trading, the Company has formulated a Code of Conduct for prohibition and prevention of Insider Trading for all the Directors, Officers and the designated employees of the Company. The Code lays down the Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company.

### **CEO/CFO Certification**

The Managing Director and CFO of the Company has issued certificate pursuant to Regulation 17(8) read with Part B of Schedule II of the Listing Regulations certifying that the financial statements and the cash flow statement do not contain any untrue statements and these statements represent a true and fair view of the Company's affairs. The same is annexed to this Report.

### **Auditors' Certificate on Corporate Governance**

A Certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the erstwhile Listing Agreement with the Stock Exchanges and Schedule V (E) of the SEBI (LODR) Regulations, 2015 in force. The same is annexed to this report.

### **Disclosures**

- (i) There were no transactions of the material nature with the related parties during the year that may have potential conflict with the interests of the Company at large. The policy on related party transaction is available in the website of the Company i.e. <http://www.rcccements.com/policy.html>.

- (ii) There was no instance of non-compliance and no penalties or strictures were imposed on the Company by Stock Exchange or SEBI or any other Statutory Authorities on any matter related to the Capital Markets during the last three years.
- (iii) The Company has formulated a Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company. The Whistle Blower Policy/Vigil Mechanism policy is available in the website of the Company i.e. <http://www.rcccements.com/policy.html>. Further, no employee has been denied access to the Audit Committee.
- (iv) The Company has complied with all the mandatory requirements of Corporate Governance of the Listing Regulations as are applicable to the Company. The Company also endeavors to follow Non-Mandatory requirements.
- (v) The Company is not involved into activities relating to commodity price risks and hedging thereof.

**Details of Compliance with mandatory requirements and adoption of non-mandatory requirements of the Listing Regulations:**

The Company has complied with all the Mandatory requirements as prescribed under the erstwhile Listing Agreement and Listing Regulations, to the extent applicable, including Corporate Governance requirements as specified under Regulation 17 to 27 and Clause (b) to (i) of Sub- Regulation (2) of Regulation 46 of the Listing Regulations as applicable to the Company.

A Certificate from M/s. RMA and Associates, the Statutory Auditors of the company confirming compliance with the conditions of corporate governance as specified under Schedule V (E) of the Listing Regulations is annexed to this Report. Further, the Company has also complied with all requirements about disclosures in the Corporate Governance Report, as specified in sub para (2) to (10) of Clause C of Schedule V of the Listing Regulations.

**Non- Mandatory requirements of Regulation 27(1) and Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

1. The quarterly/half yearly results are not sent to the shareholders. However, the same are published in the newspapers and also posted on the Company's website.
2. The Company's Financial Statement for the Financial Year 2015-16 do not contain any audit qualification.
3. The Internal Auditors Report to the Audit Committee.

**Disclosure of Accounting Treatment:**

There is no deviation in following the treatment prescribed in the Accounting Standards in preparation of Financial Statements of the Company for the year ended on March 31, 2016

**Green Initiative in Corporate Governance**

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing service of documents by a Company to its Members through electronic mode. The move of the Ministry allows public at large to contribute to the green movement.

Keeping in view the underlying theme, the Company will continue to send various communications and documents like notice calling general meetings, audited financial statements, directors' report, auditor's report etc., in electronic form, to the email address provided by the members to the Depositories or to the Company.

***To support this green initiative in full measure, members who have not registered their E-mail address and PAN Number. so far, are requested to register their E-mail address and PAN Number, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to fill their e-mail address and PAN Number for our records in the registration form which can be downloaded from the Company's website i.e. [www.rcccements.com](http://www.rcccements.com) for sending the documents in electronic form or else sent a request letter directly to the Company mentioning their E-mail address and PAN No. alongwith self attested copy of their PAN Card.***

#### **Dematerialization of Shares**

***Shareholders are requested to convert their physical holding to demat/electronic form through any of the Depository Participants to avoid any possibility of loss, mutilation etc. of physical share certificates and also to ensure safe and speedy transaction in securities.***

#### **Consolidation of Multiple Folios**

Shareholders who have multiple folios in identical names, are requested to apply for consolidation of such folios and the relevant share certificates to the Company/its Registrar and Transfer Agent.

#### **Updation of Registered Address with the Company**

Shareholders are requested to update their addresses registered with the Company directly through the Share Transfer Agent, to receive all communications promptly. Shareholders holding shares in electronic form, are requested to deal only with their Depository Participants in respect of change of address.

#### **Code of Conduct**

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel. The Code of Conduct is also available on the website of the Company. All Board Memebers and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review.

#### **Declaration of Compliance of the Code of Conduct in terms of Schedule V of SEBI ( Listing Obligations and Disclosure Requirements), Regulations, 2015**

“ In terms of Schedule V of SEBI ( Listing Obligations and Disclosure Requirements), Regulations, 2015 and as per affirmation received from the Directors and the Members of Senior Management Personnel of the Company, I hereby declare that Directors & the Members of Senior Management of the Company have complied with the Code Of Conduct during the F.Y. 2015-16.

**For and on behalf of the Board  
of RCC Cements Limited**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

**Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301**

## Auditor's Certificate on compliance with the conditions of Corporate Governance

**To,  
The Members of  
RCC Cements Limited**

We have examined the compliance of conditions of Corporate Governance by RCC Cements Limited for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges for the period from April 1, 2015 to November 30, 2015 and as per the provisions of SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015 (Listing Regulations) as referred to in Regulation 15(2) and Regulations 17 to 27 and other applicable Regulations and Schedules thereof of the Listing Regulations for the period from 01<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

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 an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

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

**For M/s RMA & Associates  
Chartered Accountants  
Firm Regn. No. 000978N  
Sd/-**

**Place : New Delhi  
Dated : 28<sup>th</sup> May, 2016**

**Deepak Gupta  
Partner  
M. No. 081535**

### CEO/CFO Certification

This is to certify to the Board that:

- a. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2016 and that to the best of our knowledge and belief state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of 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 or operation of such 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 the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year, whenever applicable;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. that there were 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.

**For RCC Cements Limited**

Sd/-	Sd/-
<b>Sunil Kumar</b>	<b>Soban Singh Aswal</b>
<b>Managing Director</b>	<b>Chief Financial Officer</b>
<b>(DIN: 00175301)</b>	<b>(PAN: ADOPA4692F)</b>

**Place: New Delhi  
Date: 28/05/2016**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

**I.REGISTRATION & OTHER DETAILS:**

1.	CIN	L26942DL1991PLC043776
2.	Registration Date	03/04/1991
3.	Name of the Company	RCC Cements Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/Indian Non- Government Company
5.	Address of the Registered office & contact details	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001 011-43571042
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. MAS Services Limited T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 011-26387281-83

**II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the company
1	Manufacturing of Cement	2394	100%

**III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: - Not Applicable**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
-	-	-	-	-	-

**VI. 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[As on 1st-April-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	21,91,100	21,91,100	39.11	-	2,191,100	2,191,100	39.11	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	1,40,000	1,40,000	2.50	-	1,40,000	1,40,000	2.50	-

e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):-</b>	-	<b>23,31,100</b>	<b>23,31,100</b>	<b>41.61</b>	-	<b>2,331,100</b>	<b>2,331,100</b>	<b>41.61</b>	-
<b>(2) Foreign</b>									
a)NRIs-Individual	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corporates	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	-	<b>23,31,100</b>	<b>23,31,100</b>	<b>41.61</b>	-	<b>2,331,100</b>	<b>2,331,100</b>	<b>41.61</b>	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
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>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	8,270	1,470,000	14,78,270	26.39	6081	14,69,995	14,76,076	26.35	(0.04)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									

i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	2,630	8,97,650	9,00,280	16.07	4,814	8,77,555	8,82,369	15.75	(0.32)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	8,92,350	8,92,350	15.93	-	9,12,450	9,12,450	16.29	0.36
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	5	-	5	0.00	0.00
Hindu Undivided Family	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>10,900</b>	<b>3,260,000</b>	<b>3,270,900</b>	<b>58.39</b>	<b>10,900</b>	<b>32,60,000</b>	<b>32,70,900</b>	<b>58.39</b>	<b>-</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	10,900	3,260,000	3,270,900	58.39	10,900	32,60,000	32,70,900	58.39	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>10,900</b>	<b>55,91,100</b>	<b>56,02,000</b>	<b>100</b>	<b>10,900</b>	<b>55,91,100</b>	<b>56,02,000</b>	<b>100</b>	<b>-</b>

**II) Shareholding of Promoter-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st-April-2015]			Shareholding at the end of the year [As on 31st-March-2016]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Rakesh Jain	173100	3.09	-	173100	3.09	-	-
2	Shabnam Jain	34000	0.61	-	34000	0.61	-	-
3	Yogesh Jain	86800	1.55	-	86800	1.55	-	-
4	Apporve Jain	72500	1.29	-	72500	1.29	-	-
5	Abhinav Jain	68000	1.21	-	68000	1.21	-	-
6	Anupreksha Jain	68500	1.22	-	68500	1.22	-	-
7	Akshat Jain	63000	1.12	-	63000	1.12	-	-
8	Ashok Jain	1000	0.02	-	1000	0.02	-	-
9	M/s Anil Kumar Jain (HUF)	9000	0.16	-	9000	0.16	-	-
10	Rajesh Jain	5000	0.09	-	5000	0.09	-	-
11	Meenu Jain	9000	0.16	-	9000	0.16	-	-
12	Himanshu Jain	9000	0.16	-	9000	0.16	-	-
13	Rishabh Jain	1000	0.02	-	1000	0.02	-	-

14	Laxmi Jain	7000	0.12	-	7000	0.12	-	-
15	Swati Jain	6000	0.11	-	6000	0.11	-	-
16	Prabhat Jain	9000	0.16	-	9000	0.16	-	-
17	Ritu Jain	9000	0.16	-	9000	0.16	-	-
18	Reena Jain	9000	0.16	-	9000	0.16	-	-
19	Yogesh Jain	181500	3.24	-	181500	3.24	-	-
20	Savitri Jain	9500	0.17	-	9500	0.17	-	-
21	Yogesh Jain (HUF)	54000	0.96	-	54000	0.96	-	-
22	Rakesh Jain (HUF)	70000	1.25	-	70000	1.25	-	-
23	S. S. Jain	20000	0.36	-	20000	0.36	-	-
24	Shashi Bala Jain	34800	0.62	-	34800	0.62	-	-
25	Rishabh Jain	336200	6.00	-	336200	6.00	-	-
26	Charoo Jain	29500	0.53	-	29500	0.53	-	-
27	Sharad Jain	9500	0.17	-	9500	0.17	-	-
28	Anju Jain	9500	0.17	-	9500	0.17	-	-
29	Ritul Jain	9500	0.17	-	9500	0.17	-	-
30	Sachi Jain	9500	0.17	-	9500	0.17	-	-
31	Preeti Jain	19800	0.35	-	19800	0.35	-	-
32	Punit Jain	19800	0.35	-	19800	0.35	-	-
33	Aridaman Kr. Jain	14500	0.26	-	14500	0.26	-	-
34	Ashok Jain	30000	0.54	-	30000	0.54	-	-
35	Bhushan Kumar Jain	10000	0.18	-	10000	0.18	-	-
36	Mukesh Jain	10000	0.18	-	10000	0.18	-	-
37	Nem Chand Jain	10000	0.18	-	10000	0.18	-	-
38	Shama Rani Jain	8100	0.14	-	8100	0.14	-	-
39	Shashi Daman Jain	13500	0.24	-	13500	0.24	-	-
40	Sumat Chand Jain	30000	0.54	-	30000	0.54	-	-
41	T. C. Jain	20000	0.36	-	20000	0.36	-	-
42	Ashok Jain HUF	90000	1.61	-	90000	1.61	-	-
43	Charu Jain	75000	1.34	-	75000	1.34	-	-
44	Meenu Jain	70000	1.25	-	70000	1.25	-	-
45	Rajesh Jain	112000	2.00	-	112000	2.00	-	-
46	Rajesh Jain (HUF)	75000	1.34	-	75000	1.34	-	-
47	Sharad Jain	95000	1.70	-	95000	1.70	-	-
48	Tara Chand Jain	75000	1.34	-	75000	1.34	-	-
49	Diplomate Leasing Pvt. Ltd.	100000	1.79	-	100000	1.79	-	-
50	Suneet Impex Pvt. Ltd.	40000	0.71	-	40000	0.71	-	-
	<b>Total</b>	<b>2331100</b>	<b>41.61</b>	-	<b>2331100</b>	<b>41.61</b>	-	-

**iii) Change in Promoters' Shareholding (please specify, if there is no change): Not Applicable\***

Sl.No.	Particulars	Shareholding at the beginning of the year [As on 1st-April-2015]		Cumulative Shareholding during the year (1st-April-2015 to 31 <sup>st</sup> -March, 2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

\*During the year under review, there is no change in the Promoters' Shareholding of the Company.

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

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 1st-April-2015]		Cumulative Shareholding during the Year (1st-April-2015 to 31 <sup>st</sup> -March, 2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.Regent Marketing Private Limited</b>					
	At the beginning of the year	310000	5.53	310000	5.53
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	310000	5.53	310000	5.53
<b>2. Simple Investment Private Limited</b>					
	At the beginning of the year	250000	4.46	250000	4.46
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	250000	4.46	250000	4.46
<b>3.Amar Sales Private Limited</b>					
	At the beginning of the year	248000	4.43	248000	4.43
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	248000	4.43	248000	4.43
<b>4.Peeyush Kumar Aggarwal</b>					
	At the beginning of the year	226700	4.05	226700	4.05
	Date wise Increase / Decrease in	Nil	Nil	Nil	Nil

	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year	226700	4.05	226700	4.05
<b>5.Nirupama Jain</b>					
	At the beginning of the year	200750	3.58	200750	3.58
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	200750	3.58	200750	3.58
<b>6.Simple Investment Private Limited</b>					
	At the beginning of the year	200000	3.57	200000	3.57
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	200000	3.57	200000	3.57
<b>7.Omkam Capital Markets Private Limited</b>					
	At the beginning of the year	150000	2.68	150000	2.68
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease . Transfer on 30.06.2014	Nil	Nil	Nil	Nil
	At the end of the year	150000	2.68	150000	2.68
<b>8.Rishabh Electrical Pvt. Ltd.</b>					
	At the beginning of the year	120000	2.14	120000	2.14
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	120000	2.14	120000	2.14
<b>9.Shashi Jain</b>					
	At the beginning of the year	75000	1.34	75000	1.34
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	75000	1.34	75000	1.34
<b>10.Anju Jain</b>					
	At the beginning of the year	55000	0.98	55000	0.98
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	55000	0.98	55000	0.98

## V) Shareholding of Directors and Key Managerial Personnel: Not Applicable\*

Sl.No.	Shareholding of each Directors and each Key Managerial Personnel*	Shareholding at the beginning of the year [As on 1st-April-2015]		Cumulative Shareholding during the Year (1st-April-2015 to 31 <sup>st</sup> -March, 2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>	Nil	Nil	Nil	Nil
	<b>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):</b>	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>	Nil	Nil	Nil	Nil

No Directors/KMP of the Company hold Shares in the Company as on 31.03.2016.

## V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
<b>i) Principal Amount</b>	Nil	Nil	Nil	Nil
<b>ii) Interest due but not paid</b>	Nil	Nil	Nil	Nil
<b>iii) Interest accrued but not due</b>	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
<b>* Addition</b>	Nil	Nil	Nil	Nil
<b>* Reduction</b>	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				
<b>i) Principal Amount</b>	Nil	Nil	Nil	Nil
<b>ii) Interest due but not paid</b>	Nil	Nil	Nil	Nil
<b>iii) Interest accrued but not due</b>	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

## 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/WTD/ Manager	Total Amount
		<b>Mr. Sunil Kumar (Managing Director)</b>	
1	Gross salary	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	<b>Total (A)</b>	Nil	Nil
	<b>Ceiling as per the Act</b>	Nil	Nil

## B. Remuneration to other directors

Sl.No..	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	<b>Mr. Mukesh Sharma</b>	<b>Mr. Kishore Bhatia</b>	
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	Nil	Nil
2	Other Non-Executive Directors	<b>Ms. Madhu Sharma</b>		
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	<b>Total (2)</b>	Nil	Nil	Nil
	<b>Total (B)=(1+2)</b>	Nil	Nil	Nil
	<b>Total Managerial Remuneration</b>	Nil	Nil	Nil
	<b>Overall Ceiling as per the Act</b>	Nil	Nil	Nil

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

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Nil	1,38,621	Nil	1,38,621
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	1,38,621	Nil	1,38,621

**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	<b>NONE</b>				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	<b>NONE</b>				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>NONE</b>				
Punishment					
Compounding					

For and on behalf of the Board  
of RCC Cements Limited

Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016

Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301

# Performance Evaluation Policy

## 1. Introduction

The RCC Cements Limited (“**The Company**”) conducts its operations as per the directions provided by the Board of Directors within the framework laid down by the Companies Act, 2013 (“**the Act**”), the Articles of Association, Listing Agreement with stock exchanges and Code of Conduct and policies formulated by the Company for its internal execution. The Company’s Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis, in the best interest of the company and its stakeholders.

The Act provides that the Nomination and Remuneration Committee shall formulate the criteria for evaluation of performance of Independent Directors and the Board. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner. The Act further casts an obligation on part of the board of directors for evaluating the performance of independent directors. All the directors on the board of a company, except the independent director whose performance is being evaluated, will assess the performance of the independent director. Accordingly, a report of performance evaluation of each independent director of the company would be prepared, which would determine whether to extend or continue the term of appointment of the concerned independent director or not.

As one of the most important functions of the Board of Directors is to oversee the functioning of Company’s top management, this Board Performance Evaluation process aims to ensure individual directors (“Directors”) and the Board of Directors of the Company (“Board”) as a whole work efficiently and effectively in achieving their functions. This policy aims at establishing a procedure for conducting periodical evaluation of its own performance and individual directors. Hence, it is important that every individual Board Member effectively contributes in the Board deliberations.

## 2. Role of Board and Independent Directors

In conformity with the requirement of the Act, the performance evaluation of all the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Independent Directors are duty bound to evaluate the performance of non – independent directors and Board as a whole. The independent directors of the Company shall meet at least once in a year to review the performance of the non-independent directors, performance of Chairperson of the Company and Board as a whole, taking into account the views of executive directors and non-executive directors.

## 3. Evaluation Criteria

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director. In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and individual directors. Such evaluation factors may vary in accordance with their respective functions and duties. Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director being evaluated.

**Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below.**

### Rating Scale:

Performance	Rating
Excellent	4
Very Good	3
Good	2
Satisfactory	1
Not Satisfactory	0

### Evaluation of Independent Directors

While evaluating the performance of Independent Directors following points needs to be Considered.

Name of the Director being assessed: \_\_\_\_\_

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Attendance and participations in the meetings		
2.	Raising of concerns to the Board		
3.	Safeguard of confidential information		
4.	Rendering independent, unbiased opinion and resolution of issues at meetings.		
5.	Initiative in terms of new ideas and planning for the Company.		
6.	Safeguarding interest of whistle-blowers under vigil mechanism.		
7.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any		
8.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws applicable to the Company		
9.	Contribution to development of strategy and to risk management		
10.	Updatations with latest developments		
11	Communications with Board members, senior management and others		

#### **Evaluation of Non Independent/ Executive Directors**

While evaluating the performance of Non-Independent Directors/ Executive Directors following point's needs to be considered:

Name of the Director being assessed: \_\_\_\_\_

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Leadership initiative		
2.	Initiative in terms of new ideas and planning for the Company		
3.	Professional skills, problem solving and decision making		
4.	Compliance with policies of the Company, ethics, Code of Conduct etc.		
5.	Reporting of frauds, violations etc.		
6.	Motivating employees, providing assistance & directions		
7.	Attendance and presence in meeting of Board, Committee and General Meeting.		
8.	Safeguarding of interest of whistle blowers under vigil mechanism.		
9.	Timely inputs of the minutes of the meetings of the Board and Committee, if any.		
10.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws applicable to the Company		
11.	Contribution to development of strategy and to risk management		
12.	Updatations with latest developments		
13.	Communications with Board members, senior management and others		

#### **Evaluation of Board of Directors**

While evaluating the Performance of the Board of Directors as a whole, following points needs to be considered:

Sr. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	The Board of Directors of the company is effective in decision making		
2.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.		

3.	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.		
4.	The Board reviews the organization's performance in carrying out the stated mission on a regular basis.		
5.	The Board of Directors is effective in providing necessary advice and suggestions to the company's management.		
6.	Is the board as a whole up to date with latest developments in the regulatory environment and the market?		
7.	The information provided to directors prior to Board meetings meets your expectations in terms of length and level of detail.		
8.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.		
9.	The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the board.		
10.	The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.		
11.	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance.		
12.	The Board considers the independent audit plan and provides recommendations.		

### **COMMITTEES OF BOARD**

The Board has constituted the following committees:

1. Audit Committee;
2. Stakeholders Relationship Committee;
3. Nomination and Remuneration Committee;
4. Risk Management Committee

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects:

<b>Sr. No.</b>	<b>Assessment Criteria</b>	<b>Rating</b>	<b>Remarks/ Comments</b>
1.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws applicable to the Company		
2.	Compliance with ethical standards & code of conduct of Company		
3.	Committee's accomplishments w.r.t. performance objectives		
4.	Redressal of complaints & grievances		
5.	Coordination with other committees and Board of Directors		
6.	Fulfillment of roles & responsibilities assigned to them		
7.	Adherence to Company's policies and internal procedures		

### **Evaluation of Key Management Personnel and Senior Executives**

While evaluating the performance of Key Management Personnel and Senior Executives (other than Directors) following points shall be kept in mind:

<b>Sr. No.</b>	<b>Assessment Criteria</b>	<b>Rating</b>	<b>Remarks/ Comments</b>
1.	Abidance and behavior in accordance with ethical standards & code of conduct of Company.		
2.	Compliance with Article of Association, Companies Act, Listing Regulations & other laws. Applicable to the Company		
3.	Interpersonal and communication skills		
4.	Team work attributes		
5.	Safeguard of confidential information		
6.	Compliance with policies of the Company, ethics, code of conduct, etc.		
7.	Punctuality and other personality related aspects		

**4. Review of the Policy**

The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

**5. Disclosure**

Company will disclose details of its Board Performance Evaluation processes in its Board's report. The Board's report containing such statement shall indicate the manner in which formal evaluation has been made by the Board of its own performance and individual directors of the Company.

**For and on behalf of the Board  
of RCC Cements Limited**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

**Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301**

**Annexure - 3**

## **NOMINATION & REMUNERATION POLICY**

(As amended w.e.f. 10<sup>th</sup> November, 2015)

**1. Introduction**

Pursuant to Section 178 of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of had constituted the Nomination and Remuneration Committee. The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 read along with the applicable rules thereto and Listing Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**2. Objective and purpose of the policy**

The objectives and purpose of this policy are:

- 2.1 To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees. This includes, reviewing and approving corporate goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO"), evaluating the CEO's performance in light of those goals and objectives, and either as a committee or together with the other independent directors (as directed by the board), determine and approve the CEO's compensation level based on this evaluation; and making recommendations to the board with respect to non-CEO executive officer compensation, and incentive-compensation and equity-based plans that are subject to board approval;
- 2.2 The policy also addresses the following items: Committee member qualifications; Committee member appointment and removal; Committee structure and operations; and Committee reporting to the Board.
- 2.3 To formulate the criteria for evaluation of performance of all the Directors on the Board;
- 2.4 To devise a policy on Board diversity; and
- 2.5 To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

**Definitions**

- 'Board' means Board of Directors of the Company.
- 'Directors' means Directors of the Company.
- 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable SEBI listing Regulations, 2015 and/or any other Act/Regulations.
- 'Company' means RCC Cements Limited.
- 'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.
- 'Key Managerial Personnel (KMP)' means-
  - (i) the Managing Director or the Chief Executive Officer or the manager and in their absence, a Whole-time Director;
  - (ii) the Company Secretary; and
  - (iii) the Chief Financial Officer

Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing as may be amended from time to time shall have the meaning respectively assigned to them therein.

**General**

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination; and

Part – C covers remuneration and perquisites etc.

**Part – A****Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The following matters shall be dealt by the Committee:-

**(a) Size and composition of the Board:**

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole and ensure compliance of various provision of applicable laws and SEBI listing Regulations, 2015;

**(b) Directors:**

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

**(c) Succession plans:**

Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

**(d) Evaluation of performance:**

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

**(e) Remuneration framework and policies:**

The Committee is responsible for reviewing and making recommendations to the Board on:

- (i) the remuneration of the Managing Director, Whole-time Directors and KMPs
- (ii) the total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;
- (iii) the remuneration policies for all employees including KMPs, senior management and other employees including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to
- (iv) attract and motivate talent to pursue the Company's long term growth;
- (v) demonstrate a clear relationship between executive compensation and performance; and
- (vi) be reasonable and fair, having regard to best governance practices and legal requirements.
- (vii) The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and
- (viii) the Company's remuneration reporting in the financial statements.

**PART – B**

**Policy for appointment and removal of Director, KMPs and Senior Management**

***I. Appointment criteria and qualifications***

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment.
2. A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years and shall not appoint Independent Director who is below age of 21 years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond Seventy years as the case may be.
5. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

***II. Term / Tenure***

**1. Managing Director / Whole-time Director**

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

## 2. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.

### III. Retirement

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company with the approval of shareholders by passing a special resolution at the general meeting of the Company.

## PART – C

### Policy relating to the remuneration for Directors, KMPs and other employees

#### A. General

1. The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of Chapter xiii of the Companies Act, 2013 read with schedule v, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.
4. Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### B. Remuneration to KMPs and other employees

The policy on remuneration for KMPs and other employees is as below:-

#### 1. Fixed pay

The remuneration and reward structure for employees comprises two broad components - annual remuneration and long-term rewards. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the employees.

These guidelines are as under:

##### a) Annual remuneration

Annual remuneration refers to the annual compensation payable to the employees of the Company. This comprises two parts - a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. Employee is required to determine his/her key result areas for that particular defined role. The performance-linked variable pay will be directly linked to the performance on individual components of the performance and the overall performance of the business. An employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of shareholders.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber, and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a comparison with the relevant peer group globally, established through independent compensation surveys, from time to time.

**b) Long-term rewards**

Long-term rewards may be granted to eligible key employees based on their contribution to the performance of the Company, relative position in the organization, and length of service under the supervision and approval of the Committee.

The grant, vesting and other scheme details would be formulated from time to time.

These long-term reward schemes are implemented to attract and retain key talent in the industry.

**2. Minimum remuneration to Managing Director/ Chief Executive officer**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**C. Remuneration/ Setting Fees / Commission to Non-Executive / Independent Directors**

**1. Remuneration/ Setting Fees / Commission**

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made there under.

The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Non-Executive Directors/ Independent Director shall be paid a Setting Fees / Commission as may be decided by the Board of Directors from time to time subject to the limits specified in Companies Act, 2013 and other applicable laws/ Regulations.

**2. Stock options**

The Independent Directors shall not be entitled to any stock option of the Company.

**Policy review**

This policy is framed based on the provisions of the Companies Act, 2013 and rules there under and the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

**For and on behalf of the Board  
of RCC Cements Limited**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

**Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

To,  
The Members,  
RCC CEMENTS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RCC CEMENTS LIMITED (hereinafter called 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.

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 audit period covering the financial year ended on 31.03.2016 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 31/03/2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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;
  - (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; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (i) The Securities and Exchange Board of India (Listing obligations and Disclosures requirements) Regulations, 2015 applicable w.e.f. December 01, 2015 ;

We have also examined compliance with the applicable clauses of the following:-

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited; (applicable upto 30<sup>th</sup> November, 2015) and thereafter a fresh agreement with the said stock exchanges was executed.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

\* The Company has delayed in filing of some documents with the Registrar of Companies for which additional fees were duly paid as per the provisions of the Companies Act, 2013.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 A.K. FRIENDS & CO.  
COMPANY SECRETARIES**

**Place : New Delhi  
Date : 28.05.2016**

**Sd/-  
ASHISH KUMAR FRIENDS  
PROPRIETOR  
C.P. No 4056  
Membership No. 5129**

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

**'Annexure A'**

To,  
The Members,  
**RCC CEMENTS LIMITED**

Our Report Of even date is to be Read along with this Letter.

1. Maintenance of Secretarial records is the Responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtain the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examinations was limited to the verifications of procedures on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For A.K. FRIENDS & CO.  
COMPANY SECRETARIES**

**Place : New Delhi  
Date : 28.05.2016**

**Sd/-  
ASHISH KUMAR FRIENDS  
PROPRIETOR  
C.P. No 4056  
Membership No. 5129**

## Annexure – 5

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2015-16 (Rs. In Lacs)	% Increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Sunil Kumar Managing Director	NIL	Not Applicable	Not Applicable	Losses for the year are (Rs. 6.44 Lacs) as compared to Net Profit before tax of Rs. 0.27 Lacs for the year 2014-15.
2.	Mr. Kishore Bhatia Independent Director	Not Applicable	Not Applicable	Not Applicable	
3.	Mr. Mukesh Sharma Independent Director	Not Applicable	Not Applicable	Not Applicable	
4.	Mrs. Madhu Sharma Director	NIL	Not Applicable	Not Applicable	
5.	Mr. Jata Shankar Jha Chief Financial Officer (from 01.04.2015 to 21.10.2015)	NIL	NIL	Not Applicable	Losses for the year are (Rs. 6.44 Lacs) as compared to Net Profit before tax of Rs. 0.27 Lacs for the year 2014-15.
	Mr. Soban Singh Aswal Chief Financial Officer (from 22.03.2016 to 31.03.2016)	NIL	NIL	Not Applicable	
6.	Ms. Pooja Chuni Company Secretary (from 01.04.2015 to 05.08.2015)	1,00,000	NIL	Not Applicable	Losses for the year are (Rs. 6.44 Lacs) as compared to Net Profit before tax of Rs. 0.27 Lacs for the year 2014-15.
	Ms. Kanika Dua Company Secretary (From 03.02.2016 to 31.03.2016).	38,621	NIL	Not Applicable	

No sitting fee paid for attending Board Meeting/Committee Meetings.

- ii. In the financial year 2015-16, there was no increase in the median remuneration of employees;
- iii. There were 3 permanent employees on rolls of Company as on March 31, 2016;
- iv. Relationship between average increase in remuneration and company performance – During the F.Y. 2015-16, there was no increase in remuneration. The company incurred net losses for the year 2015-16 of (Rs. 6.44 Lacs), whereas there is no increase in median remuneration.
- v. a) Variations in the market capitalization of the Company: The market capitalization as on March 31, 2016 was Rs. 7,22,65,800/- and Rs. 7,98,28,500/- on March 31, 2015.

- b) Price Earnings ratio of Company was 0.00 as at March 31, 2016 and was 0.00 as at March 31, 2015.
- c) The closing price of the Company's equity shares on the BSE as on March 31, 2016 was Rs. 12.90 per share.
- vi. The Key Parameters for any variable component of remuneration availed by the Directors – Please refer to the salient features of Remuneration Policy annexed and forming part of this Report.
- vii. Average percentage in increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was NIL
- viii. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- ix. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x. None of the employees of the Company are related to any Director of the Company.

**For and on behalf of the Board  
of RCC Cements Limited**

**Place: New Delhi  
Dated: 03<sup>rd</sup> September, 2016**

**Sd/-  
Sunil Kumar  
Chairman  
DIN: 00175301**

**RMA & Associates** (ISO 9001:2000 Firm)  
Chartered Accountants

## **Independent Auditor's Report**

**To the Members of  
RCC CEMENTS LIMITED  
New Delhi**

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

We have audited the accompanying financial statements of **RCC CEMENTS LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 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 financial statements

### **Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company 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 for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For and on behalf of  
M/s. RMA & Associates  
Chartered Accountants  
Firm Regn. No. 000978N**

**Place: Delhi  
Dated: 28<sup>th</sup> May, 2016**

**Sd/-  
Deepak Gupta  
Partner  
M. No. 081535**

**RCC CEMENTS LIMITED****Annexure “A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we further state as under:

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.  
(b) All the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.  
(c) There is no immovable property in the name of company.
2. There is no inventory in the company and therefore there is no question of physical verification of inventory.
3. Accordingly to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments guarantees and security.
5. The Company has not accepted any deposits from the public. Therefore, the directive issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under does not arise.
6. As informed to us, maintenance of cost records has not been prescribed by the Central Government U/s. 148(1) of the Companies Act, 2013.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the company is regular in depositing undisputed statutory dues within in the prescribed time to the appropriate authorities and there are no arrears of outstanding statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.  
(b) According to the information and explanation given to us, there are no statutory dues which have not been deposited on account of any dispute.
8. According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or banks.
9. According to the information & explanation given to us and the records of the Company examined by us the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
10. Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and nor any fraud on the company by its officers or employees has been noticed or reported during the year.
11. No Managerial Remuneration is paid by the company during the year hence provisions of Section 197 read with Schedule V to Companies Act, 2013 are not applicable.
12. In our opinion, the company is not a Nidhi company within the meaning of relevant law.
13. Based on the audit procedures performed and the information and explanations given by the management, all transactions with related parties are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 and requisite details have been disclosed in the financial statements as required by the applicable accounting standards.

14. Based on the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or partly convertible debentures u/s 42 of the Companies Act, 2013 during the year.
15. Based on the audit procedures performed and the information and explanations given by the management, the company has not entered in to any non-cash transaction with directors or others in contravention of section 192 of the Companies Act, 2013.
16. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For and on behalf of  
M/s. RMA & Associates  
Chartered Accountants  
Firm Regn. No. 000978N**

**Sd/-  
Deepak Gupta  
Partner  
M. No. 081535**

**Place: Delhi  
Dated: 28<sup>th</sup> May, 2016**

**RCC CEMENTS LIMITED**

**Annexure “B” to the Independent Auditor’s Report of even date on the Financial Statements of RCC CEMENTS LIMITED.**

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

We have audited the internal financial controls over financial reporting of **RCC CEMENTS LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a

material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

### **Opinion**

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

**For and on behalf of  
M/s. RMA & Associates  
Chartered Accountants  
Firm Regn. No. 000978N**

**Sd/-  
Deepak Gupta  
Partner  
M. No. 081535**

**Place: Delhi  
Dated: 28<sup>th</sup> May, 2016**

**RCC CEMENTS LIMITED**  
**CIN: L26942DL1991PLC043776**  
**807, ARUNACHAL BUILDING, 19, BARAKHAMBA ROAD, CONNAUGHT PLACE, NEW DELHI-110001**  
**BALANCE SHEET AS AT 31ST MARCH, 2016**

PARTICULARS	Notes	As At 31.03.2016 <u>Amt. In Rs.</u>	As At 31.03.2015 <u>Amt. In Rs.</u>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	4	5,60,20,000	5,60,20,000
(b) Reserves and Surplus	5	(12,311,821)	(11,667,386)
(c) Money received against share warrants		-	-
<b>(2) Share Application money pending allotment</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings		-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	6	34,74,773	30,94,471
(d) Short-Term Provisions	7	-	8,325
<b>Total Equity &amp; Liabilities</b>		<b>4,71,82,952</b>	<b>4,74,55,410</b>
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	8	3,74,40,625	3,74,40,625
(ii) Intangible Assets			
(b) Non-current investments	9	17,70,000	17,70,000
(c) Deferred tax assets (net)		457	537
(d) Long term loans and advances	10	50,00,000	50,00,000
(e) Other non-current assets		26,30,848	26,30,848
<b>(2) Current Assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	11	3,41,022	6,13,400
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
<b>Total Assets</b>		<b>4,71,82,952</b>	<b>4,74,55,410</b>

**Significant Accounting Policies**

The accompanying notes are an integral part of the financial statements.

Auditor's Report

As per our separate report of even date attached

**For RMA & associates**  
**Chartered Accountants**  
**Firm Reg. No. 000978N**

**For and on behalf of the Board**  
**of RCC CEMENTS LIMITED**

Sd/-  
**(Deepak Gupta)**  
**Partner**  
**M.No. 081535**

Sd/-  
**(Sunil Kumar)**  
**Mg. Director**  
**DIN : 00175301**

Sd/-  
**(Mukesh Sharma)**  
**Director**  
**DIN : 00166798**

**Place: New Delhi**  
**Date: 28th May, 2016**

Sd/-  
**(Kanika Dua)**  
**Company Secretary**  
**M.NO.: 43396**

Sd/-  
**(Soban Singh Aswal)**  
**CFO**  
**PAN: ADOPA4692F**

**RCC CEMENTS LIMITED**  
**CIN: L26942DL1991PLC043776**  
**807, ARUNACHAL BUILDING, 19, BARAKHAMBA ROAD, CONNAUGHT PLACE, NEW DELHI-110001**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2016**

PARTICULARS	Notes	As At 31.03.2016 <u>Amt. In Rs.</u>	As At 31.03.2015 <u>Amt. In Rs.</u>
<b>INCOME</b>			
Revenue from operations		2,25,000	9,11,000
<b>Total</b>		<u>2,25,000</u>	<u>9,11,000</u>
<b>EXPENSES</b>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of Finished Goods,WIP & Stock		-	-
Employee Benefit Expenses	12	3,57,631	5,19,798
Financial Costs	13	282	157
Depreciation and Amortization Expense	14	-	-
Other Administrative Expenses	15	5,11,441	3,63,794
<b>Total</b>		<u>8,69,354</u>	<u>8,83,749</u>
Profit before exceptional & extraordinary items & tax		(644,354)	27,251
Exceptional Items		-	-
Profit before extraordinary items and tax		(644,354)	27,251
Extraordinary Items		-	-
Profit before tax		(644,354)	27,251
<b>Tax expense:</b>			
(1) Provision for Current Tax			8,325
(2) Deferred tax (Charged)/ Earned		(80)	-95
Profit(Loss) from the period from continuing operations		(644,434)	18,831
Profit/(Loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(Loss) from Discontinued operations		-	-
<b>Profit/(Loss) for the period</b>		<u>(644,434)</u>	<u>18,831</u>
<b>Earning per equity share:</b>			
(1) Basic		-0.12	0.00
(2) Diluted		-0.12	0.00

Significant Accounting Policies

1,2,3

The accompanying notes are an integral part of the financial statements.

Auditor's Report

As per our separate report of even date attached

**For RMA & associates**

**Chartered Accountants**

**Firm Reg. No. 000978N**

**For and on behalf of the Board  
of RCC CEMENTS LIMITED**

Sd/-  
(Deepak Gupta)  
Partner  
M.No. 081535

Sd/-  
(Sunil Kumar)  
Mg. Director  
DIN : 00175301

Sd/-  
(Mukesh Sharma)  
Director  
DIN : 00166798

Place: New Delhi  
Date: 28th May, 2016

Sd/-  
(Kanika Dua)  
Company Secretary  
M.NO.: 43396

Sd/-  
(Soban Singh Aswal)  
CFO  
PAN: ADOPA4692F

**RCC CEMENTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016**

	(Amount in Rs.)	
	Year ended March 31,	
	2016	2015
<b>A. Cash Flow From Operating Activities:</b>		
Net Profit/(loss) before tax and extraordinary items	(644,354)	27,251
Adjustments for:		
Interest income	-	-
Depreciation	-	-
Interest & Finance Charges	-	-
<b>Operating cash flow before changes in working capital</b>	<b>(644,354)</b>	<b>27,251</b>
Cash Flow in Working Capital Activities:		
(Increase)/Decrease in Sundry Debtors	-	-
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Loans & Advances	-	-
Increase/(Decrease) in Current Liabilities	380,302	229,592
<b>Cash generated from operations</b>	<b>(264,052)</b>	<b>256,843</b>
Less: Income Tax Paid	(8,325)	(7,969)
<b>Net cash provided by / (used in) operating activities</b>	<b>(272,377)</b>	<b>248,874</b>
<b>B. Cash Flow From Investing Activities:</b>		
Sale/(Purchase) of fixed assets	-	-
(Increase)/Decrease in investments	-	-
Interest received	-	-
<b>Net cash provided by / (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flow From Financing Activities:</b>		
Increase/(Decrease) in capital	-	-
Proceeds from Long Term Borrowings	-	-
Interest and Finance Charges	-	-
Repayment of Long Term Borrowings	-	-
<b>Net cash provided by / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year [(A) + (B) + (C)]</b>	<b>(272,377)</b>	<b>248,874</b>
<b>Cash and Cash Equivalents:</b>		
<b>Opening Balance</b>	613,400	364,525
<b>Closing Balance</b>	341,022	613,400

**For and on behalf of the Board  
of RCC CEMENTS LIMITED**

Sd/-	Sd/-
<b>(Sunil Kumar)</b>	<b>(Mukesh Sharma)</b>
<b>Mg. Director</b>	<b>Director</b>
<b>DIN : 00175301</b>	<b>DIN : 00166798</b>
Sd/-	Sd/-
<b>(Kanika Dua)</b>	<b>(Soban Singh Aswal)</b>
<b>Company Secretary</b>	<b>CFO</b>
<b>M.NO.: 43396</b>	<b>PAN: ADOPA4692F</b>

1. We have examined the above Cash Flow Statement of RCC Cements Limited for the year ended 31.03.2016.
2. The Statement has been prepared by the Company in accordance with the requirement of listing agreement Clause 32 with Stock Exchange and is based on and in agreement with the books and records of the company and also the Statement of Profit and Loss and Balance Sheet of the company covered by our report of even date to the members of the Company.

**For M/s RMA & Associates**  
**Chartered Accountants**  
**Firm Reg. No. 000978N**  
Sd/-  
**(Deepak Gupta)**  
**Partner**  
**M.No. 081535**

**Place: New Delhi**  
**Date: 28th May, 2016**

**RCC CEMENTS LIMITED**

Notes to the financial statements for the year ended March 31, 2016

**1. Corporate information**

**RCC CEMENTS LIMITED** Company incorporated under the provisions of the Companies Act, 1956.

**2. Basis of preparation**

- The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP).
- The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.
- The company follows the Mercantile System of Accounting recognizing Income and Expenditure on accrual basis.
- The directors have certified that there are no outstanding expenses not provided for and nor there are income which have fallen due but not accounted for. The accounts are prepared on historical cost basis and as a going concern.
- The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**3. Summary of significant accounting policies**

From the year ended 31 March 2016, the Schedule III notified under the Companies Act 2013, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

- **Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

- **Fixed Assets**

Fixed Assets are stated at cost. Depreciation of fixed assets is not charged as there is only Capital WIP remaining in the fixed assets.

- **Investment**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

- **Inventories**

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. Work in progress and finished goods are valued at lower of cost and net realizable value.

- **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- **Income tax**

- Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years.

**For and on behalf of the Board  
of RCC CEMENTS LIMITED**

**Sd/-  
(Sunil Kumar)  
Mg. Director  
DIN : 00175301**

**Sd/-  
(Mukesh Sharma)  
Director  
DIN : 00166798**

**Place: New Delhi  
Dated : 28<sup>th</sup> May, 2016**

**Sd/-  
(Kanika Dua)  
Company Secretary  
M. No.:43396**

**Sd/-  
(Soban Singh Aswal)  
CFO  
PAN: ADOPA4692F**

**RCC CEMENTS LIMITED**

Notes forming part of Financial Statements for the year ended 31st March, 2016

	<b>As At 31.03.2016 <u>Amt.In (Rs.)</u></b>	<b>As At 31.03.2015 <u>Amt.In (Rs.)</u></b>
<b>Note - 4: Share Capital</b>		
<b><u>Authorized Share Capital :</u></b>		
1,20,00,000 ( 1,20,00,000) Equity Shares of Rs. 10/- each	<b><u>12,00,00,000</u></b>	<b><u>12,00,00,000</u></b>
<b>Issued , Subscribed and fully paid up shares :</b>		
<b>56,02,000 ( 56,02,000 ) Equity Shares of</b> Rs. 10/- each fully paid up	<u>5,60,20,000</u>	<u>5,60,20,000</u>
<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period</b>		
At the beginning of the period	56,02,000	56,02,000
Issued/ (Reduction) during the period	-	-
At the end of the period	56,02,000	56,02,000
<b>Terms/Rights attached to equity shares</b>		
The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.		
<b>Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period and during five years immediately preceding the reporting date</b>		
	NIL	NIL
<b>Details of Shareholders holding more than 5% equity shares in the company</b>		
Regent Marketing Private Limited	310000(5.53)	310000(5.53)
<b>Note : 5 Reserves &amp; Surplus</b>		
<b>Security Premium Account :</b>		
Opening Balance :	1,05,00,000	1,05,00,000
Add : additions During the year	-	-
Closing Balance	<u>1,05,00,000</u>	<u>1,05,00,000</u>
<b>Surplus/Deficit in the statement of profit and loss</b>		
Balance as per last financial statements	(22,167,387)	(22,186,217)
Profit (-Loss) after tax for the year	(644434)	18,831
Short Provision of Income Tax of earlier years	-	-
Closing Balance	<u>(22,811,821)</u>	<u>(22,167,387)</u>
	<u>(12,311,821)</u>	<u>(11,667,387)</u>
<b>Note : 6 Other Current Liabilities</b>		
Advances	22,18,576	21,00,000
Audit Fee Payable	48,021	33,708
Expenses Payable	11,88,176	9,50,763
TDS Payable	20,000	10,000
	<u>34,74,773</u>	<u>30,94,471</u>



Notes forming part of Financial Statements for the year ended 31st March, 2016

	<b>As At 31.03.2016 <u>Amt.In (Rs.)</u></b>	<b>As At 31.03.2015 <u>Amt.In (Rs.)</u></b>
<b>Note : 11 Cash &amp; Cash Equivalent</b>		
<b>Cash-in-Hand</b>		
Cash Balance	3,08,407	5,79,736
	<u>3,08,407</u>	<u>5,79,736</u>
<b>Bank Balance</b>		
Vijaya Bank	32,615	33,664
	<u>32,615</u>	<u>33,664</u>
<b>Total</b>	<u>3,41,022</u>	<u>6,13,400</u>
<b>Note : 12 Employee Benefit Expenses</b>		
Salaries	3,52,621	5,13,800
Staff Welfare	5,010	5,998
	<u>3,57,631</u>	<u>5,19,798</u>
<b>Note :13 Financial Cost</b>		
Bank Charges	282	157
	<u>282</u>	<u>157</u>
<b>Note : 14 Depreciation and Amortization Expense</b>		
Depreciation	-	-
	<u>-</u>	<u>-</u>
<b>Note : 15 Other Administrative Expenses</b>		
Advertisement & Publication Expenses	59,143	55,161
AGM Expenses	26,550	32,560
Audit Fee	14,313	14,045
Conveyance Expenses	4,534	11,743
Fee & Subscription	2,76,246	1,46,668
Filing Fee	23,400	12,000
Legal & Professional Charges	30,000	13,118
Miscellaneous Expenses	3,658	2,664
Office Expenses	17,730	18,480
Postage and Couriers Expenses	24,798	32,025
Printing & Stationery Expenses	31,069	25,330
	<u>5,11,441</u>	<u>3,63,794</u>

For and on behalf of the Board  
of RCC CEMENTS LIMITED

Sd/-  
(Sunil Kumar)  
Mg. Director  
DIN : 00175301

Sd/-  
(Mukesh Sharma)  
Director  
DIN : 00166798

Place: New Delhi  
Dated : 28<sup>th</sup> May, 2016

Sd/-  
(Kanika Dua)  
Company Secretary  
M. No.:43396

Sd/-  
(Soban Singh Aswal)  
CFO  
PAN: ADOPA4692F

16. Deferred Tax Assets & Deferred Tax Liabilities:

Particulars	Amount in Rs.		
	Deferred Tax Assets as at 01.04.2015	Current Year (Charged)/Earned	Deferred Tax Assets as at 31.03.2016
On account of difference Between book & Tax Depreciation.	537	(80)	457
<b>Total</b>	<b>537</b>	<b>(80)</b>	<b>457</b>

In accordance with AS 22 issued by ICAI, the company has provided for deferred tax during the year

17. Related Party Disclosures

“Related party disclosures as required under Accounting Standard (AS)-18  
“Related Party Disclosures”.

(a). Related parties and nature of related party relationships where control exists

Name of the party	Relationship
Mr. Sunil Kumar	Managing Director
Mr. Kishore Bhatia	Director
Mr. Mukesh Sharma	Director
Mrs. Madhu Sharma	Director
Ms. Pooja Chuni	Company Secretary
Ms. Kanika Dua	Company Secretary
Mr. Soban Singh Aswal	CFO

(b). Related party and nature of related party relationship with whom transactions have taken place:

Name of the party	Relationship
Ms. Pooja Chuni	Key Managerial Personnel
Ms. Kanika Dua	Key Managerial Personnel

Transactions during the year with related parties

Name of the party	Key Managerial Person
Ms. Pooja Chuni	Rs. 1,00,000/-
Ms. Kanika Dua	Rs. 38,621/-

18. The figures of previous years have been recast/regrouped wherever necessary to make them comparable and for the purpose of our audit.

19. Debit and credit balances standing in the name of the parties are subject to confirmation from them.

Auditors Report

As per our report of even date attached

**For M/s. RMA & Associates**  
**Chartered Accountants**  
**Firm Reg. No. 000978N**

**Sd/-**  
**Deepak Gupta**  
**Partner**  
**M. No. 081535**

**Place: New Delhi**  
**Dated : 28<sup>th</sup> May, 2016**

**For RCC CEMENTS LIMITED**

**Sd/-**  
**(Sunil Kumar)**  
**Mg. Director**  
**DIN : 00175301**

**Sd/-**  
**(Kanika Dua)**  
**Company Secretary**  
**M. No.:43396**

**Sd/-**  
**(Mukesh Sharma)**  
**Director**  
**DIN : 00166798**

**Sd/-**  
**Soban Singh Aswal**  
**CFO**  
**PAN: ADOPA4692F**

**RCC CEMENTS LIMITED**

**CIN: L26942DL1991PLC043776**

Regd. Off: 807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001

Tel.: 91-11-43571042 Fax : 91-11-43571047

Email: rcccementlimited@gmail.com Website: www.rcccements.com

**E-COMMUNICATION REGISTRATION FORM**

Dear Shareholders,

You are aware that majority of the provisions of Companies Act, 2013 have been made effective from 1st April, 2014. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports, Notices and other communications through electronic mode to those shareholders who have registered their email address either with the Company/RTA or with the Depository.

It is a welcome move that would benefit the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This provides a golden opportunity to every shareholder of RCC Cements Limited to contribute to the cause of 'Green Initiative' by giving their consent to receive various communications from the Company through electronic mode.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company [www.rcccements.com](http://www.rcccements.com).

[Please note that as a Member of the Company, you will be entitled to receive all such communication in physical form, upon request.]

To support this green initiative in full measure, members who have not registered their E-mail address and PAN Number so far, are requested to registered their E-mail address and PAN Number along with self attested copy of their PAN Card.

**Best Regards,**  
**Sd/-**  
**Sunil Kumar**  
**Managing Director**  
**DIN: 00175301**

**E-COMMUNICATION REGISTRATION FORM**

Folio No. /DP ID & Client ID:.....

Name of the 1<sup>st</sup> Registered Holder:.....

Name of the Joint Holder[s]: (1).....(2).....

Registered Address:.....

.....

E-mail ID (to be registered):..... Mob./Tel. No.:.....

PAN: .....

I/We shareholder(s) of RCC Cements Limited hereby agree to receive communications from the Company in electronic mode. Please register my above E-mail ID in your records for sending communications in electronic form.

Date: ..... Signature: .....

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

**RCC CEMENTS LIMITED**

CIN: L26942DL1991PLC043776

Regd. Off: 807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001

Tel.: 91-11-43571042 Fax : 91-11-43571047

Email: rcccementslimited@gmail.com Website: www.rcccements.com

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting venue)

Name	of	the	Member(s)	/	Proxy*:
.....					
(*Strike off whichever is not applicable)					
Registered address:.....					
E-mail Id: ..... Folio No. /DP ID & Client ID:.....					

I/We, being the member (s) of ..... shares of the above named company, hereby record my/our presence at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 9.00 a.m. at 807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110 001 and at any adjournment thereof.

Signature of the Member/Proxy\*: .....  
 (\*strike out whichever is not applicable)

**NOTES:**

- 1) Members/Proxies are requested to bring the duly signed attendance slip to the meeting and hand it over at the entrance.
- 2) Corporate members intending to send their authorized representatives to attend the meeting are requested to send, to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 3) For the convenience of Members, persons other than Members/Proxies will not be admitted

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**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]

<b>Name of the Member (s):</b> .....
<b>Registered address:</b> .....
<b>E-mail Id:</b> ..... <b>Folio No. /DP ID &amp; Client ID:</b> .....

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

1) **Name:** ..... **E-mail Id:** .....

**Address:** .....

..... **Signature:** .....**or failing him/her**

2) **Name:** ..... **E-mail Id:** .....

**Address:** .....

..... **Signature:** .....**or failing him/her**

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 9.00 a.m. at 807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110 001 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Res. No.	Description	For	Against
1.	Adoption of Financial Statements, Board and Auditors' Report for the Financial Year 2015-16.		
2.	Re-appointment of Ms. Madhu Sharma as a Director liable to retire by Rotation.		
3.	Ratification of Appointment of Statutory Auditors of the Company for the Financial Year 2016-17.		

**Affix  
Revenue  
Stamp**

Signed this-----day of ..... 2016. Signature of Shareholder:.....

**NOTES:**

- 1) Please put a 'X' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 2) Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in the aggregate not more than ten percent (10%) of the total Share Capital of the Company carrying voting rights. A member holding more than ten percent (10%) of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
- 3) This form of Proxy in order to be effective should be duly completed, stamped, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

**If Undelivered, Please Return to:**

# **RCC CEMENTS LIMITED**

CIN : L26942DL1991PLC043776

Regd. Office: 807, Arunachal Building, 19, Barakhamba Road,  
Connaught Place, New Delhi-110 001

Tel.: 91-11-43571042

Email: [rccementlimited@gmail.com](mailto:rccementlimited@gmail.com) Website: rccements.com