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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Sunil Kumar

Managing Director

Mr. Mukesh Sharma

Director

Mr. Kishore Bhatia

Director

### **COMPANY SECRETARY**

Pooja Chuni  
Company Secretary & Compliance Officer

### **AUDITORS**

M/s . RMA & Associates, Chartered Accountants  
Chartered Accountants

### **BANKERS**

Vijaya Bank

### **REGISTERED OFFICE**

807, Arunachal Building, 19, Barakhamba Road,  
Connaught Place, New Delhi-110 001

### **REGISTRAR & SHARE TRANSFER AGENTS**

MAS Services Limited  
Registrar & Share Transfer Agents.

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF RCC CEMENTS LIMITED WILL BE HELD ON MONDAY, 30<sup>th</sup> SEPTEMBER, 2013 AT 10:00 A. M. AT THE REGISTERED OFFICE OF THE COMPANY AT 807, ARUNACHAL BUIDING, 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 Balance Sheet as at March 31, 2013 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Mukesh Sharma, who retires by rotation and being eligible offers himself for re-appointment.
3. To re appoint Auditors and to pass with or without modification, the following resolution as an ordinary resolution:

**“RESOLVED THAT M/s RMA & Associates, Chartered Accountants, the Company’s retiring Auditors, being eligible and offering themselves for reappointment, be and are hereby reappointed as Statutory Auditors of the Company to hold the office until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors of the Company.”**

**By the order of the Board  
For RCC Cements Limited**

**Place: New Delhi  
Dated: 02<sup>nd</sup> September, 2013**

**Sd/-  
Sunil Kumar  
Chairman**

### **NOTES :**

- 1 **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE 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.**
- 2 Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual 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 AGM 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 Friday, 27<sup>th</sup> September, 2013 to Monday, 30<sup>th</sup> September, 2013 (both days inclusive) for the purpose of the AGM.
- 5 Members who are holding shares in physical mode, are requested to notify the changes with respect to their bank details, change of address, change in name, etc. if any, to the Registered Office of the Company or the Registrar & Share Transfer Agent, (RTA) MAS Services Limited.
- 6 Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the amendment in the Companies Act, 1956. The prescribed Form (Form 2B) can be obtained from the Company or its Registrar & Share Transfer Agent. Members desiring to avail of this facility may send their Nomination Form duly filled in to the Company or its Registrar & Share Transfer Agent by quoting their respective Folio Number.
7. Members who hold shares in de-materialised form are requested to bring their DP ID and Client ID Number for easier identification of attendance at the meeting. In all the correspondence with the Company, members are requested to quote their account/ folio numbers and in case their shares are held in the de-materialised form, they must quote their DP ID and Client ID Number.
- 8 Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
- 9 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.
- 10 Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip alongwith their copy of the Annual Report to the Meeting.
- 11 All documents referred to in the accompanying Notice are open 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.

# DIRECTORS' REPORT

## To the Members of RCC Cements Limited

The Directors are pleased to present their 22<sup>nd</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, 2013.

### **FINANCIAL RESULTS**

Particulars	(Rs. In Lacs)	
	Current Year	Previous Year
Income from Operations	7.45	5.25
<b>Total Revenue</b>		
Profit(Loss) before Depreciation and Taxation	0.26	0.25
Less: Depreciation	0.06	0.11
Profit(Loss) before taxation	0.20	0.14
Provision for taxation	0.06	0.04
Deferred Tax	(0.02)	(0.03)
Profit(Loss) after taxation	0.14	0.10
Profit/(Loss) brought forward from previous year	(222.18)	(222.28)
Balance carried forward	(222.04)	(222.18)

### **RESULTS OF OPERATIONS**

During the financial year under review the company has incurred a net profit (after tax) of Rs.13,972/- as compared to a profit (after tax) of Rs.9,617/- in the previous financial year.

### **DIVIDEND**

The Board is of the view that the Company should take advantage of the tremendous growth potential. Accordingly, the directors do not recommend any dividend for the year ended March 31, 2013.

### **SHARE CAPITAL**

During the financial year 2012-13, there has been no increase in the Authorized and Paid Up Share Capital of the Company.

### **DIRECTORS**

At the ensuing Annual General Meeting, Mr. Mukesh Sharma, Director of the Company retires by rotation, and being eligible, offers himself for reappointment. Your Directors recommend his appointment in the overall interest of the Company.

### **MERGER**

During the year under review, the company has initiated the process of merger with M/s Virgo Softech Limited i.e., the transferor company. 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.

### **DELISTING**

During the year under review, the Company had applied for delisting of its shares from Delhi Stock Exchange, Ahmedabad Stock Exchange and Jaipur Stock Exchange. The shares of the company have been delisted from Ahmedabad Stock Exchange and Jaipur Stock Exchange. However, delisting from Delhi Stock Exchange is in process and is pending at the end of the Delhi Stock Exchange.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement for the financial year ended 31<sup>st</sup> March, 2013 it is hereby confirmed:

- ❖ That in the preparation of annual accounts for the financial year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ❖ That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under consideration.
- ❖ That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- ❖ That the Directors have prepared the annual accounts of the Company for the financial year ended March 31, 2013 on a going concern basis.

### **AUDITORS' REPORT**

The observations made by the Auditors are self-explanatory & do not require further clarification.

### **AUDITORS**

M/s RMA & Associates., Chartered Accountants, and Statutory Auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment. The members are requested to re appoint them as the statutory auditors till the conclusion of next Annual General Meeting.

The Board recommends M/s RMA & Associates., Chartered Accountants, to be reappointed as the Statutory Auditors in the larger interest of the Company. A certificate under section

224(1B) of the Companies Act, 1956 regarding their eligibility for the proposed appointment has been obtained from them.

## **PARTICULARS OF EMPLOYEES**

The Directors hereby wish to place their appreciation for the efficient and loyal services rendered by the staff of the Company. The Company has not paid any remuneration attracting the provisions, of the Companies (Particulars of Employees) Rules, 1975 read with section 217(2A) of the Companies Act, 1956. Hence, no information is required to be appended in this regard.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since the Company did not carry out any manufacturing activity during the financial year under review, the details relating to the conservation of energy and technology absorption is not quite relevant to the Company. There was no foreign exchange earning and outgo during the year under review.

## **FIXED DEPOSITS**

Your Company has not accepted any Fixed Deposits, therefore, the provisions of Section 58A of the Companies Act, 1956 are not applicable to the Company.

## **CORPORATE GOVERNANCE**

The Company is proactive following the principles & practices of good corporate governance. The Company has taken adequate steps to ensure that the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreements of the Stock Exchanges are complied with.

A separate report on Corporate Governance together with Auditors' Certificate on compliance is attached to this Annual Report as also a Management Discussion and Analysis statement.

## **ACKNOWLEDGEMENT**

Your Board of Directors wishes their sincere thanks to Shareholders, Customers, Dealers, Bankers, Agencies and Business Associates who have extended their continued support.

**By the order of the Board  
For RCC Cements Limited**

**Sd/-  
(Sunil Kumar)  
Chairman**

**Place: New Delhi  
Dated: 02<sup>nd</sup> September, 2013**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## 1. Industry Structure and Developments

### An Overview

Cement is one of the core industries which plays a vital role in the growth and expansion of a nation. It is basically a mixture of compounds, consisting mainly of silicates and aluminates of calcium, formed out of calcium oxide, silica, aluminium oxide and iron oxide. The demand for cement, depends primarily on the pace of activities in the business, financial, real estate and infrastructure sectors of the economy. Cement is considered preferred building material and is used worldwide for all construction works such as housing and industrial construction, as well as for creation of infrastructures like ports, roads, power plants, etc. Indian cement industry is globally competitive because the industry has witnessed healthy trends such as cost control and continuous technology upgradation.

The Indian cement industry is extremely energy intensive and is the third largest user of coal in the country. It is modern and uses latest technology, which is among the best in the world. Also, the industry has tremendous potential for development as limestone of excellent quality is found almost throughout the country.

### Current Scenario

The Indian cement industry is the second largest producer of quality cement. Indian Cement Industry is engaged in the production of several varieties of cement such as Ordinary Portland Cement (OPC), Portland Pozzolana Cement (PPC), Portland Blast Furnace Slag Cement (PBFS), Oil Well Cement, Rapid Hardening Portland Cement, Sulphate Resisting Portland Cement, White Cement, etc. They are produced strictly as per the Bureau of Indian Standards (BIS) specifications and their quality is comparable with the best in the world.

The industry occupies an important place in the national economy because of its strong linkages to other sectors such as construction, transportation, coal and power. The cement industry is also one of the major contributors to the exchequer by way of indirect taxes.

### Facts of Indian Cement Industry

- The Industry recorded an exponential growth with the introduction of partial decontrol in 1982 culminating in total decontrol in 1989.
- India ranks second in world cement producing countries.
- It contributes to environmental cleanliness by consuming hazardous wastes like Fly Ash (around 30 Mn.t) from thermal power plants and the entire 8 Mn.t of slag produced by steel manufacturing units.
- As a part of Corporate Social Responsibility (CSR), the cement Industry employs around 0.1 million people and takes care of the social needs not only of the employees but also adopts several villages around the factories providing free drinking water, electricity, medical and educational facilities.
- The cement Industry produces a variety of cement to suit a host of applications matching the world's best in quality.

In 2013-14, the cement industry is expected to add 30 mt of production capacity, which currently stands around 313 mt. However, the pace of capacity addition may decline in 2013 since large



capacity additions in anticipation of demand growth have already taken place during 2008-2011, India Ratings said. Thus, the slow growth in capacity addition may improve capacity utilisation going forward.

On the cost front, India's cement industry suffered early setbacks in the form of coal price hikes by over 30% by Coal India Ltd., the largest domestic supplier of coal to cement plants. The alternative of importing coal also turned costlier with the sharp depreciation of the rupee against the dollar. Consistently high inflation further added to the input cost, distribution costs and overhead cost increase. Industry margins were also impacted adversely due to 2% hike in excise duty announced in the Union Budget.

The construction industry is the second largest industry of the country after agriculture accounting for 11 percent of India's GDP. Indian construction industry employs 32 million people and its total market size is estimated at Rs. 2,48,000 crores (35,640 million \$). The level of a country's development is reflected by its infrastructure and the desperate need for infrastructure development has increased the demand of the construction industry in India.

India is the second fastest growing economy in the world and construction is the second largest economic activity after agriculture. Construction accounts for nearly 65 percent of total investment in infrastructure. Investment in construction accounts for nearly 11 percent of India's GDP. \$239.68 billion is likely to be invested in the infrastructure sector over the next 5 to 10 years. Due to significant investment opportunities emerging in this industry, a large number of international real estate players have entered the country.

### **Future Outlook**

Growth in cement demand in 2013-14 may improve as the economy is expected to grow faster during the year and also because the government's policy initiatives may promote infrastructure sector, writes **Raja Iyer**.

While growth in cement production and consumption in 2012-13 was not at all encouraging, there is some hope of recovery in the ongoing fiscal because of expected revival in the economic growth in general and construction sector in particular.

Cement output grew just 4.24 per cent to 233.3 million tonne (mt) in 2012-13 compared to 7.34 per cent (223.8 mt) in the previous fiscal. Growth in consumption eased to 4.2 per cent in 2012-13 from 7.1 per cent in the earlier year.

While the decline in the growth of cement consumption is attributed mainly to the slowdown in the real estate industry, particularly the housing segment, other factors like the fall in capital expenditure, patchy implementation of infrastructure projects, and rise in prices have also tempered demand.

Over 60 per cent of the cement demand in the country comes from housing sector with rural housing accounting for 40 per cent of the total. Slowdown in the housing sector in 2012-13 is mainly due to high interest rate which affected mortgage financing.

Growth in the demand for cement in 2013-14 may improve as the economy is expected to grow faster during the year and also because the government's policy initiatives may promote housing sector.

According to the recent Economic Survey, the Indian economy may grow around 6.5 per cent in 2013-14, more than the estimated 5 per cent in 2012-13 because of the easing of monetary policy by

Reserve Bank of India (RBI), fiscal consolidation by the central government, fall in the global commodity prices, among other things.

Recovery in the construction sector may contribute to the growth in the cement demand in 2013-14. Growth in the construction sector is expected to be 7 per cent in 2013-14 compared to just 5.9 per cent in the previous financial year.

One of the key drivers of housing sector in the coming months would be the initiatives of the central and the state governments to promote affordable housing. Both the central and state governments are taking steps to provide low-cost housing and rural housing, all of which require 'pucca' (and therefore cement) houses. A study by India Ratings shows that almost 85 per cent of the cement demand for rural housing stems from 'pucca' houses. In the short run, the impending general election (scheduled in mid 2014) may spur populist spending on mass housing projects.

Some analysts feel that cement demand from rural India may grow because of the housing schemes of the central and state governments and also because individuals are upgrading houses to 'pucca' houses with their own resources. According to financial services firm Credit Suisse, the expected strong growth in rural housing, roads and railways may raise growth in cement demand from 5 per cent in 2012-13 to 7 per cent in 2013-14.

But there are some challenges in the housing market which may temper the impact of government initiatives. One of the challenges is the weak demand for houses. Home buyers are still waiting for the prices to decline before buying property. Home prices are stubbornly high because of elevated level of land prices, construction cost etc. Also, credit growth to housing sector has moderated because of high interest rate. India Ratings expects the cement demand to grow between 5-8 per cent on a year-on-year basis in 2013 given the slight moderation in credit growth in the housing and commercial real estate sector.

Even though there is possibility of cement demand growing faster in 2013-14 than that in the previous fiscal, margins of many companies may come under pressure because of high transportation cost, weak pricing power owing to excess capacity.

In 2013-14, the cement industry is expected to add 30 mt of production capacity, which currently stands around 313 mt. However, the pace of capacity addition may decline in 2013 since large capacity additions in anticipation of demand growth have already taken place during 2008-2011, India Ratings said. Thus, the slow growth in capacity addition may improve capacity utilisation going forward.

Housing and infrastructure sector is continuing to be the key driver for cement demand in the coming years as well. The continued economic growth, the emphasis on infrastructure building and the housing needs of the population will continue to fuel cement consumption in the country. The long term future of the cement industry continues to be positive, However, due to additional of new plants with large capacities, the capacity utilization would continue to be low in the short term.

## **Opportunities and Threats/SWOT Analysis**

### **A. Strengths**

The cement industry has many strengths to be considered. Cement is, literally, the building block of the construction industry. Almost every building constructed relies on cement

for its foundation. The cement business is a \$10 billion industry, measured by annual cement shipments. There is also a strong reputation behind the cement industry. There is a lot of employment and training opportunities in the field of construction. Low cost well educated and skilled labour force is now widely available across the country. Sufficient availability of raw material and natural resources in the country is supportive for the industry. Real estate development is on high and it is attracting the focus of the industry towards construction.

## **B. Weaknesses**

The cement industry is not without its drawbacks. The cement industry relies on construction jobs to create a profit. But the cement industry heavily relies on weather. About two-thirds of cement production takes place between May and October. Cement producers often use the winter months to produce and stock pile cement, to meet demand. Another weakness is the cost of transport; the cost of transporting cement is high and this keeps cement from being profitable over long distances. In other words, shipping cement costs more than the profit from selling it.

## **C. Opportunities**

The cement industry has opportunities as well. One such opportunity is the cement industry's efficiency. The cement industry has recently streamlined its production efforts, using dry manufacturing instead of wet, which is heavier and more time-consuming. The cement industry has also invested about \$6 billion in expansion efforts to meet unmet cement needs. Projections show that by 2013, the cement industry will have 25 percent more production capabilities. Continuous private sector housing boom will create more construction opportunities. Financial supports like loan and insurance and growth in income of people is in support of construction industry.

## **Government Initiatives**

The cement industry is pushing for increased use of cement in highway and road construction. The Ministry of Road Transport and Highways has planned to invest US\$ 354 billion in road infrastructure by 2012. Housing, infrastructure projects and the nascent trend of concrete roads would continue to accelerate the consumption of cement.

The infrastructure sector has received an impetus in the form of increased funds and tax related incentives offered to attract investors for tapping the infrastructure opportunities around the country. Introduction of tax free bonds, creation of infrastructure debt funds, formulating a comprehensive policy for developing public private partnership projects are some announcements which will give a fillip to the infrastructure sector which is the backbone of any economy.

In the Eleventh Five Year Plan, investment in the above sectors (aviation infrastructure, construction infrastructure, highway infrastructure, power infrastructure, port infrastructure, telecom infrastructure) will be \$ 384 billion (Rs 17,20,000 crore) considering the huge infrastructure market potential in India.

## **D. Threats**

The nature of the economy have uncovered a number of threats to the cement industry. The cement industry greatly relies on construction. The current economy has lessened the number of construction jobs, which in turn hurts the cement industry. The cement industry controls the majority of the United States market, but not all of it. Long term market instability and uncertainty may damage the opportunities and prevent the expansion of training and development facilities. Current economic situation may have an adverse impact on construction industry.

In the years ahead, the construction industry in India has to overcome various challenges with respect to housing, environment, transportation, power or natural resources and hazards associated.

Technocrats associated with the Indian construction industry need to employ innovative technologies and skilled project handling strategies to overcome these challenges. The outstanding performance under demanding situations in the past will stand in good stead and give confidence to the Indian construction industry to bring about an overall development in the infrastructure of the nation.

## **II. Segment-wise performance**

The Company is into single reportable segment only.

## **III. Internal Control Systems and their Adequacy**

The company has adequate internal control systems commensurate with its size and nature of the business. The internal control system has well documented policy, authorisations, guidelines and approved procedures. The audits are conducted to review the adequacy and effectiveness of internal controls and suggest improvements for strengthening them. Audit plans are made out with due weight age to the risk parameters associated with the business processes. Reviews are carried out to ensure follow up on the audit observations. The Company has an Audit Committee, which comprises non-executive directors. The Company regularly reviews the significant observations of Internal Audit.

## **IV. Financials**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and generally accepted accounting principles (GAAP) in India. The management accepts the responsibility for the integrity and objectivity of these financial statements and the basis for the various estimates and judgements used in preparing the financial statements.

During the financial year under review the company has incurred a net profit (after tax) of Rs. 13,972/- as compared to a profit (after tax) of Rs. 9,617/- in the previous financial year.

## **V. Human Resources / Industrial Relations**

The Company believes that its people are a key differentiator, especially in knowledge driven, competitive and global business environment. Adapting work culture to suit the dynamic balancing of people requirements and employee needs is an ongoing process. Our people are the company's greatest assets. Your company focuses on increasing the overall productivity per employee in the challenging market conditions. Men are the only active agent and acts as a catalyst in effective utilization of all other M's (Material, Machine and Money). The Board of Directors of your company would like to place on record their sincere

appreciation for the efforts and contribution made by all the employees of the Company in the challenging environment. Your Directors take this opportunity to thank all employees for rendering impeccable services to every constituent of Company, customers and shareholders. The Company has a well-defined appraisal system to assess and reward the employees appropriately and also to gauge the potentials of the individuals.

## **VI. 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.

## **VII. Corporate Governance**

The report on Corporate Governance along with Auditor's Certificate on its compliance is annexed and forms part of the Annual Report.

## **VIII. Appreciation**

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from the shareholders, bankers and other government agencies during the year under review.

Your Directors also wish to place on record their deep sense of appreciation of the unstinted efforts and contribution made by employees at all levels resulting in the successful performance during the year.

**By the order of the Board  
For RCC Cements Limited**

**Place: New Delhi  
Dated: 02<sup>nd</sup> September, 2013**

**Sd/-  
(Sunil Kumar)  
Chairman**

## REPORT ON CORPORATE GOVERNANCE

In compliance with the Corporate Governance reporting requirements as per the format prescribed by the Securities and Exchange Board of India and incorporated in Clause 49 of the Listing Agreement with the Stock Exchanges, the Company's policies on Corporate Governance and compliance thereof, for the year ended March 31, 2013 is enumerated below for information of the shareholders and investors of the company:

### I. **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.

The certificate of Corporate Governance from the statutory auditors of the company confirming compliance of the conditions of Corporate Governance is annexed hereto.

### II. **Board of Directors**

Your Company's Board has an optimum combination of Executive, Non – Executive and Independent Directors with considerable experience in their respective fields. The Chairman of the Board is an Executive Director. The Board of Directors consists of three members, comprising of one Executive Director and two non Executive independent Directors. The Board's composition meets the stipulated requirements of clause 49 of the listing agreement of the Stock Exchanges.

No Director of the Company is a member in more than 10 committees or act as Chairman of more than 5 Committees across all companies in which he is a Director.

The Board meets as often as required being not less than 4 times in a year with a maximum gap not exceeding 4 months between any two meetings. Agenda papers for Board meetings containing all necessary information/documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. The Directors actively participated in the deliberations of the Board. During the Financial Year 2012-13, Nine meetings of the

Board of Directors were held on 10.05.2012, 19.06.2012, 14.08.2012, 30.08.2012, 29.09.2012, 04.10.2012, 12.11.2012, 18.01.2013 14.02.2013.

The attendance of each Director at these meetings and at the last Annual General Meeting was as follows:

<b>Name</b>	<b>Category</b>	<b>Designation</b>	<b>No. of Board Meetings attended</b>	<b>Last AGM attended</b>
Mr. Sunil Kumar	Executive & Non-Independent	Managing Director	9	Yes
Mr Mukesh Sharma	Non Executive & Independent	Director	9	Yes
Mr Kishore Bhatia	Non Executive & Independent	Director	9	Yes

### **III. Committees of the Board**

In compliance with the Listing Agreement and the SEBI Regulations, the Board has constituted a set of Committees with specific terms of reference and scope to deal with specified matters expediently. Presently, the Board has three Committees

- a) Audit Committee
- b) Shareholders/Investors Grievance Committee.
- c) Remuneration Committee

#### **a) Audit Committee**

##### **Terms of reference**

The Board of Directors has constituted the Audit Committee in line with the requirements under Section 292A of the Companies Act, 1956 and Clause 49/51 of the Listing Agreement.

The purpose of the Committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure process, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

The Company Secretary acts as Secretary to the Audit Committee. Shri Mukesh Sharma, Chairman of the Audit Committee was present and available to answer the shareholders' queries in the last Annual General Meeting held on 29.09.2012

The terms of reference of the Audit Committee include the following:

- Reviewing the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of statutory auditors, fixation of audit fees and also to approve payment for other services.
- Reviewing the quarterly and annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and legal requirements concerning financial statements.

- Reviewing the adequacy of internal control systems and internal audit function, ensuring compliance of internal control systems and reviewing the Company's financial risk management policies.
- Reviewing the reports furnished by the internal auditors and statutory auditors and ensures suitable follow-up thereon.

The Committee held its meetings on 10<sup>th</sup> May, 2012, 14<sup>th</sup> August , 2012. 30<sup>th</sup> August, 2012, 12<sup>th</sup> November, 2012 and 14<sup>th</sup> February 2013.

### **Audit Committee Attendance**

All the members of the committee were present in the meetings. Chairman of the Committee attended the Annual General Meeting held on 29.09.2012 and provided clarifications to members of the Company on matters relating to accounts and audit. The minutes of the meetings are placed before the Board at the succeeding Board Meeting for information. Quorum was present at all meetings.

<b>Name of the Director</b>	<b>Category</b>	<b>Nos. of Meetings Attended</b>
Mr Mukesh Sharma	Chairman & Independent Director	5
Mr Sunil Kumar	Executive & Non Independent Director	5
Mr. Kishore Bhatia	Independent Director	5

### **b) Shareholders/Investors' Grievance Committee**

The Shareholders Grievance Committee is headed by an Independent Director. The Committee has the mandate to review and redress the shareholder grievances i.e., transfer and transmission of shares, non – receipt of annual reports, etc.

### **Terms of Reference**

- ❖ To scrutinize and approve registration of transfer of shares issued by the company.
- ❖ To decide all questions and matters that may arise in regard to transmission of shares issued by the Company.
- ❖ To approve and issue duplicate share certificates in lieu of those reported lost
- ❖ To refer to the Board any proposal of refusal of registration of transfer of shares for their consideration.
- ❖ To look into shareholders complaints like transfer of shares, non-receipt of annual reports, etc.
- ❖ To delegate all or any of its powers to Officers/ Authorised Signatories of the Company.

The committee held its meetings on 10<sup>th</sup> May, 2012, 30<sup>th</sup> August , 2012. 12<sup>th</sup> November, 2012 and 14<sup>th</sup> February, 2013.



**The Shareholders'/Investors' Grievances Committee comprises of the following Directors:**

<b>Name of Members</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
Mr Mukesh Sharma	Chairman & Independent Director	4
Mr Sunil Kumar	Executive & Non Independent Director	4
Mr Kishore Bhatia	Independent Director	4

**Number of Shareholders/Investors complaints received:**

<b>Nature of complaints/requests</b>	<b>Opening</b>	<b>Receipt</b>	<b>Resolved</b>	<b>Pending</b>
Change of Address	Nil	Nil	Nil	Nil
Relating to transfer, transmission etc.	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil
<b>TOTAL</b>	Nil	Nil	Nil	Nil

**c) Remuneration Committee**

The Company has constituted a remuneration committee to carry on function relating to determination of the remuneration payable to the executive and other non executive directors, recommendation for appointment / Re- Appointment of the Managing Directors/Whole Time Directors, revision in remuneration of the existing executive directors of the company from time to time.

The Remuneration Committee met once during the year 2012-13 and is headed by an Independent Director and consists of the following Directors:

<b>Name of Members</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
Mr Mukesh Sharma	Chairman & Independent Director	1
Mr Sunil Kumar	Executive & Non Independent Director	1
Mr Kishore Bhatia	Independent Director	1

**Minutes of Committee Meetings**

Minutes of all the committee meetings are circulated to the members of the Board, as an Agenda of Board Meeting, for their information and noting.

## General Body Meetings

Date, time and venue of the last three Annual General Meetings:

Year	Date	Time	Venue
2009-10	30.09.2010	10.45 A.M.	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi- 110 001
2010-11	30.06.2011	10.00 A.M.	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi- 110 001
2011-12	29.09.2012	10.00 A.M.	807, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi- 110 001

During the financial year 2012-13, no special resolution was passed in the Extra Ordinary General Meeting as per the various provisions of the Companies Act, 1956 and no consent of the members was sought through Postal Ballot.

## General Shareholder Information

Annual General Meeting:

Date and Time

Monday, 30<sup>th</sup> September, 2013, 10.00 A.M.

Venue

807, Arunachal Building,  
19, Barakhamba Road,  
Connaught Place, New Delhi - 110001

## Calendar for the financial year ending 31st March, 2014

Financial Reporting for the	Tentative time frame
First quarter ended 30th June, 2013	First fortnight of August, 2013
Second quarter ending 30th September, 2013	First fortnight of November, 2013
Third quarter ending 31st December, 2013	First fortnight of February, 2014
Fourth quarter ending 31st March, 2014	End of May, 2014

## Stock Exchanges where Shares are listed:

The Company's Shares are listed at the following Stock Exchanges:

1. Bombay Stock Exchange Limited
2. Delhi Stock Exchange Limited.

During the year under review, the Company had applied for delisting of its shares from Delhi Stock Exchange, Ahmedabad Stock Exchange and Jaipur Stock Exchange. The shares of the company have been delisted from Ahmedabad Stock Exchange and Jaipur Stock Exchange. However, delisting from Delhi Stock Exchange is in process and is pending at the end of the Delhi Stock Exchange.

## Dates of Book Closure:

27<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013 (both days inclusive)

## Compliance by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years; no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

There were no instances of non-compliance on any matter related to the capital markets. However, there are no instances of penalties or strictures by SEBI or Stock Exchanges or any statutory authorities during the said period. Further, no investor's grievance is pending as on date.

### **CFO certification with regard to the Financials of the company.**

In terms of the requirements of Clause 49(v) of the Listing Agreement, a certificate on the financial statements of the Company stating the particulars specified under the said Clause was placed and considered by the Board

### **Means of Communication**

The quarterly un-audited financial results are sent to Stock Exchanges where the Company's shares are listed immediately after the Board meetings. The notice of the AGM alongwith Annual Report is sent to the shareholders well in advance of the AGM.

The quarterly/ half-yearly/ annual financial results are published in Financial Express (English Daily) and Jansatta (Hindi Daily) and Business Standard (English & Hindi Daily).

### **Share Transfer System**

Share transfer requests received in physical form are registered within 30 days from the date of receipt.

In compliance with SEBI Guidelines, the Registration of Share transfers in physical form as well as in electronic form have been assigned to MAS Services Ltd. In order to ensure timely registration of transfer and return of certificates, the Company monitors the Registrars work closely on regular basis.

### **Dematerialisation of Shares**

The Company shares will be traded in dematerialized form and has 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 Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL). The Company has appointed MAS Services Ltd, as its Registrar and Transfer Agent for the purposes of electronic connectivity for effective dematerialization of shares.

### **Nomination facility for shareholding:**

As per the provisions of the amended Companies Act, 1956, facility for making nomination is available for shareholders in respect of the shares held by them.

### **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:

807, Arunachal Building,  
19, Barakhamba Road, Connaught Place,  
New Delhi - 110001

## DISCLOSURES

Related Party Transactions:

- (I) The Company has not entered into any transaction of material nature with the promoters, Directors or the management or with their relative etc. that may have any potential conflict with the interests of the Company.
- (II) There is no pecuniary relationship or transaction with Independent/Non Executive Director.
- (III) None of transactions with any of any of related parties were in conflict with the interest of the Company

### Shareholding Pattern as on March 31, 2013

S. No.	Category	No. of Shares Held	Percentage of Shareholding
<b>A</b>	<b>Promoter's Holding</b>		
<b>1</b>	<b>Promoters</b>		
(a)	Indian Promoters	2191100	39.11
(b)	Body Corporates	140000	02.50
(c)	Foreign Promoters	Nil	Nil
<b>2</b>	<b>Persons acting in concert</b>	Nil	Nil
	<b>Sub-Total (A)</b>	<b>2331100</b>	<b>41.61</b>
<b>B</b>	<b>Non-Promoters Holding</b>	Nil	Nil
<b>3</b>	<b>Institutional Investors</b>		
(a)	Mutual Funds and UTI	Nil	Nil
(b)	Banks, Financial Institutions, Insurance	150000	2.68
(c)	Companies (Central/State Government Institutions)	Nil	Nil
((d)	FII's	Nil	Nil
	<b>Sub-Total (B)</b>	<b>150000</b>	<b>2.68</b>
<b>C</b>	<b>Others</b>		
(a)	Bodies Corporates	1180671	21.08
(b)	Individual		
	Individual shareholders holding nominal share capital up to Rs 1 lakh	1416129	25.28
	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	524100	09.35
(c)	Any Other (please specify)	Nil	Nil
	<b>Sub-Total (C)</b>	<b>3120900</b>	<b>55.71</b>
	<b>Grand Total (A+B+C)</b>	<b>5602000</b>	<b>100.00</b>

#### Address for Correspondence

##### Company Address:

RCC Cements Limited  
807, Arunachal Building,  
19, Barakhamba Road,  
Connaught Place,  
New Delhi – 110 001

##### Address of the Registrar :

MAS Services Limited,  
T - 34, 2nd Floor, Okhla Industrial Area,  
Phase - II, New Delhi - 110 020

**By the order of the Board  
For RCC Cements Limited  
Sd/-**

**Sunil Kumar  
Chairman**

**Place: New Delhi  
Dated: 02<sup>nd</sup> September, 2013**

**Auditor's Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement.**

**To the members of  
RCC CEMENTS LIMITED**

We have examined the compliance of conditions of Corporate Governance by RCC Cements Limited (the Company) for the year ended 31<sup>st</sup> March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

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 and the representation made by the directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the company and presented to the Shareholders/Investors Grievance Committee.

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**

**Place : New Delhi  
Dated : 30<sup>th</sup> May, 2013**

**Sd/-  
Pankaj Chander  
Partner  
M. No. 89065**

**CERTIFICATE PURUANT TO CLAUSE 49 V OF THE LISTING AGREEMENT**

**Confirmation of compliance of Code of  
Conduct and Ethics**

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

In compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges relating to Corporate Governance, I confirm that, on the basis of confirmations/declarations received, all the Directors and senior management personnel of the company have complied with the Code of Conduct and ethics framed by the company during the year 2012-13.

**For RCC Cements Limited**

**Place: New Delhi  
Dated : 30<sup>th</sup> May, 2013**

**Sd/-  
Sunil Kumar  
Chairman**

**INDEPENDENT AUDITOR'S REPORT**

**The Members,  
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, 2013, and the Statement of Profit and Loss and 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**

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") Issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:-
  - a. we have 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 appears from our examination of those books.;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

**Place: New Delhi  
Dated : 30<sup>th</sup> May, 2013**

**Sd/-  
Pankaj Chander  
Partner  
M. No. 89065**



## **ANNEXURE TO THE AUDITORS' REPORT**

### **M/s. RCC CEMENTS LIMITED**

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified at reasonable intervals by the management and no material discrepancy was noticed on such verification.
- (c) The company has not sold any assets during the year.
- (ii) (a) The company does not have any inventory. Therefore, the clause relating to physical verification of inventory at reasonable intervals by the management is not applicable.
- (b) As the company does not have any inventory, the clause relating to procedures of physical verification of inventory followed by the management in relation to the size of the company and the nature of its business is not applicable.
- (c) As the company does not have any inventory, the clause relating to maintenance of proper records of inventory and notice of any material discrepancy on physical verification is not applicable.
- (iii) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (b) Since the company has not granted any loans, secured or unsecured, as above the clause relating to rate of interest and other terms and conditions of such loans is not applicable.
- (c) Since the company has not granted any loans, the clause relating to regular receipt of the principal amount and interest is not applicable.
- (d) Since the company has not granted any loans, the clause relating to overdue amount of more than Rupees One Lac is not applicable.
- (e) The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (f) Since the company has not taken any loans, secured or unsecured, as above the clause relating to rate of interest and other terms and conditions of such loans is not applicable.
- (g) Since the company has not taken any loans, the clause relating to regular payment of the principal amount and interest is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the company has not entered into any contract or arrangement that need to be entered in the register maintained in pursuance of section 301 of the Act.

- (b) Since the company has not entered into any such transactions during the financial year, the clause relating to such transactions at prices which are reasonable having regard to the prevailing market prices at the relevant time is not applicable.
- (vi) The company being a “Non Banking Financial Company”, provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- (ix) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, undisputed statutory dues including provident fund, investor education and protection fund, employees’ state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues applicable to it have been regularly deposited by the company with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, there are no dues of income tax / sales tax / wealth tax / service tax / custom duty / excise duty / cess which have not been deposited on account of any dispute.
- (x) The accumulated losses of the company at the end of the financial year covered by our audit do not exceed fifty percent of its net worth.
- (xi) According to the information and explanations given to us, the company has neither taken any loan from a financial institution or bank nor issued debentures during the financial year under audit. Hence, the clause relating to repayment of dues to a financial institution or bank or debenture holders is not applicable to the company.
- (xii) The company has not granted any loan or advance against the security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor’s Report) Order, 2003 are not applicable to the company.
- (xiv) Proper records have been maintained of the transactions and contracts of dealing or trading in shares, securities, debentures and other investments held by the company and timely entries have been made therein. Shares, securities, debentures and other securities have been held by the company in its own name except to the extent of the exemption, if any, granted under section 49 of the Act.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanations given to us, the company has not obtained any term loans.
- (xvii) According to the information and explanations given to us, we report that short term funds have not been used for long term investments.

- (xviii) The company has not made preferential allotment of shares during the period covered by our audit to the parties and companies listed in the Register maintained under section 301 of the Act.
- (xix) The company has not issued debentures during the period covered by our audit.
- (xx) The company has not raised money by way of public issues during the period covered by our audit.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

**Place: New Delhi  
Dated : 30<sup>th</sup> May, 2013**

**Sd/-  
Pankaj Chander  
Partner  
M. No. 89065**

## BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in Rs.)

PARTICULARS	Notes	As At 31.03.2013	As At 31.03.2012
<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	(11,704,288)	(11,718,260)
(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)		-	932
(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	30,90,549	27,79,215
(d) Short-Term Provisions	7	7,926	7,431
<b>Total Equity &amp; Liabilities</b>		<b>4,74,14,186</b>	<b>4,70,89,318</b>
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	8	3,74,40,625	3,74,46,476
(ii) Intangible Assets			
(b) Non-current investments	9	17,70,000	17,70,000
(c) Deferred tax assets (net)		744	-
(d) Long term loans and advances	10	50,00,000	-
(e) Other non-current assets		26,30,848	-
<b>(2) Current Assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	11	5,71,969	4,22,842
(e) Short-term loans and advances		-	-
(f) Other current assets	12	-	74,50,000
<b>Total Assets</b>		<b>4,74,14,186</b>	<b>4,70,89,318</b>

Significant Accounting Policies

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**

**For RCC CEMENTS LIMITED**

**Chartered Accountants**

**Firm Reg. No. 000978N**

Sd/-

**(Pankaj Chander)**

**Partner**

**M.No. 89065**

**Place: New Delhi**

**Date: 30th May, 2013**

Sd/-

**(Sunil Kumar)**

**Mg. Director**

Sd/-

**(Mukesh Sharma)**

**Director**

Sd/-

**(Pooja Chuni)**

**Company Secretary**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013**

(Amount in Rs.)

PARTICULARS	Notes	(Amount in Rs.)	
		As At 31.03.2013	As At 31.03.2012
<b>INCOME</b>			
Revenue from operations		7,45,100	5,25,500
Other Income		-	-
<b>Total</b>		<b>7,45,100</b>	<b>5,25,500</b>
<b>EXPENSES</b>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of Finished Goods,WIP & Stock		-	-
Employee Benefit Expenses	13	5,20,000	2,75,800
Financial Costs	14	814	3,632
Depreciation and Amortization Expense	15	5,851	10,631
Other Administrative Expenses	16	1,98,214	2,21,520
<b>Total</b>		<b>7,24,879</b>	<b>5,11,583</b>
Profit before exceptional & extraordinary items & tax		20,221	13,917
Exceptional Items		-	-
Profit before extraordinary items and tax		20,221	13,917
Extraordinary Items		-	-
Profit before tax		20,221	13,917
<b>Tax expense:</b>			
(1) Provision for Current Tax		7,926	7,431
(2) Deferred tax benefit		1,676	3,131
Profit(Loss) from the perid from continuing operations		13,972	9,617
Profit/(Loss) from discontinued operations		-	-
Tax expense of discountiued operations		-	-
Profit/(Loss) from Discontinued operations		-	-
<b>Profit/(Loss) for the period</b>		<b>13,972</b>	<b>9,617</b>
<b>Earning per equity share:</b>			
(1) Basic		0.002	0.001
(2) Diluted		0.002	0.001

Significant Accounting Policies

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**

**For RCC CEMENTS LIMITED**

**Chartered Accountants**

**Firm Reg. No. 000978N**

Sd/-

**(Pankaj Chander)**

**Partner**

**M.No. 89065**

**Place: New Delhi**

**Date: 30th May, 2013**

Sd/-

**(Sunil Kumar)**

**Mg. Director**

Sd/-

**(Mukesh Sharma)**

**Director**

Sd/-

**(Pooja Chuni)**  
**Company Secretary**

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

(Rs. in Thousand)

	Year ended March 31,	
	2013	2012
<b>A. Cash Flow From Operating Activities:</b>		
Net Profit/(loss) before tax and extraordinary items	20	14
Adjustments for:		
Interest income	-	-
Depreciation	6	11
Interest & Finance Charges	-	-
<b>Operating cash flow before changes in working capital</b>	26	25
Cash Flow in Working Capital		
Activities:		
(Increase)/Decrease in Sundry Debtors	-	(7,450)
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Loans & Advances	(181)	3,111
Increase/(Decrease) in Current Liabilities	311	925
<b>Cash generated from operations</b>	157	(3,389)
Less: Income Tax Paid	(7)	(7)
<b>Net cash provided by / (used in) operating activities</b>	149	(3,396)
<b>B. Cash Flow From Investing Activities:</b>		
Sale/(Purchase) of fixed assets	-	(5,671)
(Increase)/Decrease in investments	-	44,220
Interest received	-	-
<b>Net cash provided by / (used in) investing activities</b>	-	38,549
<b>C. Cash Flow From Financing Activities:</b>		
Increase/(Decrease) in capital	-	(35,000)
Proceeds from Long Term Borrowings	-	-
Interest and Finance Charges	-	-
Repayment of Long Term Borrowings	-	-
<b>Net cash provided by / (used in) financing activities</b>	-	(35,000)
<b>Net increase / (decrease) in cash and cash equivalents during the year [(A) + (B) + (C)]</b>	<b>149</b>	<b>153</b>
<b>Cash and Cash Equivalents:</b>		
<b>Cash and Cash Equivalent as at 01.04.2012</b>	423	270
<b>Cash and Cash Equivalent as at 31.03.2013</b>	572	423

1. We have examined the above Cash Flow Statement of RCC Cements Limited for the year ended 31.03.2013.
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 and also the Statement of Profit and Loss and Balance Sheet of the company covered by our report of even agreement with the books and records of the company date to the members of the Company.

**For M/s RMA & Associates**

**Chartered Accountants**

**Firm Reg. No. 000978N**

Sd/-

**(Pankaj Chander)**

**Partner**

**M.No. 89065**

**Place: New Delhi**

**Date: 30th May, 2013**

**For RCC CEMENTS LIMITED**

Sd/-

**(Mukesh Sharma)**

**Director**

# RCC CEMENTS LIMITED

Notes to the financial statements for the year ended March 31, 2013

## 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 (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956.
- 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 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI 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 calculated at the rates prescribed under Schedule XIV to the Companies Act, 1956.

- **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.

**Notes forming part of Financial Statements for the year ended 31st March, 2013**

	<b>As On</b>	<b>As On</b>
	<b>31.03.2013</b>	<b>31.03.2012</b>
	<b><u>Amt.In (Rs.)</u></b>	<b><u>Amt.In (Rs.)</u></b>
<b>Note - 4: Share Capital</b>		
<b>Authorized Share Capital :</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>		
56,02,000 ( 56,02,000 ) Equity Shares of Rs 10 each fully paid up	<b><u>5,60,20,000</u></b>	<b><u>5,60,20,000</u></b>
(Reduction of Share Capital as per Orders of the Hon'ble Hight Court at New Delhi, Dated 22.03.2012)		
<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	91,02,000



Issued/ (Reduction) during the period	-	(3,500,000)
At the end of the period	56,02,000	56,02,000

#### Terms/Rights attached to equity shares

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.

#### 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

NIL NIL

#### Details of Shareholders holding more than 5% equity shares in the company

##### Note : 5 Reserves & Surplus

##### Security Premium Account :

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>

##### Surplus/Deficit in the statement of profit and loss

Balance as per last financial statements	(22,218,260)	(22,227,877)
Profit (-Loss) after tax for the year	13,972	9,617
Short Provision of Income Tax of earlier years	-	-
Closing Balance	<u>(22,204,288)</u>	<u>(22,218,260)</u>
	<u>(11,704,288)</u>	<u>(11,718,260)</u>

##### Note : 6 Other Current Liabilities

Advances	25,07,715	27,37,715
Audit Fee Payable	5,618	5,515
Expenses Payable	5,77,216	35,985
	<u>30,90,549</u>	<u>27,79,215</u>

##### Note : 7 Short-Term Provision

##### b) Provisions:

Provision for taxation (A.Y. 2012-13)	-	7,431
Provision for taxation (A.Y. 2013-14)	7,926	-
	<u>7,926</u>	<u>7,431</u>

(Statement Showing Depreciation Forming Part of Financial Statement As On 31.03.2013 as per Companies Act1956 )  
**Note : 8 FIXED ASSETS**

(Amount in Rs.)

PARTICULARS	RATE OF DEPR. % S.L.M.	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS ON 01.04.2012	ADDITIONS DURING THE YEAR	SALES/ADJUSTED DURING THE YEAR	TOTAL COST AS ON 31.03.2013	DEPRECIATION UP TO 01.04.2012	DEPRECIATION FOR THE CURRENT YEAR	DEPRECIATION ADJUSTMENT	TOTAL AS ON 31.03.2013	W.D.V. AS ON 31.03.2013	W.D.V. AS ON 31.03.2012
Office Equipments	4.75 %	2,23,809	-	-	2,23,809	2,17,958	5,851	-	2,23,810	-	5,851
<b>TOTAL (A)</b>		<b>2,23,809</b>	-	-	<b>2,23,809</b>	<b>2,17,958</b>	<b>5,851</b>	-	<b>2,23,810</b>	-	<b>5,851</b>
Capital WIP		3,74,40,625	-		3,74,40,625	-	-	-	-	3,74,40,625	3,74,40,625
			-								
<b>TOTAL (B)</b>		<b>3,74,40,625</b>	-		<b>3,74,40,625</b>	-	-	-	-	<b>3,74,40,625</b>	<b>3,74,46,476</b>
<b>TOTAL A+B</b>		<b>3,76,64,434</b>	-	-	<b>3,76,64,434</b>	<b>2,17,958</b>	<b>5,851</b>	-	<b>2,23,810</b>	<b>3,74,40,625</b>	
<b>PREVIOUS YEAR</b>		<b>3,19,93,719</b>	<b>56,70,715</b>	-	<b>3,76,64,434</b>	<b>2,07,327</b>	<b>10,631</b>	-	<b>2,17,958</b>	<b>3,74,46,476</b>	

**Note : 9 Non Current Investment**

Non-trade investments valued at cost – investment in shares/securities

**A. Quoted :**

in fully paid up equity shares  
2,36,000 (previous year 59,000) equity shares in N.E.C.C.Limited (Receive bonus Share 177000 on 14.09.2012)  
(Market value Rs. 1,71,92,600)  
(Previous year Rs.17,70,000/-)

17,70,000	17,70,000
<u>17,70,000</u>	<u>17,70,000</u>

**B. Unquoted :**

- in fully paid up equity shares

-	-
<u>17,70,000</u>	<u>17,70,000</u>

**Note : 10 : Loans and Advances**

(Unsecured, Considered Good)  
 (Advance recoverable in cash or in kind or  
 for value to be received)

Loans and Advances to related parties	-	-
Loans and Advances due by directors or others officers of the company including by private-companies/firms in which they are interested	-	-
Advance Others	<u>50,00,000</u>	<u>-</u>
	<u>50,00,000</u>	<u>-</u>

**Note : 11 Cash & Cash Equivalent****Cash-in-Hand**

Cash Balance	<u>5,36,747</u>	<u>3,96,741</u>
	<u>5,36,747</u>	<u>3,96,741</u>

**Bank Balance**

Vijaya Bank	<u>35,222</u>	<u>26,101</u>
	<u>35,222</u>	<u>26,101</u>

<b>Total</b>	<u>5,71,969</u>	<u>4,22,842</u>
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**Notes: 12 Other current assets**

(Unsecured, Considered Good)

Account Receivables	<u>-</u>	<u>74,50,000</u>
	<u>-</u>	<u>74,50,000</u>

**Note : 13 Employee Benefit Expenses**

Salaries	<u>5,20,000</u>	<u>2,75,800</u>
	<u>5,20,000</u>	<u>2,75,800</u>

**Note :14 Financial Cost**

Bank Charges & Commission	<u>814</u>	<u>3,632</u>
	<u>814</u>	<u>3,632</u>

**Note : 15 Depreciation and Amortization Expense**

Depreciation	<u>5,851</u>	<u>10,631</u>
	<u>5,851</u>	<u>10,631</u>

**Note : 16 Other Administrative Expenses**

Advertisement & Publication Expenses	69,620	60,305
Audit Fee	5,618	5,515
Conveyance Expenses	9,315	8,368
Fee & Subscription	16,854	72,875
Filing Fee	1,000	8,500
Legal & Professional Charges	11,236	5,100
Miscellaneous Expenses	3,614	5,871
Office Expenses	14,962	13,872
Postage and Couriers Expenses	16,985	16,745
Printing & Stationery Exp.	26,347	24,369
Share Transfer & Professional Exp.	<u>22,663</u>	<u>-</u>
	<u>1,98,214</u>	<u>2,21,520</u>

17. Deferred Tax Assets & Deferred Tax Liabilities:

Amount in Rs.

---Particulars	Deferred Tax Liability as at 01.04.2012	Current Year Charged/ (Earned)	Deferred Tax Assets as at 31.03.2013
On account of difference Between book & Tax Depreciation.	932	(1,676)	744
Total	932	(1,676)	744

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

18. Related Party Disclosures :

( A ) Related parties and key management personal

- i. Mr. Sunil Kumar
- ii. Mr. Mukesh Sharma
- iii. Mr. Kishore Bhatia

(B) No transactions have taken place with related parties during the financial year.

19. The company is a Small and Medium-sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the company has complied with the Accounting Standards as applicable to a Small and Medium-sized Company.

20. The company has not received any intimation from "suppliers" regarding their status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.

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

22. 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**

**For RCC CEMENTS LIMITED**

**Sd/-**  
**Pankaj Chander**  
**Partner**  
**M. No. 89065**

**Sd/-**  
**(Sunil Kumar)**  
**Mg. Director**

**Sd/-**  
**(Mukesh Sharma)**  
**Director**

**Place: New Delhi**  
**Dated : 30<sup>th</sup> May, 2013**

**Sd/-**  
**(Pooja Chuni)**  
**Company Secretary**

**RCC CEMENTS LIMITED**  
**Regd. Office: 807, ARUNACHAL BUILDING, 19, BARAKHAMBHA ROAD, CONNAUGHT PLACE, NEW DELHI 110001**

ATTENDANCE SLIP

22<sup>ND</sup> ANNUAL GENERAL MEETING

**To be handed over at the entrance of the meeting venue.**

Name of the attending member (In block letters)

Mr./Mrs./Miss \_\_\_\_\_

Name of the proxy (in

block letters to be filled in by Proxy attending instead of the member)

No. of shares held: \_\_\_\_\_ Ledger Folio No. \_\_\_\_\_

DP Id No.\* \_\_\_\_\_ Client Id.\* \_\_\_\_\_

I hereby record my presence at the **TWENTY SECOND ANNUAL GENERAL MEETING** on Monday, the 30<sup>th</sup> Day of September, 2013, at **807, ARUNACHAL BUILDING, 19, BARAKHAMBHA ROAD, CONNAUGHT PLACE, NEW DELHI 110001 at 10.00 A.M.**

-----  
Member's Signature

-----  
Proxy's Signature

Note: 1. Shareholders / proxies are requested to bring the attendance slip with them.

2. Additional/Duplicates attendance slips will not be issued the meeting hall.

\*Applicable for investors holding share in electronics form.

----- Tear Here -----

**RCC CEMENTS LIMITED**  
**Regd. Office: 807, ARUNACHAL BUILDING, 19, BARAKHAMBHA ROAD, CONNAUGHT PLACE, NEW DELHI 110001**

**PROXY FORM**

I/we \_\_\_\_\_ of \_\_\_\_\_ being a member/Members of **RCC CEMENTS LIMITED** hereby Appoint \_\_\_\_\_ of \_\_\_\_\_

as my / our proxy to attend and vote for me /us on my / our behalf at the **TWENTY SECOND ANNUAL GENERAL MEETING** on Monday, the 30<sup>th</sup> Day of September, 2013, at **807, ARUNACHAL BUILDING, 19, BARAKHAMBHA ROAD, CONNAUGHT PLACE, NEW DELHI 110001** and at any adjournment thereof.

No. of Shares held: \_\_\_\_\_ Ledger Folio No.: \_\_\_\_\_

DP. Id No.\* \_\_\_\_\_

Client Id.\* \_\_\_\_\_

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

Date : \_\_\_\_\_

Affix Re. 1 Revenue Stamp
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Note: The Proxy, to be effective, should be deposited at the Company's Registered office not later than 48 Hours before the commencement of aforesaid meeting. Proxy need not be a member of the Company.

\* Applicable for investors holding shares in electronic form.