

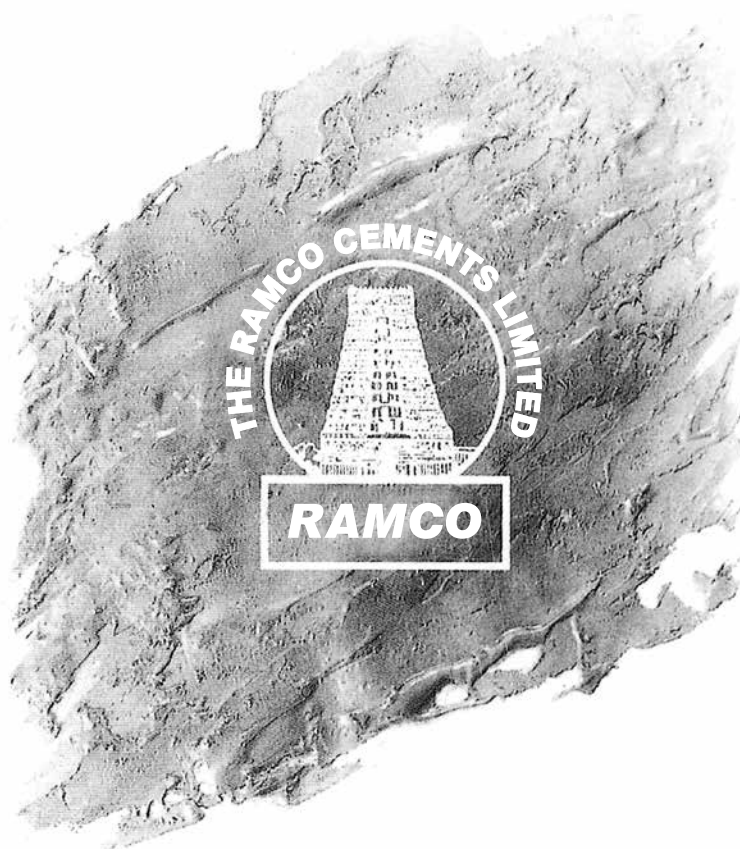
The Ramco Cements Limited

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Annual Report

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2014-2015





*Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha being felicitated by Honourable Union Minister of State for Commerce and Industry, Smt.Nirmala Sitharaman at the Conference of Institute of Chartered Accountants of India held on 13.12.2014.*

*Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha handing over a cheque for Rs.2 crores to Honourable Chief Minister of Andhra Pradesh, Shri.N.Chandrababu Naidu towards Hudhud Cyclone Relief Fund on 20.10.2014.*



*Chairman & Managing Director, Shri.P.R.Ramasubrahmaneya Rajha releasing Souvenir at the Silver Jubilee Celebrations of Ramco Social Service League and Shri.M.V.M.Muthuramalingam, Founder of Velammal Group of Institutions, receiving it on 28.12.2014.*

# THE RAMCO CEMENTS LIMITED

(Formerly Madras Cements Ltd.)



## Board of Directors

Shri.P.R.RAMASUBRAHMANEYA RAJHA, B.Sc.,  
*Chairman & Managing Director*

Shri.P.R.VENKETRAMA RAJA, B.Tech.,

Shri.R.S.AGARWAL, B.Sc., B.E.,

Shri.M.B.N.RAO, B.Sc. (Agri).

Shri.M.M.VENKATACHALAM, B.Sc. (Agri).

SMT. JUSTICE CHITRA VENKATARAMAN (RETD.)

## Chief Executive Officer

Shri.A.V.Dharmakrishnan

## Chief Financial Officer

Shri.S.Vaithyanathan

## Secretary

Shri.K.Selvanayagam

## Corporate Office

98-A, Dr.Radhakrishnan Road, Mylapore  
Chennai – 600 004, Tamil Nadu

## Registered Office

“Ramamandiram”  
Rajapalayam – 626 117, Tamil Nadu

## Website

[www.ramcocements.in](http://www.ramcocements.in)

## Corporate Identity Number

L26941TN1957PLC003566

## Bankers

Axis Bank Ltd  
Bank of Baroda  
Bank of Maharashtra  
Canara Bank  
Citi Bank  
Deutsche Bank  
HDFC Bank Ltd  
ICICI Bank Ltd  
IDBI Bank Ltd  
Kotak Mahindra Bank Ltd  
Standard Chartered Bank  
Syndicate Bank  
The Bank of Nova Scotia  
The Federal Bank Ltd  
The Hongkong and Shanghai  
Banking Corporation Ltd  
Yes Bank Ltd

## Auditors

M/s.M.S.Jagannathan & N.Krishnaswami  
Chartered Accountants  
Unit-5, Ground Floor, Abirami Apartments  
No.14, VOC Road, Cantonment  
Tiruchirappalli – 620 001.

M/s.CNGSN & Associates LLP  
Chartered Accountants  
20, Raja Street, T.Nagar, Chennai - 600 017.

## Cost Auditors

M/s.Geeyes & Co  
Cost Accountants  
A-3, III Floor, 56, Seventh Avenue  
Ashok Nagar, Chennai – 600 083.

## Secretarial Auditors

M/s.S.Krishnamurthy & Co  
Company Secretaries  
“Shobana”, No:17, Nandanam Main Road  
Nandanam Extension, Chennai – 600 035.

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## TEN YEAR HIGHLIGHTS

DESCRIPTION	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Cement										
Capacity										
Integrated Cement Plants (lac tons)	59.90	59.90	79.90	99.90	104.90	104.90	104.90	124.90	124.90	124.90
Satellite Grinding Units (lac tons)	–	–	–	–	19.50	19.50	19.50	30.50	30.50	40.00
Production (lac tons)	47.10	56.70	58.50	65.30	80.30	73.05	75.22	84.75	85.90	76.96
Windfarm										
Capacity (MW)	45.84	63.79	136.00	181.59	185.59	159.19	159.19	159.19	125.95	125.95
Generation (lac units)	378	657	1426	2611	4115	3572	2855	3247	2667	2106
Sales & Other Income (Rs. in Crores)	1013.35	1581.69	2021.35	2471.23	2821.25	2644.69	3256.58	3872.66	3769.23	3731.77
Operating Profit (Rs. in Crores)	215.52	563.50	761.76	793.49	877.29	657.31	969.77	1047.30	648.76	800.12
Cash Generation (Rs. in Crores)	147.71	409.92	639.16	628.52	644.97	435.65	811.32	868.79	460.63	606.31
Profit After Tax (Rs. in Crores)	79.02	308.02	408.29	363.52	353.68	210.98	385.11	403.65	137.70	242.35
Number of employees	1686	1955	2260	2447	2583	2593	2626	2787	2937	2883
Contribution to Exchequer (Rs. in Crores)	321	561	610	711	809	839	1186	1423	1403	1418
Face value per share (Rs.)	10	10	10	1	1	1	1	1	1	1
Earnings per share (Rs.)	65	255	343	15	15	9	16	17	6	10
Dividend per share (Rs.)	15.00	25.00	40.00	2.00	2.00	1.25	2.50	3.00	1.00	1.50
Dividend payout (Rs. in Crores)	18.14	30.24	48.03	47.66	47.66	29.79	59.58	71.49	23.83	35.75
Dividend payout %	23	10	12	13	13	14	15	18	17	15
Operating profit ratio %	21.27	35.63	37.69	32.11	31.10	24.85	29.78	27.04	17.21	21.44
Market price of share (Rs.)										
(a) High	2245	3750	5072	198	140	134	169	274	261	380
(b) Low	932	1745	2500	55	70	85	76	134	135	205
(c) As on 31 <sup>st</sup> March	2164	2730	3349	71	122	102	154	254	215	305
Market capitalisation (Rs. in Crores)	2614	3297	3986	1700	2897	2427	3659	6045	5117	7265
Net worth per share (Rs.)	323	550	799	52	65	73	86	100	104	111

Bonus shares were issued in the ratio of 1:1 in 1992-93, 1994-95 and 2008-09.



## THE RAMCO CEMENTS LIMITED

### NOTICE TO THE MEMBERS

Notice is hereby given that the 57<sup>th</sup> Annual General Meeting of the Company will be held at 10.15 AM on Thursday, the 6<sup>th</sup> August 2015 at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu to transact the following business:

#### ORDINARY BUSINESS

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED that the Directors’ Report and the Company’s Standalone and Consolidated Statements of Profit and Loss for the year ended 31<sup>st</sup> March 2015, Balance Sheets as at that date and Cash Flow Statements for the year ended on that date and the Auditors’ Reports thereon be and are hereby considered and adopted.”

2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED that a Dividend of Rs.1.50 per Share be and is hereby declared for the year ended 31<sup>st</sup> March 2015.”

3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED that Shri.P.R.Venketrama Raja, who retires by rotation, be and is hereby elected as Director of the Company.”

4. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED THAT in terms of section 139 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the appointment of M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants, holding Firm Registration No: 001208S and M/s.CNGSN & Associates LLP, Chartered Accountants, holding Firm Registration No: 004915S, as Auditors of the Company for the second consecutive year, viz. from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, out of their term of three consecutive years as approved at the Annual General Meeting held on 28-07-2014, be and is hereby ratified.”

#### SPECIAL BUSINESS

5. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 150, 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Smt. Justice Chitra Venkataraman (Retd.) (DIN: 07044099), appointed as an Additional Director of the Company on 20-03-2015 pursuant to the provisions of Section

161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and being eligible, offer herself for appointment and in respect of whom the Company has received a notice in writing from a member, pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Smt. Justice Chitra Venkataraman (Retd.) for the office of Director, be and is hereby appointed as a Director of the Company, under Independent Director category for a period of 5 consecutive years from the date of her appointment, viz. 20-03-2015.”

6. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the following remuneration, exclusive of Service Tax and Out-of-pocket expenses, payable to M/s.Geeyes & Co., Cost Accountants appointed as the Cost Auditors of the Company by the Board of Directors, for the financial years 2014-15, 2015-16 and 2016-17 for auditing the Cost Records relating to manufacture of cement and generation of wind energy, be and is hereby ratified.

Year	Cost Audit Fee - Amount in Rs.		
	For Cement Manufacturing Activities	For Generation of Wind Energy	Total
2014-15	1,50,000	1,50,000	3,00,000
2015-16	2,00,000	1,50,000	3,50,000
2016-17	2,50,000	1,50,000	4,00,000

7. To consider and pass the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to create charge by way of mortgage, hypothecation, lien or in any other manner on all or any of the movable and/or immovable properties of the Company wheresoever situate both present and future and/or the whole or substantially the whole of the undertaking or the undertakings of the Company in favour of the Financial Institutions/Banks/Trusts/Mutual Funds or any other Institutions/Companies/Authorities/ Debenture Holders /Entities, in such form and manner and with such ranking and at such time and on such terms as the Board of Directors may determine for securing the loans/facilities sanctioned or to be sanctioned to the company or for securing the securities or any other debt instruments etc. issued or to be issued that fall within Board’s powers, together with interest, remuneration of



the trustees and/or any other Institutions/ Companies/Authorities, premium (if any) on redemption and all other costs, charges and expenses payable by the Company in terms of the trust deed and/or any other agreements/documents, etc. to be finalized and executed between the Company and the agents and trustees and/ or any other Institutions or Authorities and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the agents and trustees and / or any other Institutions or Authorities.”

8. To consider and pass the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules 2014 and pursuant to Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and such other applicable Regulations / Guidelines, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any of the existing Committee of the Board or which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to Secured Non-Convertible Debentures including but not limited to subordinate debt, bonds, and/ or other debt securities, etc., (hereinafter collectively referred as “Securities”) on a private placement basis, listed or unlisted in one or more tranches, during the period of one year from the date of passing this Special Resolution by the Members, upto a limit of Rs.500 Crores, within the overall outstanding borrowing limits approved by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and are hereby authorised to determine the terms of the issue including the class of investors to whom such Securities to be issued, time, total amount to be raised by issuance of Securities, the number of Securities, tranches, issue price, tenor, interest rate, premium/ discount, listing and to do all such acts, deeds, filings, matters and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard as the Board may in its sole and absolute discretion deems fit and delegate all or any of its powers herein conferred to any director(s) and/ or officer(s) of the Company, as it may in its absolute discretion deem it necessary.”

By Order of the Board,  
For THE RAMCO CEMENTS LIMITED,

Chennai  
29-05-2015

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.
2. **A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that the Proxy need not be a Member.**
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 31-07-2015 to 06-08-2015 (both days inclusive).
5. A Dividend of Rs.1.50 per share has been recommended by the Board of Directors for the year ended 31-03-2015 and subject to the approval of the Shareholders at the ensuing Annual General Meeting, is proposed to be paid in respect of shares held in physical form to the shareholders whose names appear in the Register of Members as on 06-08-2015 and in respect of shares held in electronic form to the beneficial owners whose names appear in the list furnished by the Depositories for this purpose as on 30-07-2015. The dividend is proposed to be paid on and from the date of Annual General Meeting.
6. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend. Accordingly, dividend will be credited through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available. In the absence of NECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company is in compliance with SEBI's directive in this regard.
7. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial year 2007-08 (Interim) on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company ([www.ramcocements.in](http://www.ramcocements.in)), as

## THE RAMCO CEMENTS LIMITED

also on the website of the Ministry of Corporate Affairs. The dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education & Protection Fund of the Central Government. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are:

Year	Type of Dividend	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP Fund
2007-08	Final Dividend	11-08-2008	10-08-2015	08-09-2015
2008-09	Interim Dividend	29-01-2009	28-01-2016	26-02-2016
	Final Dividend	05-08-2009	04-08-2016	02-09-2016
2009-10	Interim Dividend	27-10-2009	26-10-2016	24-11-2016
	Final Dividend	02-08-2010	01-08-2017	31-08-2017
2010-11	Dividend	10-08-2011	09-08-2018	07-09-2018
2011-12	Interim Dividend	21-03-2012	20-03-2019	18-04-2019
	Final Dividend	02-08-2012	01-08-2019	30-08-2019
2012-13	1 <sup>st</sup> Interim Dividend	05-11-2012	04-11-2019	02-12-2019
	2 <sup>nd</sup> Interim Dividend	13-02-2013	12-02-2020	12-03-2020
	Final Dividend	29-07-2013	28-07-2020	26-08-2020
2013-14	Dividend	28-07-2014	27-07-2021	25-08-2021

8. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for 2014-15 are being sent to all the members whose E-mail IDs are registered with the Company / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website – [www.ramcocements.in](http://www.ramcocements.in) for their download.
9. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, who have not got their E-Mail IDs recorded are requested to register their E-mail address and changes therein with the Company in respect of physical shares and with Depository Participants in respect of dematerialised shares. Members are also requested to provide their Unique Identification Number and PAN (CIN in the case of Corporate Members) to the Company / Depository Participants.
10. Voting through electronic means
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is providing members facility

to exercise their right to vote at the 57<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through such voting, through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

- II. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- III. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for e-voting are as under:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Select the "THE RAMCO CEMENTS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Enter your User ID - For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Fill up the following details in the appropriate boxes:

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (available in the Address Label pasted in the cover and/or in the e-mail sent to members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first





two characters of the name. Eg. If your name is Vasudevan with sequence number 1 then enter VA00000001 in the PAN field.

- # Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Set Password’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN for The Ramco Cements Limited.
- (xi) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code, click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and signature of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- IV. The facility for remote e-voting shall remain open from 9.00 AM on Monday, the 3<sup>rd</sup> August 2015 to 5.00 PM on Wednesday, the 5<sup>th</sup> August 2015. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, viz. Thursday, the 30<sup>th</sup> July 2015, may opt for remote e-voting.
- V. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- VI. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 30-07-2015.
- VII. Shri.K.Srinivasan, Chartered Accountant (Membership No: 021510), Partner, M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Chairman shall, at the annual general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutiner, by use of ballot or polling paper or by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
- IX. The scrutiner shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutiner’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the results of the voting forthwith.

By Order of the Board,  
For THE RAMCO CEMENTS LIMITED,

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

Chennai  
29-05-2015

## THE RAMCO CEMENTS LIMITED

### STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No: 5

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee had appointed Smt. Justice Chitra Venkataraman (Retd.) as Additional Director on 20<sup>th</sup> March 2015, under Non-Executive Independent Director category.

Smt. Justice Chitra Venkataraman (Retd.) (DIN: 07044099), a graduate in Economics from Ethiraj College, Chennai, and B.L. from Law College, Chennai, started her practice at Madras High Court. She specialised in Direct and Indirect tax laws. She was appointed as Government Pleader during the period 1991 to 1995 and thereafter as the standing counsel for Income Tax for about 10 years. She was elevated as Judge of Madras High Court in the year 2005 and retired in April 2014.

She is also a Director in the following Companies:

1. Ramco Industries Limited
2. Lakshmi Machine Works Limited

In terms of Section 161(1) of the Companies Act, 2013 read with Article 92 of the Articles of Association of the Company, Smt. Justice Chitra Venkataraman (Retd.) holds office as Additional Director up to the date of the forthcoming Annual General Meeting.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from a member signifying his intention to propose the appointment of Smt. Justice Chitra Venkataraman as a Director.

Smt. Justice Chitra Venkataraman (Retd.) is proposed to be appointed as an Independent Director for 5 consecutive years from the date of her appointment. She has furnished a declaration pursuant to section 149(6) of the Companies Act, 2013 that she meets the criteria of independence and is hence eligible for appointment as an Independent Director. In the opinion of the Board, Smt. Justice Chitra Venkataraman (Retd.) fulfils the conditions specified in the Act and the Rules made thereunder and she is independent of the Management.

She does not hold any share in the Company.

The Board of Directors is of the opinion that her vast knowledge and experience will be of great value to the Company and hence recommends the Resolution for your approval.

A copy of the letter of appointment issued to Smt. Justice Chitra Venkataraman (Retd.) would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Except Smt. Justice Chitra Venkataraman (Retd.), being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are interested in this Resolution. The Notice and this Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

#### Item No: 6

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of Company, relating to manufacture of cement and generation of wind energy.

On the recommendation of the Audit Committee at its meeting held on 27-07-2014, the Board had approved the appointment of M/s.Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records relating to manufacture of cement.

On the recommendation of the Audit Committee at its meeting held on 04-02-2015, the Board had approved the appointment of M/s.Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records relating to generation of wind energy.

The details of remuneration payable to Cost Auditors, exclusive of Service Tax and Out-of-pocket expenses are given below:

Year	Cost Audit Fee - Amount in Rs.		
	For Cement Manufacturing Activities	For Generation of Wind Energy	Total
2014-15	1,50,000	1,50,000	3,00,000
2015-16	2,00,000	1,50,000	3,50,000
2016-17	2,50,000	1,50,000	4,00,000

The appointment and the remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Act and Rule 14 of the Rules.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are interested in this Resolution.

#### Item No: 7

As a security for the loans sanctioned/to be sanctioned by Financial Institutions/Banks/Other Corporate Bodies, debentures, etc. the



Company would be required to mortgage and/charge its movable and immovable properties both present and future.

Such creation of charge may be considered as otherwise disposing of the whole or substantially the whole of the undertaking of the Company, which would require the approval of the Members by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are interested in this Resolution.

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

As per the provisions of Section 42 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules 2014, a company accepting subscriptions for Secured, Redeemable, Non Convertible Debentures ("SRNCDs") on a private placement basis, is required to obtain the approval of the members by way of a Special Resolution.

The approval of the Members is being sought by way of a Special Resolution to enable the Company to borrow for financing ongoing capital expenditure and general corporate purposes by way of SRNCDs, sub-ordinated bonds and other debt securities on private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the SRNCDs, sub-ordinated bonds and other debt securities.

The Directors recommend the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are interested in this Resolution.

By Order of the Board,  
For THE RAMCO CEMENTS LIMITED,

Chennai  
29-05-2015

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

#### **ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING**

##### **Shri.P.R.VENKETRAMA RAJA**

Shri.P.R.Venketrama Raja, aged 56, has a Bachelor's Degree in Chemical Engineering from University of Madras and Masters in Business Administration from University of Michigan, USA.

He has been on the Board of The Ramco Cements Limited since 1985.

He holds 10,00,000 shares in the Company.

He is the son of Shri.P.R.Ramasubrahmaneya Rajha, Chairman of the Company.

He is also a Director in the following Companies:

- 1 Ramco Industries Limited, Vice-Chairman & Managing Director
- 2 Ramco Systems Limited, Vice-Chairman & Managing Director
- 3 Rajapalayam Mills Limited
- 4 The Ramaraju Surgical Cotton Mills Limited
- 5 Sri Vishnu Shankar Mill Limited
- 6 Sandhya Spinning Mill Limited
- 7 Sri Sandhya Farms (India) Pvt. Limited
- 8 Sri Saradha Deepa Farms Private Limited
- 9 Nalina Agricultural Farms Private Ltd
- 10 Ramco Systems Corporation, USA
- 11 Ramco Systems Ltd., Switzerland
- 12 Ramco Systems Sdn Bhd., Malaysia
- 13 Ramco Systems Pte. Ltd., Singapore
- 14 Sri Ramco Lanka (Private) Limited, Sri Lanka
- 15 Sri Ramco Roofings Lanka Private Limited, Sri Lanka
- 16 RCDC Securities and Investments Private Limited
- 17 Nirmala Shankar Farms & Estates Private Limited
- 18 Sri Nithyalakshmi Farms Private Limited
- 19 Ram Sandhya Farms Private Limited
- 20 RSL Enterprise Solutions (Pty) Limited, South Africa
- 21 Ramco Systems Canada Inc., Canada
- 22 Rajapalayam Textile Limited
- 23 Ramco Systems FZ-LLC
- 24 Ramco Systems Australia Pty Limited, Australia
- 25 Ramamandiram Agricultural Estate Private Ltd.

## THE RAMCO CEMENTS LIMITED

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He is also a Member in the following Committees:

<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Position Held (Chairman / Member)</b>
The Ramco Cements Limited	Audit Committee	Member
The Ramco Cements Limited	Project Management Committee	Member
The Ramco Cements Limited	Stakeholders Relationship Committee	Chairman
The Ramco Cements Limited	Share/Debenture Committee	Member
The Ramco Cements Limited	Nomination and Remuneration Committee	Member
The Ramco Cements Limited	Corporate Social Responsibility Committee	Member
Ramco Industries Limited	Stakeholders Relationship Committee	Member
Ramco Industries Limited	Share Transfer Committee	Member
Ramco Industries Limited	Corporate Social Responsibility Committee	Member
Ramco Industries Limited	Risk Management Committee	Chairman
Ramco Systems Limited	Stakeholders Relationship Committee	Member
Ramco Systems Limited	Rights Issue 2013 Committee	Member
Ramco Systems Limited	Allotment Committee	Member
Ramco Systems Limited	Fund Raising Committee	Member
Rajapalayam Mills Limited	Stakeholders Relationship Committee	Member
Rajapalayam Mills Limited	Corporate Social Responsibility Committee	Member
The Ramaraju Surgical Cotton Mills Limited	Stakeholders Relationship Committee	Member





## DIRECTORS' REPORT

Your Directors have pleasure in presenting their 57<sup>th</sup> Annual Report and the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2015.

### FINANCIAL RESULTS

(Rs. in Crores)

#### STANDALONE

	Year ended 31-03-2015	Year ended 31-03-2014
Total Revenue	3731.77	3769.23
Operating Profit: Profit before Interest, Depreciation and Tax (PBITD)	800.12	648.76
Less: Interest	193.81	188.13
Profit before Depreciation and Tax (PBDT)	606.31	460.63
Less: Depreciation	249.88	306.29
Net Profit before tax	356.43	154.34
Less: Provision for Tax		
Current Tax	74.91	32.30
Deferred Tax	105.31	21.01
MAT Credit Entitlement	(66.14)	(36.67)
Net Profit After Tax	242.35	137.70
Add: Balance Profit from last year	100.00	90.31
	342.35	228.01
Less: Depreciation adjustment on transition to Schedule II of the Companies Act, 2013 on fixed assets (Net of Deferred Tax)	36.22	—
Surplus for appropriation	306.13	228.01
Appropriations:		
1. Transfer to General Reserve	163.11	100.13
2. Dividend	35.75	23.83
3. Tax on Dividend	7.27	4.05
Balance carried over to Balance Sheet	100.00	100.00
TOTAL	306.13	228.01

### SHARE CAPITAL

During the year under review, the Company has allotted 1,07,400 shares of Rs.1/- each, which were kept in abeyance out of the previous Bonus issues. Consequently, the paid up capital of the Company has increased from Rs.23,79,69,380/- consisting of 23,79,69,380 shares of Rs.1/- each to Rs.23,80,76,780/- consisting of 23,80,76,780 shares of Rs.1/- each.

### DIVIDEND

Your Directors have pleasure in recommending a dividend of Rs.1.50 per share on the equity capital of the Company, as against Rs.1.00 per share for the previous year. The total dividend for the year amounts to Rs.35.75 Crores as against Rs.23.83 Crores for the previous year.

### TAXATION

An amount of Rs.74.91 Crores towards Current Tax, Rs.105.31 Crores towards Deferred Tax and Rs.7.27 Crores towards Dividend Tax has been provided for the year under review. The Company's entitlement of MAT credit of Rs.66.14 Crores has been recognised in the books during the year.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### CEMENT DIVISION

#### PRODUCTION

(In Tons)

PARTICULARS	April 2014 to March 2015	April 2013 to March 2014	Change over previous year	
Clinker	56,67,867	65,39,471	- 8,71,604	- 13%
Cement	76,96,266	85,90,194	- 8,93,928	- 10%

#### SALES

During the year under review, the sale of cement was at 76.68 lakh tons, compared to 85.97 lakh tons of the previous year, showing a decrease of 11%.

The general slowdown in the economy has affected the infrastructure activities, thereby affecting the cement industry as a whole. The Government spending on infrastructure has not seen any appreciable growth, affecting the demand for cement.

In Southern States, the construction industry has faced scarcity of raw materials like, river sand and blue metal, affecting the construction activities. Prolonged monsoon, floods and cyclones that hit some states, financial constraints and increasing rate of interest caused a slow down in Realty and Housing Sectors. Due to this, there has been no growth in the Realty Sector, both with respect to Commercial and Residential Projects. Subsequent to the bifurcation of Andhra Pradesh into Telangana and Andhra Pradesh, the fillip to the investments by the Private Sector is yet to materialise.

All the above factors have led to a decrease in the Company's production and sales compared to the previous year.

During the year under review, the Company has exported 1.91 lakh tons as against 2.25 lakh tons during the previous year. The export turnover of the Company for cement and dry mortar products for the year was Rs.73.24 Crores as against Rs.82.45 Crores of the previous year.

#### COST

During the year under review, the price of diesel which was Rs.59.17 per litre as on 01-04-2014 has increased upto Rs.62.92 per litre in the first half of the financial year and subsequently softened and reduced to Rs.52.92 per litre as on 31-03-2015. This

## THE RAMCO CEMENTS LIMITED

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has resulted in reduction in transportation cost of both incoming and outgoing materials.

The year has also seen decline in the prices of fuel in international market, mainly due to lesser demand from China. The Company was able to source fuel at economical rates, which has reduced the cost of power and fuel.

### READY MIX CONCRETE DIVISION

The Division has produced 30,836 cu.m of concrete during the year, accounting for a sale revenue of Rs.13.21 Crores (Net of Excise Duty and VAT) as against 44,037 cu.m. of concrete accounting for a sale revenue of Rs.16.36 Crores during the previous year.

### DRY MORTAR DIVISION

The Division has produced 44,025 tons of Dry Mortar during the year as against 37,483 tons produced during the previous year. The Division has sold 43,997 tons of Dry Mortar accounting for a sale revenue of Rs.27.32 Crores (Net of Excise Duty and VAT) during the year as against 36,971 tons of Dry Mortar accounting for a sale revenue of Rs.22.84 Crores during the previous year.

### WIND FARM DIVISION

The Division has generated 2,106 lac units as compared to 2,667 lac units of the previous year. Out of this 2,012 lac units were generated from the wind farms in Tamil Nadu and 94 lac units from the wind farms in Karnataka. Out of the units generated in Tamil Nadu, 275 lac units are meant for adjustment against the power consumed in our plants and balance 1,737 lac units have been sold to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) for a value of Rs.52.15 Crores. The units generated in Karnataka were fully consumed at our Mathodu Cement Plant.

Due to dip in wind velocity, the period of high wind season for the year under review was less compared to previous year. The Company continued to face evacuation constraints imposed by TANGEDCO. There were frequent backing down of the wind electric generators by TANGEDCO. In addition, the company had sold 121 Nos. of wind electric generators aggregating to 33.235 MW to its subsidiary, Ramco Windfarms Limited in March 2014. Because of the above factors, the generation of electricity during the year was less compared to the previous year.

The installed capacity of the wind farm of the company is 125.95 MW as on 31-03-2015 comprising of 108 Wind Electric Generators.

The income during the year from the Division was Rs.53.44 Crores as against Rs.68.24 Crores of the previous year.

### VIZAG GRINDING UNIT

In the Directors' Report for the year ended 31-03-2014, it was informed about the progress of establishment of Company's 4<sup>th</sup> grinding unit at Vizag and the proposal to commission the same during the second quarter of 2014-15. As informed in the said Directors' Report, the project implementation was affected because of Phailin Cyclone that attacked North Coastal Andhra Pradesh in October 2013. During the year under review, there was another cyclone, namely Hudhud, during the month of October

2014, which further hampered the construction activities. By mobilising additional resources, all the equipments were installed and commissioned in the month of March 2015.

### POWER PLANTS

In the Directors' Report for the year ended 31-03-2014, it was informed about the proposal to enhance the capacity of the thermal power plants at Alathiyur, Ariyalur and Jayanthipuram by adding one turbine each of 6 MW capacity. The projects would be commissioned in the current year. With the completion of these projects, the aggregate capacity of the thermal power plants of the Company would go up from 157 MW to 175 MW.

Due to lower demand and consequently lower production of cement during the year under review, there had been a higher surplus of power from the thermal power plants. The surplus power was sold to HT consumers / State Electricity Boards. During the year under review, the Company had sold 3,866 lac units from the thermal power plants at Ramasamy Raja Nagar, Alathiyur, Ariyalur and Jayanthipuram units as against the sale of 2,491 lac units in the previous year. The higher realisation for the power sold, coupled with the increase in units sold had contributed to the increase in the profits for the year under review.

### TURNOVER AND PROFITABILITY

The total revenue for the year (net of Excise Duty and VAT) was Rs.3,731.77 Crores as against Rs.3,769.23 Crores of the previous year.

The operating profit and net profit for the year had increased to Rs.800.12 Crores and Rs.242.35 Crores as against Rs.648.76 Crores and Rs.137.70 Crores respectively of the previous year.

As already explained, the reduction in costs, higher realisation, increased contribution from thermal power plants and lower charge of depreciation consequent to the introduction of Companies Act, 2013, have contributed to the increase in the profits for the year, compared to the previous year.

### SUBSIDIARY COMPANY

The Company has a subsidiary, Ramco Windfarms Limited, whose capital is Rs.1.00 Crore, out of which 71.50% is held by our Company. The rest of the share capital is held by Ramco Group of Companies.

The Subsidiary Company has 121 Nos. of wind electric generators aggregating to 33.235 MW capacity.

The revenue and net profits for the subsidiary company for the year ended 31-03-2015 are Rs.10.53 Crores and Rs.1.35 Crores respectively.

In accordance with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the Financial Statements of the subsidiary is attached in Form AOC-1 as Annexure – 1 to the Directors' Report.

### CONSOLIDATED FINANCIAL STATEMENTS

As per provisions of Section 129(3) of the Companies Act, 2013 and Clause 32 of the Listing Agreement, Companies are required to prepare consolidated financial statements of its Subsidiaries and Associates to be laid before the Annual General Meeting of



the Company. Accordingly, the consolidated financial statements incorporating the accounts of Subsidiary Company, viz. Ramco Windfarms Limited and Associate Company, viz. Ramco Systems Limited along with the Auditors' Report thereon, forms part of this Annual Report.

In the month of April 2015, Ramco Systems Limited had gone for Qualified Institutional Placement and consequent to allotment of 51,18,100 equity shares of Rs.10/- each to Qualified Institutional Buyers on 29-04-2015, its share capital had increased from Rs.24.42 Crores to Rs.29.54 Crores. Due to this, our share of investment in the capital of the company has decreased from 22.21% to 18.34%. Because of this, Ramco Systems Limited had ceased to be our Associate Company with effect from 29-04-2015, in accordance with Section 2(76) of the Companies Act, 2013.

The consolidated net profit of the company amounted to Rs.246.13 Crores for the year ended 31<sup>st</sup> March 2015 as compared to Rs.114.55 Crores of the previous year.

## **DIRECTORS**

Shri.P.R.Ramasubrahmaneya Rajha, was reappointed as CMD of the Company for a period of three years starting from 01-04-2014 at the AGM held on 28-07-2014.

Shri.R.S.Agarwal, Shri.M.B.N.Rao and Shri.M.M.Venkatachalam were also appointed as Independent Directors of the Company for a period of five years starting from 01-04-2014, at the AGM held on 28-07-2014.

Smt. Justice Chitra Venkataraman (Retd.) (DIN: 07044099) has been co-opted on 20-03-2015 as an Additional Director under Independent Director category. She will hold the office till the date of the forthcoming Annual General Meeting. A Notice in writing has been received from a Member signifying his intention to propose the appointment of Smt. Justice Chitra Venkataraman (Retd.) as a Director under Independent Director category at the Annual General Meeting to hold office for 5 consecutive years with effect from 20-03-2015, without being subject to retirement by rotation.

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri.P.R.Venketrama Raja (DIN:00331406) retires by rotation and is eligible for re-election.

The Government of Tamil Nadu appointed Shri.Swaran Singh, I.A.S. (DIN:01359580), Industries Commissioner and Director of Industries and Commerce, as their Nominee Director with effect from 15-05-2014 in the place of Shri.Harmander Singh, I.A.S. (DIN: 03291250).

Shri.Swaran Singh, I.A.S. ceased to be a Director with effect from 15-05-2015.

The Directors wish to place on record the valuable guidance and services rendered by the Nominee Directors during their tenure as Directors of the Company.

Pursuant to Rule 8(5)(iii) of Companies (Accounts) Rules, 2014, it is reported that, other than the above, there have been no changes in the Directors or Key Managerial Personnel during the year.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act,

2013, that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Audit Committee has three members, out of which two are Independent Directors. Pursuant to Section 177(8) of the Companies Act, 2013, it is reported that there has not been an occasion, where the Board had not accepted any recommendation of the Audit Committee.

In accordance with Section 178(3) of the Companies Act, 2013 and based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and Other Employees. The objective of the Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the Company.

As required under Clause 49(II)(B)(7) of the Listing Agreement, the details of the Familiarisation Programme for Independent Directors is available at the Company's website, at the following link at <http://www.ramcocements.in/Familiarisation.aspx>

## **Board Evaluation**

Pursuant to Section 134(3)(p) of the Companies Act, 2013, and Clause 49(II)(B)(6)(b)(iii) of the Listing Agreement, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, Performance of the Board as a whole and its Members and other required matters. Pursuant to Clause 49(II)(B)(5) of the Listing Agreement, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board Meeting, which shall be taken into account at the time of reappointment of Independent Director.

## **Meetings**

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

## **PUBLIC DEPOSITS**

The Company had fixed deposits amounting to Rs.1.74 Crores at the beginning of the year. The Company has decided not to accept fresh deposits from 01-04-2014 and to avail the option provided under Section 74 of the Companies Act, 2013 to repay all the existing deposits by complying with the formalities required in this regard. Accordingly, during the year, the Company has repaid deposits to an extent of Rs.1.67 Crores together with the accrued interest thereon. An amount of Rs.0.07 Crores representing 19 deposits were remaining unclaimed as on 31-03-2015. On the date of this report, Rs.0.02 Crores thereof have been claimed and refunded in respect of 7 deposits.

## **ORDERS PASSED BY REGULATORS**

Pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014, it is reported that, no significant and material orders have been passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future.

## THE RAMCO CEMENTS LIMITED

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### INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(4) of the Companies Act, 2013, it is reported that

- a. the Company has not given any loans.
- b. the particulars of the guarantees and investments are provided under Note No.47(e) and 47(k) respectively of Notes forming part of financial statements. The guarantees are to secure the loans from Banks/Financial Institutions to the borrowers.

### AUDITS

#### STATUTORY AUDIT

At the Annual General Meeting held on 28-07-2014, M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants and M/s.CNGSN & Associates LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company for three consecutive years being their remaining eligible period in terms of Rule 6 of Companies (Audit and Auditors) Rules, 2014. The matter relating to their appointment for the second year of their term is being placed before the Members for ratification at the ensuing Annual General Meeting, in accordance with the requirements of Section 139(1) of the Companies Act, 2013.

The Auditors have confirmed their eligibility to the effect that their reappointment, if made, would be within the prescribed limits under the Companies Act, 2013, and that they are not disqualified for reappointment.

The report of the Statutory Auditors for the year ended 31<sup>st</sup> March 2015 does not contain any qualification, reservation or adverse remark.

#### COST AUDIT

The Board of Directors had approved the appointment of M/s. Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records relating to manufacture of cement and generation of wind energy for the years 2014-15 to 2016-17.

The appointment and the remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter is being placed before the Members for ratification at the ensuing Annual General Meeting.

The Cost Audit Report for the financial year 2013-14 due to be filed with Ministry of Corporate Affairs by 27-09-2014, had been filed on 15-09-2014. The Cost Audit Report for the financial year 2014-15 is due to be filed within 180 days from the closure of the financial year and will be filed within the stipulated period.

### SECRETARIAL AUDIT

M/s.S.Krishnamurthy & Co., Company Secretaries, have been appointed to conduct the Secretarial Audit of the Company. Pursuant to Section 204(1) of the Companies Act, 2013, the Secretarial Audit Report submitted by the Secretarial Auditors for the year ended 31<sup>st</sup> March 2015 is attached as Annexure – 2. The report does not contain any qualification, reservation or adverse remark.

### EXTRACT OF ANNUAL RETURN

In Accordance with Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9 is attached herewith as Annexure – 3.

### CORPORATE GOVERNANCE

The Company has complied with the requirements regarding Corporate Governance as stipulated in Clause 49 of the Listing Agreement. As required under Clause 49(X) of the Listing Agreement, a Report on Corporate Governance being followed by the Company is attached as Annexure – 4. As required under Clause 49(XI) of the Listing Agreement, a Certificate from the Secretarial Auditors confirming compliance is also attached as Annexure – 5 to this Report.

### CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy which is based on the philosophy that “As the Organisation grows, the Society and Community around it also grows.”

The Company has undertaken various projects in the areas of education, health, rural development, water and sanitation, promotion and development of traditional arts, protection of national heritage, livelihood enhancement projects, etc. largely in accordance with Schedule VII of the Companies Act, 2013.

The CSR obligations pursuant to Section 135(5) of the Companies Act, 2013, for the year 2014-15 is Rs.8.66 Crores. As against this, the Company has spent Rs.7.80 Crores on CSR, leaving a shortfall of Rs.0.86 Crores. Because of want of identification of projects, the shortfall had occurred. However, the company had spent a sum of Rs.2.17 Crores on other social causes and projects during the year, which are not qualifying under the classifications listed out in Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure – 6.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Clause 49(II)(F) of the Listing Agreement, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The policy is available at the Company's website.

### RISK MANAGEMENT POLICY

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





## RELATED PARTY TRANSACTIONS

The transactions with related parties entered into by the Company are periodically placed before the Audit Committee for its approval. The particulars of contracts entered into by the Company during the year as per Form AOC 2 is enclosed as Annexure – 7. No transaction with the related party is material in nature, in accordance with Company's "Related Party Transaction Policy" and Clause VII(C) of the Listing Agreement. In accordance with AS-18, the details of transactions with the related parties are set out in Note No:47 to the Balance Sheet.

As required under Clause 49(VIII)(A)(2) of the Listing Agreement, the Company's Related Party Transaction Policy is disclosed in the Company's website and its weblink is - <http://www.ramcocements.in/pdf/files/policies/RELATED%20PARTY%20TRANSACTION%20POLICY.pdf>

As required under Clause 49(V)(D) of the Listing Agreement, the Company's Material Subsidiary Policy is disclosed in the Company's website and its weblink is -

<http://www.ramcocements.in/pdf/files/policies/MATERIAL%20SUBSIDIARY%20POLICY.pdf>

## FUTURE OUTLOOK

The present Government's policies are expected to give a big push to the economic activities. The thrust given in the Union Budget 2015-16 for development of Roads and Highways, Ports, Development of Smart Cities, etc. is expected to accelerate the growth of the cement industry. The investments in infrastructure are expected to give a boost to the construction activities. The moderate inflation will encourage investments in housing sector. The Government's commitment to reforms and its initiatives relating to "Make in India" and ease of doing business are expected to make the GDP grow in excess of 8%. All these will positively impact the demand for cement in future. As all our plants are fully equipped with railway siding, stand-by power back up facility and are supported with grinding units, our Company will be able to take full advantage of the economic momentum in the coming years.

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

Pursuant to Rule 8(3) of Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as Annexure – 8.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1), (2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration, are provided in Annexure – 9.

Having regard to the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same

will be furnished on request. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is also available on the Company's website.

## INDUSTRIAL RELATIONS & PERSONNEL

The Company has 2,883 employees as on 31-03-2015. Industrial relations in all the Units continue to be cordial and healthy. Employees at all levels are extending their full support and are actively participating in the various programmes for energy conservation and cost reduction. There is a special thrust on Human Resources Development with a view to promoting creative and group effort.

## SHARES

The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they had 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 and of the profit and loss of the company for that period;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) they had prepared the annual accounts on a going concern basis;
- (e) they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENT

The Directors are grateful to the various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Financial Institutions and Banks for their continued help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

On behalf of the Board of Directors  
For THE RAMCO CEMENTS LIMITED,

Chennai  
29-05-2015

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

# THE RAMCO CEMENTS LIMITED

Annexure - 1

## FORM AOC – 1

[Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiary and Associate Company

### PART A – SUBSIDIARY COMPANY

(Rs.in Crores)

Particulars	2014-15	2013-14
Name of the Subsidiary Company	Ramco Windfarms Limited	
Reporting Currency	INR	INR
Share Capital	1.00	1.00
Reserves & Surplus	1.12	(0.23)
Total Assets	33.01	32.17
Total Liabilities	30.89	31.40
Investments	-	-
Turnover/Total Income	10.53	0.01
Profit/(Loss) before Taxation	2.01	(0.34)
Provision for Taxation	0.66	(0.11)
Profit/(Loss) after Taxation	1.35	(0.23)
Proposed Dividend	-	-
Percentage of Shareholding	71.50	71.50

### PART B – ASSOCIATE COMPANY

Particulars	2014-15
Name of the Associate Company	Ramco Systems Limited
Latest Audited Balance Sheet Date	31-03-2015
No. of Shares held as on 31-03-2015	54,17,810
Amount of Investment in Associate as on 31-03-2015 (Rs. in Crores)	88.06
Extent of Shareholding % as on 31-03-2015	22.21
Description of how there is significant influence	By virtue of Share Holding
Reason why associate is not consolidated	Not applicable
Net worth attributable to Shareholding (Rs. in Crores)	53.83
Profit/Loss for the year (Consolidated) (Rs. in Crores)	12.67
a) Considered in Consolidation (Rs. in Crores)	2.81
b) Not Considered in Consolidation (Rs. in Crores)	9.86

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.GANGADARAN  
Partner  
Membership No. 011205

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

S.VAITHIYANATHAN  
Chief Financial Officer

K.SELVANAYAGAM  
Secretary

P.R.VENKETRAMA RAJA  
R.S.AGARWAL  
M.M.VENKATACHALAM  
Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

Chennai  
29-05-2015



### Form MR-3

Secretarial Audit Report for the financial year ended 31<sup>st</sup> March 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To the Members of  
The Ramco Cements Limited, [CIN: L26941TN1957PLC003566]  
(Formerly known as Madras Cements Limited)  
"Ramamandiram", Virudhunagar District,  
Rajapalayam – 626 117

We have conducted a secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **M/s. THE RAMCO CEMENTS LIMITED** (hereinafter called "the Company"). We have conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/statutory compliances and expressing our opinion thereon.

We are issuing this report based on our verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company during the financial year ended on 31<sup>st</sup> March 2015 and also after 31<sup>st</sup> March 2015 but before the issue of this report and the information provided by the Company, its officers, agents and authorised representatives during our conduct of secretarial audit.

We hereby report that, in our opinion, during the audit period covering the **financial year ended on 31<sup>st</sup> March 2015** (hereinafter referred to as "the year"), the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure – A.

1. We have examined the books, papers, minute books and other records maintained by the Company and the forms and returns filed during the year according to the applicable provisions of:
  - (i) The Companies Act, 2013 (the Act), the rules made thereunder.
  - (ii) The Companies Act, 1956.
  - (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
  - (iv) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
  - (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; and
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (vi) The following laws, that are specifically applicable to the Company:
    - (a) The Mines Act, 1952; and
    - (b) The Electricity Act, 2003.
2. We are informed that, during the year the Company was not required to maintain any books, papers, minute books or other records or to file any forms/ returns according to the provisions of:
  - (i) 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;
  - (ii) The following Regulations and Guidelines prescribed under the SEBI Act:
    - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - (e) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client.
3. We are also informed that for the year, there were no other laws specifically applicable to the company, the books, papers, minute books, forms and returns of which were required to be examined by us for the purpose of this report.
4. We have not examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India as they become applicable only from 1<sup>st</sup> July 2015.

## THE RAMCO CEMENTS LIMITED

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5. During the period under review, and also considering the compliance related action taken by the Company after 31<sup>st</sup> March 2015 but before the issue of this report, the Company has complied with the provisions of the Acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.

6. We further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board has also appointed a woman director on 20<sup>th</sup> March 2015. 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.

(ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent less than seven days before the meeting, since there was no statutory requirement during the year to send them seven days in advance of the meeting.

(iii) A system exists for directors to seek and obtain further information and clarifications on the agenda

items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

(iv) There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

(v) During the audit period, the members have passed a special resolution under section 180(1)(c) of the Act empowering the Board of Directors to borrow moneys provided that the amounts borrowed and outstanding at any point of time does not exceed Rs.5000 Crores, apart from temporary loans from company's bankers in the ordinary course of business.

For S Krishnamurthy & Co.,  
Company Secretaries,

K. Sriram,  
Partner.

Date : 29<sup>th</sup> May 2015  
Place : Chennai

Membership No: F6312  
Certificate of Practice No: 2215

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### Annexure – A to Secretarial Audit Report of even date

To,  
The Members,  
The Ramco Cements Limited,  
(Formerly known as Madras Cements Limited)  
CIN: L26941TN1957PLC003566  
"Ramamandiram", Virudhunagar District,  
Rajapalayam – 626 117

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31<sup>st</sup> March 2015 is to be read along with this letter.

1. Maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records produced for our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

3. While forming an opinion on compliance and issuing this report, we have also taken into consideration the compliance related action taken by the Company after 31<sup>st</sup> March 2015 but before the issue of this report.

4. We have verified the records on a test basis to see whether the correct facts are reflected in the secretarial records. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

5. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

6. Our 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 S Krishnamurthy & Co.,  
Company Secretaries,

K. Sriram,  
Partner.

Date : 29<sup>th</sup> May 2015  
Place : Chennai

Membership No: F6312  
Certificate of Practice No: 2215





## Form MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March 2015 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i	CIN	L26941TN1957PLC003566
ii	Registration Date	03-07-1957
iii	Name of the Company	THE RAMCO CEMENTS LIMITED
iv	Category / Sub-Category of the Company	Public Limited Company
v	Address of the Registered Office and contact details	"RAMAMANDIRAM" RAJAPALAYAM – 626 117.
vi	Whether listed Company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Share transfer is being carried out in-house at, "Auras Corporate Centre", 5 <sup>th</sup> Floor, 98-A, Dr.Radhakrishnan Road, Mylapore, Chennai – 600 004, Tamil Nadu. Tel.: 044-2847 8666

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

Business activities contributing 10% or more of the total turnover of the company:

No	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Cement	23942	93.79

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

No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Ramco Windfarms Limited	U40109TN2013PLC093905	Subsidiary	71.50	2(87)(ii)
2	Ramco Systems Limited	L72300TN1997PLC037550	Associate	22.21	2(6)

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

##### i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	7996340	0	7996340	3.36	7998340	0	7998340	3.36	0
b) Central Govt									
c) State Govt(S)									
d) Bodies Corporate	92707220	0	92707220	38.96	92707220	0	92707220	38.94	-0.02
e) Banks / FI									
f) Any other									
Sub-total (A)(1)	100703560	0	100703560	42.32	100705560	0	100705560	42.30	-0.02

## THE RAMCO CEMENTS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs – Individuals									
b) Other Individuals									
c) Bodies Corporate									
d) Banks / FI									
e) Any other									
Sub-total (A)(2)									
Total shareholding of Promoter (A) = A(1) + A(2)	100703560	0	100703560	42.32	100705560	0	100705560	42.30	-0.02
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	23063800	5000	23068800	9.69	28224716	3000	28227716	11.86	2.17
b) Banks / FI	387700	142000	529700	0.22	3786296	13000	3799296	1.60	1.38
c) Central Govt									
d) State Govt(s)	0	8000000	8000000	3.36	0	8000000	8000000	3.36	0
e) Venture Capital Funds									
f) Insurance Companies	11577131	0	11577131	4.86	10053326	0	10053326	4.22	-0.64
g) FIs	44579469	2000	44581469	18.73	40237764	2000	40239764	16.90	-1.83
h) Foreign Venture Capital Funds									
i) Other									
Sub-total (B)(1)	79608100	8149000	87757100	36.88	82302102	8018000	90320102	37.94	1.06
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	6269460	152600	6422060	2.70	9307081	116600	9423681	3.96	1.26
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	20667240	5067870	25735110	10.81	19916067	4321970	24238037	10.18	-0.63
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	15189950	2161600	17351550	7.29	11113200	2276200	13389400	5.62	-1.67
c) Others									
Sub-total (B)(2)	42126650	7382070	49508720	20.80	40336348	6714770	47051118	19.76	-1.04
Total Public Shareholding (B) = (B)(1) + (B)(2)	121734750	15531070	137265820	57.68	122638450	14732770	137371220	57.70	0.02
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	222438310	15531070	237969380	100	223344010	14732770	238076780	100	0



ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in 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	Ramco Industries Limited	49312420	20.72		49312420	20.71		-0.01
2	Rajapalayam Mills Limited	32905000	13.83		32905000	13.82		-0.01
3	Sri Vishnu Shankar Mill Limited	3883200	1.63		3883200	1.63		0
4	The Ramaraju Surgical Cotton Mills Ltd.	3624000	1.52	1.52	3624000	1.52	1.52	0
5	Sudharsanam Investments Limited	2982600	1.25		2982600	1.25		0
6	Sri.P.R.Ramasubrahmaneya Rajha (HUF)	2030000	0.85		2030000	0.85		0
7	Sri.P.R.Ramasubrahmaneya Rajha	1754340	0.74		1755840	0.74		0
8	Smt.Saradha Deepa	1000000	0.42		1000000	0.42		0
9	Sri.P.R. Venketrama Raja	1000000	0.42		1000000	0.42		0
10	Smt.Nalina Ramalakshmi	1000000	0.42		1000000	0.42		0
11	Smt.Ramachandra Raja Chittammal	736000	0.32		736000	0.32		0
12	Smt.R Sudarsanam	340000	0.14		340500	0.14		0
13	Sri.S.R.Srirama Raja	120000	0.05		120000	0.05		0
14	Sri.N.R.K.Ramkumar Raja	16000	0.01		16000	0.01		0
	Total	100703560	42.32	1.52	100705560	42.30	1.52	-0.02

iii) Change in Promoters' Shareholding

Sl No	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
						No. of Shares	% of total shares of the Company
	No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company					
1	100703560	42.32	01-04-2014				
	100705560	42.30	12-12-2014	2000	Transfer	100705560	42.30*

\* The decrease in percentage in Promoters' shareholding from 42.32% to 42.30% is due to allotment of deferred bonus shares of 1,07,400.

## THE RAMCO CEMENTS LIMITED

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

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Aberdeen Global-Asian Smaller Companies Fund	14294113	6.01	01-04-2014				
				20-06-2014	-802147	Transfer	13491966	5.67
				30-06-2014	-52283	Transfer	13439683	5.65
				04-07-2014	-553477	Transfer	12886206	5.42
				11-07-2014	-792093	Transfer	12094113	5.08
				21-11-2014	-237938	Transfer	11856175	4.98
				28-11-2014	-213122	Transfer	11643053	4.89
				05-12-2014	-965990	Transfer	10677063	4.49
				12-12-2014	-149586	Transfer	10527477	4.42
				19-12-2014	-325382	Transfer	10202095	4.29
				31-12-2014	-107982	Transfer	10094113	4.24
				27-02-2015	-46773	Transfer	10047340	4.22
				13-03-2015	-11382	Transfer	10035958	4.22
		9393613	3.95	20-03-2015	-6423485	Transfer	9393613	3.95
2	Aberdeen Global-Emerging Markets Smaller Companies Fund	8261665	3.47	01-04-2014				
				18-04-2014	-240000	Transfer	8021665	3.37
				18-07-2014	-555616	Transfer	7466049	3.14
				21-07-2014	-8548	Transfer	7457501	3.13
				25-07-2014	-150836	Transfer	7306665	3.07
				05-09-2014	-600000	Transfer	6706665	2.82
				12-09-2014	-597659	Transfer	6109006	2.57
				19-09-2014	-109006	Transfer	6000000	2.52
				12-12-2014	-189886	Transfer	5810114	2.44
				19-12-2014	-367668	Transfer	5442446	2.29
				31-12-2014	-182446	Transfer	5260000	2.21
		4877000	2.05	30-01-2015	-383000	Transfer	4877000	2.05
3	The Governor, Government of Tamil Nadu	8000000	3.36	01-04-2014			8000000	3.36
4	Sudharshan Securities Private Limited	7640000	3.21	01-04-2014				
				18-04-2014	-420348	Transfer	7219652	3.03
				25-04-2014	-100000	Transfer	7119652	2.99
				09-05-2014	-8500	Transfer	7111152	2.99





SI No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				16-05-2014	-473051	Transfer	6638101	2.79
				13-06-2014	-138101	Transfer	6500000	2.73
		6000000	2.52	12-09-2014	-500000	Transfer	6000000	2.52
5	The Oriental Insurance Company Limited	4425058	1.86	01-04-2014				
				23-05-2014	-10000	Transfer	4415058	1.86
				30-05-2014	-15742	Transfer	4399316	1.85
				06-06-2014	-40000	Transfer	4359316	1.83
				13-06-2014	-43694	Transfer	4315622	1.81
				20-06-2014	-498	Transfer	4315124	1.81
				30-06-2014	-20000	Transfer	4295124	1.80
				04-07-2014	-40000	Transfer	4255124	1.79
				11-07-2014	-32028	Transfer	4223096	1.77
				29-08-2014	-64816	Transfer	4158280	1.75
				05-09-2014	-42381	Transfer	4115899	1.73
				12-09-2014	-20000	Transfer	4095899	1.72
				19-09-2014	-2236	Transfer	4093663	1.72
				07-11-2014	-18000	Transfer	4075663	1.71
				14-11-2014	-15000	Transfer	4060663	1.71
				28-11-2014	-24588	Transfer	4036075	1.70
				05-12-2014	-14403	Transfer	4021672	1.69
		4011672	1.69	06-02-2015	-10000	Transfer	4011672	1.69
6	The New India Assurance Company Limited	4338392	1.82	01-04-2014				
				23-05-2014	-3916	Transfer	4334476	1.82
				30-05-2014	-25000	Transfer	4309476	1.81
				06-06-2014	-157	Transfer	4309319	1.81
				13-06-2014	-88275	Transfer	4221044	1.77
				20-06-2014	-47647	Transfer	4173397	1.75
				25-06-2014	-34266	Transfer	4139131	1.74
				30-06-2014	-28942	Transfer	4110189	1.73
				04-07-2014	-14320	Transfer	4095869	1.72
				08-08-2014	-13026	Transfer	4082843	1.72
				15-08-2014	-35000	Transfer	4047843	1.70
				29-08-2014	-215000	Transfer	3832843	1.61
				05-09-2014	-22779	Transfer	3810064	1.60

## THE RAMCO CEMENTS LIMITED

SI No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				12-09-2014	-20588	Transfer	3789476	1.59
				19-09-2014	-7597	Transfer	3781879	1.59
		3720373	1.56	30-09-2014	-61506	Transfer	3720373	1.56
7	IDFC Premier Equity Fund	3075000	1.29	01-04-2014				
				04-04-2014	-2308498	Transfer	766502	0.32
				11-04-2014	-127965	Transfer	638537	0.27
				19-09-2014	-38537	Transfer	600000	0.25
				30-09-2014	98000	Transfer	698000	0.29
		NIL	NIL	07-11-2014	-698000	Transfer	NIL	NIL
8	Life Insurance Corporation of India	2813681	1.18	01-04-2014				
				05-12-2014	-80128	Transfer	2733553	1.15
				12-12-2014	-83380	Transfer	2650173	1.11
				31-12-2014	-33122	Transfer	2617051	1.10
				06-03-2015	-279447	Transfer	2337604	0.98
		2321281	0.98	13-03-2015	-16323	Transfer	2321281	0.98
9	Reliance Capital Trustee Co. Ltd – A/c. Reliance Tax Saver(ELSS) Fund	2700000	1.13	01-04-2014				
				02-05-2014	-900000	Transfer	1800000	0.76
				20-06-2014	-34300	Transfer	1765700	0.74
				25-06-2014	-93031	Transfer	1672669	0.70
				30-06-2014	-76169	Transfer	1596500	0.67
				04-07-2014	-66000	Transfer	1530500	0.64
				21-07-2014	85000	Transfer	1615500	0.68
				13-02-2015	189500	Transfer	1805000	0.76
				27-02-2015	4000	Transfer	1809000	0.76
				06-03-2015	630000	Transfer	2439000	1.02
		2529000	1.06	13-03-2015	90000	Transfer	2529000	1.06
10	Aberdeen Asian Smaller Companies Investment Trust PLC	2400000	1.01	01-04-2014				
				20-06-2014	-163456	Transfer	2236544	0.94
				30-06-2014	-10717	Transfer	2225827	0.94
				04-07-2014	-113456	Transfer	2112371	0.89
		1950000	0.82	11-07-2014	-162371	Transfer	1950000	0.82



v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Sri.P.R.Ramasubrahmaneya Rajha	3784340	1.59					
		3785840	1.59	12-12-2014	1500	Transfer	3785840	1.59
2	Sri.P.R.Venketrama Raja	1000000	0.42	N.A.	N.A.	N.A.		
		1000000	0.42	N.A.	N.A.	N.A.	1000000	0.42
3	Sri.Harmander Singh, I.A.S.	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
4	Sri.Swaran Singh, I.A.S.	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
5	Sri.R.S.Agarwal	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
6	Sri.M.B.N.Rao	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
7	Sri.M.M.Venkatachalam	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
8	Smt. Justice Chitra Venkataraman (Retd.)	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
9	Sri.A.V.Dharmakrishnan	40000	0.01	N.A.	N.A.	N.A.	NIL	NIL
		40000	0.01	N.A.	N.A.	N.A.	40000	0.01
10	Sri.S.Vaithiyanathan	11020		23-05-2014	-775	Transfer	10245	-
				06-06-2014	-500	Transfer	9745	-
				13-06-2014	-550	Transfer	9195	-
				11-07-2014	-495	Transfer	8700	-
		7900		20-03-2015	-800	Transfer	7900	-
10	Sri.K.Selvanayagam	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL

V. INDEBTEDNESS

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

	(Rs. in Crores)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2270.04	638.39	1.74	2910.17
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	3.82	0.32	0.12	4.26
Total (i + ii + iii)	2273.86	638.71	1.86	2914.43
Change in indebtedness during the financial year				
Addition	2128.42	2221.23	-	4349.65
Reduction	2361.19	2185.38	1.86	4548.43
Net Change	-232.77	35.85	-1.86	-198.78
Indebtedness at the end of the financial year				
i. Principal Amount	2038.38	673.51	-	2711.89
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	2.71	1.05	-	3.76
Total (i + ii + iii)	2041.09	674.56	-	2715.65

## THE RAMCO CEMENTS LIMITED

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

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

Sl No	Particulars of Remuneration	(In Rs.)			
		Name of MD	Name of WTD	Name of Manager	Total Amount
		Sri.P.R.Ramasubrahmaneya Rajha	–	–	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2400000	–	–	2400000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39600	–	–	39600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–	–
2	Stock Option	–	–	–	
3	Sweat Equity	–	–	–	
4	Commission - as % of profit	183845491	–	–	183845491
5	Others				
	Medical Reimbursement	1206745	–	–	1206745
	Total (A)	187491836	–	–	187491836
	Ceiling as per the Act	Rs.187491836/- being 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013.			

#### B. Remuneration to other Directors:

		(In Rs.)					
SI No	Particulars of Remuneration	Name of the Directors					Total Amount
		Sri.Swaran Singh	Sri.R.S. Agarwal	Sri.M.B.N Rao	Sri.M.M. Venkatachalam	Sri. P.R.Venketrama Raja	
1	Independent Directors						
	Fee for attending board / committee meetings	–	400000	160000	440000	–	1000000
	Commission	–	–	–	–	–	–
	Others	–	–	–	–	–	–
	Total (1)	–	400000	160000	440000	–	1000000
2	Other Non Executive Directors						
	Fee for attending board / committee meetings	–	–	–	–	420000	420000
	Commission	–	–	–	–	–	–
	Others	–	–	–	–	–	–
	Total (2)	–	–	–	–	420000	420000
	Total (B) = (1+2)	–	400000	160000	440000	420000	1420000
	Overall Ceiling as per the Act	Rs.37498367/- being 1% of the Net Profits of the Company, calculated as per Section 198 of the Companies Act, 2013.					
	Total Managerial Remuneration (A+B)						188911836





C. Remuneration to key managerial personnel other than MD/MANAGER/WT

		(In Rs.)			
Sl No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr.A.V.Dharmakrishnan, CEO	Mr.K.Selvanayagam, Company Secretary	Mr.S.Vaithiyanathan, CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	75062337	6361080	6567407	87990824
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	44641	29298	156105	230044
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–	–
2	Stock Option	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission – as % of profit	–	–	–	–
5	Others	–	–	–	–
	Total	75106978	6390378	6723512	88220868

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of Cos. Act, 1956	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT /Court]	Appeal made, if any [give details]
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding	297	Failure to obtain approval of the Central Government for entering into contract with a Private Limited Company, wherein the Directors are interested	Compounding fee of Rs.2.00 lakhs	Company Law Board, Chennai Bench.	NIL
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

On behalf of the Board of Directors  
For THE RAMCO CEMENTS LIMITED,

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

Chennai  
29-05-2015

## ANNEXURE – 4 TO DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

Pursuant to Annexure – XII to the Listing Agreement

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

Since inception, The Ramco Cements Limited is assiduously following its self-determined goals on Corporate Governance. The object of the Company is to protect and enhance the value of all the stake holders of the Company viz., shareholders, creditors, customers and employees. It strives to achieve these objectives through high standards in dealings and following business ethics in all its activities.

The Company believes in continuous upgradation of technology to improve the quality of its production and productivity to achieve newer and better products for total customer satisfaction.

The Company lays great emphasis on team building and motivation. A contended and well developed worker will give to the Company better work and therefore better profits. The Company has strong faith in innate and infinite potential of human resources. It believes in the creative abilities of the people who work for the Company and believes in investing in their development and growth as foundation for strong and qualitative growth of the Organisation.

If there is no customer, there is no business. Customers' continued satisfaction and sensitivity to their needs are the Company's source of strength and security.

The Company also believes that as the Organisation grows, the society and the community around it should also grow.

### 2. BOARD OF DIRECTORS

The Board of Directors is headed by the Chairman and Managing Director, Shri.P.R.Ramasubrahmaneya Rajha. The Board consists of eminent persons with considerable professional expertise in various fields such as Administration, Banking, Finance, Engineering, Law, etc. The Board has 7 Directors out of which 6 Directors are Non-Executive. As required by the Code of Corporate Governance, not less than 50% of the Board of Directors consists of Independent Directors. There are no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company.

During the year under review, four Board Meetings were held, one each on 22-05-2014, 27-07-2014, 06-11-2014 and 05-02-2015.

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sl. No	Name of the Director	Directorship	No. of Board Meetings attended	Attendance at last AGM
1.	Shri.P.R.Ramasubrahmaneya Rajha	CMD	4	Yes
2.	Shri.Harmander Singh, I.A.S (Till 15-05-2014)	ND	-	No
3.	Shri.Swaran Singh, I.A.S (Till 15-05-2015)	ND	-	No
4.	Shri.P.R.Venketrama Raja	PD	4	Yes
5.	Shri.R.S.Agarwal	ID	4	Yes
6.	Shri.M.B.N.Rao	ID	3	Yes
7.	Shri.M.M.Venkatachalam	ID	4	Yes
8.	Smt. Justice Chitra Venkataraman (Retd.) (With effect from 20-03-2015)	ID	-	-

CMD – Chairman & Managing Director;  
ID – Independent Director;

ND – Nominee Director;  
PD – Promoter Director.

### Other Directorships

The Number of other Boards or Board Committees in which the Director is a Member or Chairperson as on 31-03-2015 are given below

No	Name of the Director	Other Directorships*	Committee Positions **	
			Chairperson	Member
1.	Shri.P.R.Ramasubrahmaneya Rajha	8	4	1
2.	Shri.Swaran Singh	9	-	-
3.	Shri.P.R.Venketrama Raja	7	1	5
4.	Shri.R.S.Agarwal	7	2	2
5.	Shri.M.B.N.Rao	8	3	5
6.	Shri.M.M.Venkatachalam	6	1	-
7.	Smt. Justice Chitra Venkataraman (Retd.)	2	-	1

\* Public Limited Companies, other than The Ramco Cements Limited.

\*\* Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, other than The Ramco Cements Limited.

### REMUNERATION TO DIRECTORS

The Non-Executive Directors are paid Sitting Fee of Rs.40,000/- per meeting for attending the Board and Committees thereof, except for Share / Debenture Committee, for which no sitting fee is payable.



(Rs. in lacs)

Name of the Director	Sitting Fee	Remuneration	Commission	No. of Shares held
Shri.P.R.Ramasubrahmaneya Rajha	2.40	24.00	1848.52	37,85,840
Shri.P.R.Venketrama Raja	4.20	Nil	Nil	10,00,000
Shri.Swaran Singh, I.A.S.	Nil	Nil	Nil	Nil
Shri.R.S.Agarwal	4.00*	Nil	Nil	Nil
Shri.M.B.N.Rao	1.60*	Nil	Nil	Nil
Shri.M.M.Venkatachalam	4.40*	Nil	Nil	Nil
Smt. Justice Chitra Venkataraman (Retd.)	Nil	Nil	Nil	Nil

\* Includes Rs.0.40 lacs each towards sitting fees paid in 2015-16

The appointment and remuneration to Managing Director is governed by the resolution passed by the shareholders at the Annual General Meeting held on 28-07-2014 and the remuneration is equivalent to 5% of the Net Profits of the Company and in case of inadequacy of profits, as per Section II, Part II of Schedule V of the Companies Act, 2013.

**Disclosure of relationships between directors inter-se**  
[Pursuant to Clause 49(VIII)(E)(2) of the Listing Agreement]

Shri.P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director is the father of Shri.P.R.Venketrama Raja, Director.

### 3. AUDIT COMMITTEE

The terms of reference of the Audit Committee include:

- To review the reports of Internal Audit Department;
- To review the Auditors' Report on the financial statements;
- To review the strength and weakness of the internal controls and to provide recommendations relating thereto;
- To generally assist the Board to discharge their functions more effectively.

In addition, the Audit Committee would discharge the roles and responsibilities as prescribed by the Listing Agreement and Companies Act, 2013.

**Composition**

The Audit Committee consists of the following Directors:

No	Name of the Director	No. of Meetings attended
1.	Shri.R.S.Agarwal, Chairman of the Committee	4
2.	Shri.P.R.Venketrama Raja	4
3.	Shri.M.M.Venkatachalam	4

No. of Meetings held during the year : 4

Date of the meetings : 21-05-2014, 27-07-2014  
05-11-2014 & 04-02-2015.

The Statutory Auditors, Chief Executive Officer, Chief Financial Officer and Head of Internal Audit Department are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

2/3<sup>rd</sup> of the members of the Audit Committee are Independent Directors as required by the Code of Corporate Governance.

### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee discharges the functions as envisaged for it by the Companies Act, 2013, the Listing Agreement and functions as mandated by the Board of Directors from time to time. The Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the company.

The complete details about the terms of reference for Nomination and Remuneration Committee and Nomination and Remuneration Policy are available at Company's website.

**Composition**

The Nomination and Remuneration Committee consists of the following Directors:

No.	Name of the Director	No. of Meetings attended
1.	Shri.R.S.Agarwal, Chairman of the Committee.	2
2.	Shri.M.M.Venkatachalam	2
3.	Shri.P.R.Venketrama Raja (from 22-05-2014)	1

No. of Meetings held during the year : 2

Date of the meetings : 21-05-2014 & 05-11-2014

The details of remuneration paid to Directors are given in Form MGT-9, forming part of annexure to Directors' Report.

### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Name of Non-exeutive Director heading the Committee	Shri.P.R.Venketrama Raja
Name and Designation of Compliance Officer	Shri.K.Selvanayagam, Secretary
No. of complaints received during the year	NIL
Number not solved to the satisfaction of shareholders	NIL
Number of pending complaints	NIL

## THE RAMCO CEMENTS LIMITED

### 6. GENERAL MEETINGS

- i. Location and time, where last three AGMs held:

Year ended	Date	Time	Venue
31-03-2012	02-08-2012	10.15 AM	P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu.
31-03-2013	29-07-2013	11.00 AM	-do-
31-03-2014	28-07-2014	10.15 AM	-do-

- ii. Details of Special Resolutions passed in the previous three Annual General Meetings

Date of the AGM	Subject Matter of the Special Resolution
28-07-2014	To amend the Articles of Association, for enabling appointment of Managing Director as Chairperson of the Company as well.
	Re-appointment of Shri.P.R.Ramasubrahmaneya Rajha as Chairman and Managing Director for a period of three years effective from 01-04-2014.
	To authorise the Company to borrow, the maximum amount so outstanding not to exceed Rs.5,000 Crores.
	To maintain the Register of Members and other Statutory Registers at the Company's Corporate Office at Chennai.
29-07-2013	To change the name of the Company to The Ramco Cements Limited.
02-08-2012	No Special Resolution was passed.

- iii. No Special Resolution on matters requiring postal ballot were passed during the year under review.
- iv. No Special Resolution is proposed to be conducted through Postal Ballot.

### 7. DISCLOSURES

- i. There are no materially significant related party transactions made by the Company that may have potential conflict with the interests of the Company at large.
- ii. There are no instances of non-compliance by the Company, and no penalties or strictures were imposed on the company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- iii. The Company has a Whistle Blower Policy, available at the Company's website and it is affirmed that no personnel has been denied access to the Audit Committee.
- iv. The Company has complied with the Mandatory requirements of Clause 49 of the Listing Agreement. The status of adoption of the Non-Mandatory requirements, pursuant to Annexure – XIII of the Listing Agreement is given below:
- a. The Company's financial statements are unqualified for the year 2014-15.

### 8. MEANS OF COMMUNICATION

The Unaudited Quarterly and Half yearly Financial results and Audited Annual Results are published in English in Business Line (All editions), The New Indian Express and Trinity Mirror (Chennai editions), Business Standard (All Editions) and in Tamil in Dinamani and Makkal Kural (Chennai editions). The results were also displayed on the Company's website [www.ramcocements.in](http://www.ramcocements.in)

All the financial results are provided to the Stock Exchanges.

Official News releases are given directly to the Press.

### 9. GENERAL SHAREHOLDER INFORMATION

i.	Annual General Meeting	On 06-08-2015 at 10.15 AM at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu.
ii.	Financial Year	2014-15
iii.	Date of Book Closure	31-07-2015 to 06-08-2015 (both days inclusive)
iv.	Dividend Payment date	Date of the AGM
v.	Listing on Stock Exchanges	BSE Limited National Stock Exchange of India Limited
vi.	Stock Code	
	BSE Limited	500260
	National Stock Exchange of India Limited	RAMCOCEM
vii.	Market Price Data	
viii.	Performance in comparison to broad based indices	Enclosed as Annexure – A.
ix.	Registrar and Transfer Agents	Being carried out in-house by the Secretarial Department of the Company.
x.	Share Transfer System	For shares held in electronic mode, transfers are effected under the depository system of NSDL and CDSL. For shares held in physical mode, certificates are to be submitted to the Company along with the required security transfer forms. The company effects the transfers within 15 days, if the documents are found in order and the certificates are sent to the transferees. In the case of defective documents, the same are returned with the reasons to the transferees within 15 days.





xi.	Distribution of Shareholding	Enclosed as Annexure – B.
xii.	Dematerialisation of Shares & liquidity	As on 31 <sup>st</sup> March 2015, 93.81% of the shares have been dematerialized. Regarding liquidity of our Company's shares, the details are available in Annexure - A.
xiii.	Outstanding GDRs/ ADRs/Warrants or any Convertible instruments, date and likely impact on equity	NIL

#### xiv. Plant Locations

##### Integrated Cement Plants

- Ramasamy Raja Nagar – 626 204, Virudhunagar District, Tamil Nadu.
- Alathiyur, Cement Nagar – 621 730, Ariyalur District, Tamil Nadu
- Govindapuram Village – 621 713, Ariyalur District, Tamil Nadu
- Jayanthipuram, Kumarasamyraja Nagar – 521 457, Krishna District, Andhra Pradesh.
- Mathodu – 577 533, Hosadurga , Chitradurga District, Karnataka.

##### Grinding Units

- Kattuputhur Village, Uthiramerur, Kancheepuram District– 603 107, Tamil Nadu.
- Singhipuram Village, Valapady , Salem District – 636 115, Tamil Nadu.
- Kolaghat – 721 134, Purba Medinipur District, West Bengal.
- Gobburupalam Village, A.S.Peta Post – 531 055, Kasimkota Mandal, Vizag District, Andhra Pradesh.

##### Packing Plant

Kumarapuram, Aralvaimozhi–629 301, Kanyakumari District, Tamil Nadu.

##### Readymix Concrete Plant

Medavakkam-Mambakkam Road, Vengaivasal, Chennai – 601 302, Tamil Nadu.

##### Dry Mortar Plant

F-14, SIPCOT Industrial Park, Sriperumbudur – 602 106, Tamil Nadu.

##### Ramco Research & Development Centre,

11-A, Okkiyam, Thuraipakkam, Chennai – 600 096, Tamil Nadu.

##### Wind Farm Division

- Muppandal, Poolavadi, Thandayarkulam, Veeranam, Muthunaickenpatti, Pushpathur and Udumalpet in Tamil Nadu.
- Vani Vilas Sagar and GIM II Hills in Karnataka.

#### xv. Address of Corporate Office for Correspondence for shareholder enquiries

K.SELVANAYAGAM, Secretary (Compliance Officer)

The Ramco Cements Limited

Auras Corporate Centre, V Floor

98-A, Dr.Radhakrishnan Road

Mylapore, Chennai – 600 004, Tamil Nadu

Phone: 28478666 Fax: 28478676

E Mail : ksn@ramcocements.co.in

#### xvi. Unclaimed Suspense Account

*[Pursuant to Clause 5(A)(II) of the Listing Agreement]*

During the year, the Company has transferred 3,26,600 Nos. of unclaimed shares of Rs.1/- each, held in physical form, to the credit of The Ramco Cements Limited Unclaimed Suspense Account in dematerialised form. No shareholder has approached the Company during the year for transfer of shares from the suspense account. The voting rights of these shares shall remain frozen till the rightful owner of such shares claims the shares.

## DECLARATION

As provided under Clause 49(II)(E)(2) of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31<sup>st</sup> March 2015.

for THE RAMCO CEMENTS LIMITED,

Chennai  
29-05-2015

A.V.DHARMAKRISHNAN  
Chief Executive Officer

## THE RAMCO CEMENTS LIMITED

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To

The Board of Directors  
The Ramco Cements Limited  
Rajapalayam.

### Certification under Clause 49(IX) of the Listing Agreement

We hereby certify that –

A. We have reviewed financial statements and the cash flow statement for the year 2014-15 and that to the best of our knowledge and belief :

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. 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 that -

1. there are no significant changes in internal control over financial reporting during the year;

2. there are no significant changes in accounting policies during the year;

3. there are no instances of significant fraud of which we have become aware.

S.VAITHIYANATHAN  
Chief Financial Officer

Chennai  
29-05-2015

A.V.DHARMAKRISHNAN  
Chief Executive Officer

Annexure - 5

### Certificate on corporate governance

To

The Members of  
**The Ramco Cements Limited**  
(CIN: L26941TN1957PLC003566)

We have examined the compliance of the conditions of Corporate Governance by **The Ramco Cements Limited** (*"the Company"*) for the financial year ended 31<sup>st</sup> March 2015, as stipulated in Clause 49 (*as it stood upto 30<sup>th</sup> September 2014 and as modified with effect from 1<sup>st</sup> October 2014*) of the Company's Listing Agreements with the National Stock Exchange of India Limited, BSE Limited and Madras Stock Exchange Limited.

Compliance with the conditions of Corporate Governance is the responsibility of the Company's management. We have broadly reviewed the procedures adopted by the Company for ensuring compliance with the conditions of Corporate Governance and implementation thereof. Our examination was neither an audit nor an expression of opinion on the financial statement of the Company.

We hereby certify that, in our opinion and to the best of our information and based on the explanations given to us, the Company has, during the year ended 31<sup>st</sup> March 2015, complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above referred Listing Agreements.

We further wish to state that our opinion regarding such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company during the said financial year.

For S Krishnamurthy & Co.,  
Company Secretaries,

Chennai  
29<sup>th</sup> May 2015

K Sriram,  
Partner.  
CP 2215

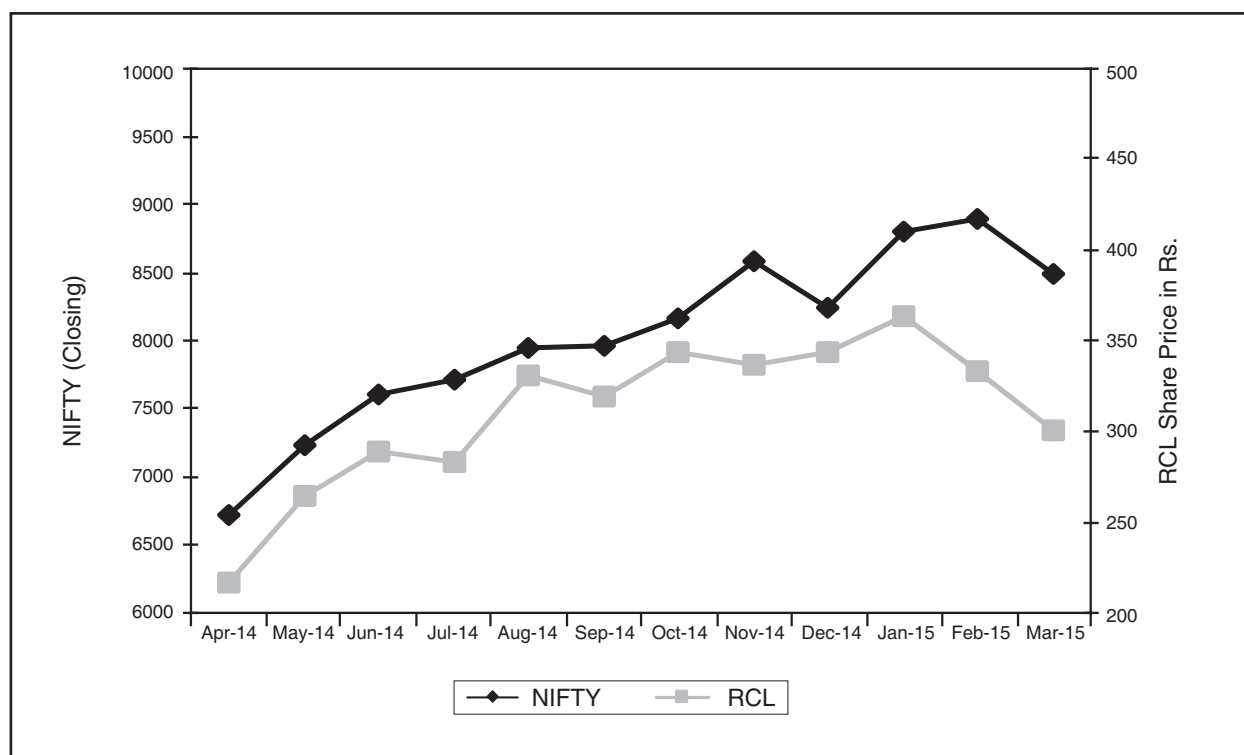


### STATISTICAL DATA

#### Share Price High & Low / Volume (from April 2014 to March 2015 in NSE & BSE)

Month	National Stock Exchange			Bombay Stock Exchange		
	High Rs.	Low Rs.	No. of Shares Traded	High Rs.	Low Rs.	No. of Shares Traded
April 2014	229	205	2,11,536	230	202	2,37,575
May	288	206	3,23,370	291	209	4,17,823
June	315	244	62,415	310	258	5,08,751
July	311	265	3,27,539	311	265	3,33,216
August	340	270	4,47,715	338	271	3,99,813
September	362	304	1,96,399	362	282	5,83,013
October	350	301	6,24,224	349	299	1,83,068
November	380	332	4,06,146	380	332	2,34,069
December	354	300	7,02,476	354	299	3,89,646
January 2015	372	310	4,42,506	372	310	3,48,366
February	370	319	7,57,343	370	320	3,87,155
March	357	277	2,52,759	357	270	2,75,710
Year 2014-15	380	205	47,54,428	380	202	42,98,205

#### RCL Share Price Movement (Apr 2014 To Mar 2015)



## THE RAMCO CEMENTS LIMITED

Annexure - B

### Pattern of Shareholding as on 31-03-2015

Description	Total Shareholders	%	Total Shares	%
Promoters Holding				
1) Promoters	14	0.07	10,07,05,560	42.30
Sub-Total	14	0.07	10,07,05,560	42.30
Non-Promoters Holding				
1) Mutual Funds	89	0.44	2,82,27,716	11.86
2) Banks, FI's, Ins.Cos., Govt.Institutions	14	0.07	1,85,50,353	7.79
3) Foreign Institutional Investors	89	0.44	4,02,39,764	16.90
4) Non-Resident Indians	414	2.07	4,60,825	0.19
5) Indian Companies	347	1.73	94,23,681	3.96
6) Residents	19,069	95.18	4,04,68,881	17.00
Sub-Total	20,022	99.93	13,73,71,220	57.70
<b>Total</b>	<b>20,036</b>	<b>100.00</b>	<b>23,80,76,780</b>	<b>100.00</b>

### Distribution of Shareholding as on 31-03-2015

Description	Total Shareholders	%	Total Shares	%
a) Upto - 500	15,369	76.71	16,66,132	0.70
b) 501 to 1000	1,399	6.98	12,02,236	0.50
c) 1001 to 2000	971	4.84	16,67,538	0.70
d) 2001 to 3000	323	1.61	8,58,506	0.36
e) 3001 to 4000	531	2.65	20,61,530	0.87
f) 4001 to 5000	153	0.76	7,21,525	0.30
g) 5001 to 10000	566	2.83	42,96,369	1.81
h) 10001 & above	724	3.61	22,56,02,944	94.76
<b>Total</b>	<b>20,036</b>	<b>100.00</b>	<b>23,80,76,780</b>	<b>100.00</b>

### Category of Shareholding as on 31-03-2015

Description	Total Shareholders	%	Total Shares	%
Dematerialised Form				
CDSL	5,153	25.72	99,20,200	4.17
NSDL	14,139	70.57	21,34,23,810	89.64
Physical Form	744	3.71	1,47,32,770	6.19
<b>Total</b>	<b>20,036</b>	<b>100.00</b>	<b>23,80,76,780</b>	<b>100.00</b>



## ANNUAL REPORT ON CSR ACTIVITIES

### 1 A brief outline of the Company's CSR Policy

The objective of the CSR Policy is

- To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- To directly or indirectly take up programmes that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic well being of the local populace.
- To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

Weblink to the CSR Policy: <http://www.ramcocements.in/pdffiles/policies/CSR%20POLICY%20OF%20TRCL.pdf>

### 2 The Composition of the CSR Committee:

- Shri.P.R.Ramasubrahmaneya Rajha, Chairman of the Committee
- Shri.P.R.Venketrama Raja, Member
- Shri.M.M.Venkatachalam, Member

### 3 Average net profit of the Company for last three financial years - Rs.433.32 Crores

### 4 Prescribed CSR Expenditure - Rs.8.66 Crores (2% of the amount as in item 3 above)

### 5 Details of CSR spent during the financial year

- Total amount spent for the financial year - Rs.7.80 Crores
- Amount unspent, if any - Rs.0.86 Crores
- Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7
S. No	CSR project or activity identified & Sector in which the project is covered	Projects or Programs	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative Expenditure upto the reporting period - Rs.	Amount spent: Direct or through implementing agency
		Substantial amount has been spent in most of the districts in the States of Tamil Nadu, Andhra Pradesh and Karnataka and also in the States of Kerala, West Bengal and Orissa	Actuals (Rs.)	Direct Expenditure		Spent Directly (Rs.)
1	Eradication of Hunger	- do -	37,71,664	- do -	37,71,664	37,71,664
2	Making available Safe Drinking Water	- do -	15,04,078	- do -	15,04,078	15,04,078
3	Promotion of Healthcare including Preventive Healthcare	- do -	66,66,495	- do -	66,66,495	66,66,495
4	Enhancing Vocational Skills	- do -	3,05,358	- do -	3,05,358	3,05,358
5	Livelihood Enhancement Projects	- do -	1,57,430	- do -	1,57,430	1,57,430
6	Promotion of Education	- do -	65,67,210	- do -	65,67,210	65,67,210
7	Setting up of Homes and Hostels for Women and Orphans	- do -	58,000	- do -	58,000	58,000
8	Ensuring Environmental Sustainability	- do -	3,58,797	- do -	3,58,797	3,58,797
9	Promotion and Development of Traditional Arts	- do -	3,10,000	- do -	3,10,000	3,10,000
10	Protection of Art & Culture	- do -	51,28,253	- do -	51,28,253	51,28,253
11	Protection of National Heritage, Art and Culture	- do -	12,15,000	- do -	12,15,000	12,15,000



## THE RAMCO CEMENTS LIMITED

1	2	3	4	5	6	7
S. No	CSR project or activity identified & Sector in which the project is covered	Projects or Programs	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative Expenditure upto the reporting period - Rs.	Amount spent: Direct or through implementing agency
		Substantial amount has been spent in most of the districts in the States of Tamil Nadu, Andhra Pradesh and Karnataka and also in the States of Kerala, West Bengal and Orissa	Actuals (Rs.)	Direct Expenditure		Spent Directly (Rs.)
12	Restoration of Buildings and Sites of Historical Importance and Works of Art	– do –	43,75,135	– do –	43,75,135	43,75,135
13	Measures for the benefit of Armed forces	– do –	10,000	– do –	10,000	10,000
14	Promotion of Nationally Recognised Sports	– do –	7,52,900	– do –	7,52,900	7,52,900
15	Promotion of Paralympic Sports	– do –	68,000	– do –	68,000	68,000
16	Promotion of Rural Sports	– do –	2,08,000	– do –	2,08,000	2,08,000
17	Contribution to Chief Minister / Prime Minister Relief Fund	– do –	2,00,00,000	– do –	2,00,00,000	2,00,00,000
18	Rural Development Projects	– do –	2,65,06,193	– do –	2,65,06,193	2,65,06,193
	Total		7,79,62,513		7,79,62,513	7,79,62,513

The CSR Committee Confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Sd/-

P.R.RAMASUBRAHMANEYA RAJHA  
CMD & Chairman of the CSR Committee

Sd/-

A.V.DHARMAKRISHNAN  
Chief Executive Officer



Annexure - 7

**Form AOC-2**

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

Particulars of Contracts / Arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

(a)	Name(s) of the related party and nature of relationship	The Ramco Cements Limited Educational and Charitable Trust Raja Charity Trust P.A.C.Ramasamy Raja Education Charity Trust Shri.P.R.Ramasubrahmaneya Rajha, Shri.P.R.Venketrama Raja, Directors are Trustees in the Trust.
(b)	Nature of Contracts / arrangements / transactions	Sale of Cement
(c)	Duration of the contracts / arrangements / transactions	18 months from 05-02-2015 to 31-03-2016
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Supply of cement @ Rs.200/- per bag.
(e)	Justification for entering into such contracts or arrangements or transactions	The above trusts are Public Charitable Trusts and the cement is sold not for trading and price is comparable of the price at which cement is being sold to Government of Tamil Nadu, under Chief Minister's Scheme.
(f)	Date(s) of approval by the Board	05-02-2015
(g)	Amount paid as advances, if any	NIL
(h)	Date on which the Special Resolution was passed in general meeting as required under first proviso to Section 188	Not applicable

2. Details of material contracts or arrangement or transactions at arm's length basis – NIL

On behalf of the Board of Directors  
For THE RAMCO CEMENTS LIMITED,

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

Chennai  
29-05-2015

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

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

**(A) Conservation of energy-**

The Company pays attention at all levels to reduce energy consumption, by continuous monitoring, maintenances and improvements.

- (i) the steps taken or impact on conservation of energy;  
Installation of Pillard Burner to improve combustion efficiency.  
Installation of new outlet seal for kilns to reduce false air.  
Modification of fan inlet and outlet ducts using Computational Fluid Dynamics to reduce pressure drop.  
Installation of RAMCO Optima Fuzzy Logic Control System for Raw Mills and Cement Mills
- (ii) the steps taken by the company for utilising alternate sources of energy – Nil
- (iii) the capital investment on energy conservation equipments – Rs.1.34 Crores

**(B) Technology absorption-**

- (i) the efforts made towards technology absorption;  
In-house development of gas analyser for analysing kiln inlet gas at Ramasamy Raja Nagar  
In-house development of auto sampler for raw meal at Ramasamy Raja Nagar  
Installation of low Nox burner for kiln at Ramasamy Raja Nagar Line 1 and Alathiyur Line 2 to improve combustion efficiency  
Installation of double lamella seal for kiln outlet at Jayanthipuram line 2  
Commissioning of limestone beneficiation plants
- (ii) the benefits derived;  
Improvement in combustion efficiency of fuel fired in kiln  
Ensuring representative sample of raw meal for checking quality of input materials  
Nox reduction and improvement in combustion efficiency  
Reduction of false air ingress resulting in heat saving  
Enhancement of mine life

- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- (a) the details of technology imported;
- (b) the year of import;
- (c) whether the technology been fully absorbed;
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

Commissioning of Optical Ore Sorting Machine, imported from Germany, for segregation of deleterious elements present in the limestone, resulting in better quality of limestone and a reduction in consumption of high grade imported limestone.

Commissioning of Excentrix Ripper imported from Spain resulting in environment friendly mining, compared to conventional methods of drilling and blasting.

- (iv) the expenditure incurred on Research and Development.

	Rs. in Crores
Particulars	Amount
Capital	0.06
Revenue	9.87
Total	<u>9.93</u>

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

	Rs. in Crores
Particulars	Amount
Foreign Exchange earned in terms of Actual Inflows	73.24
Foreign Exchange outgo in terms of Actual Outflows	342.81

On behalf of the Board of Directors  
For THE RAMCO CEMENTS LIMITED,

Chennai  
29-05-2015

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director



## Annexure – 9

### I Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(1), (2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. & ii. The ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of Chairman & Managing Director (CMD), Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, in the Financial Year 2014-15.

Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15 (Rs. in Crores)	% increase in remuneration in the Financial year 2014-15	Ratio of remuneration of each Director / to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
Shri.P.R.Ramasubrahmaneya Rajha	18.75	131	443	The Profit before tax increased by 131% and Profit after tax increased by 76% in financial year 2014-15
Shri.Harmander Singh, I.A.S.	-	-	-	
Shri.Swaran Singh, I.A.S.	-	-	-	
Shri.P.R.Venketrama Raja	0.04	100	1	
Shri.R.S.Agarwal	0.04	100	1	
Shri.M.B.N.Rao	0.01	100	0.25	
Shri.M.M.Venkatachalam	0.04	566	1	
Smt. Justice Chitra Venkataraman (Retd.)	-	-	-	
Shri.A.V.Dharmakrishnan Chief Executive Officer	7.51	-6	178	The Profit before tax increased by 131% and Profit after tax increased by 76% in financial year 2014-15
Shri.S.Vaithyanathan Chief Financial Officer	0.67	-	16	
Shri.K.Selvanayagam Secretary	0.64	-1	15	

- iii. The median remuneration of the employees during the financial year was Rs.4,22,842/- and the percentage increase in the median remuneration was 4.31%.
- iv. There were 2,883 permanent employees on the rolls of the Company, as on 31<sup>st</sup> March 2015.
- v. Explanation on the relationship between average increase in remuneration and the company's performance:
- There was no relationship between the average increase in remuneration and the company's performance, as except Bonus and Incentives the rest of the components of the remuneration are not directly linked to the performance of the Company.
- vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The total remuneration of Key Managerial Personnel increased by 58% (i.e.) from Rs.17.42 Crores in 2013-14 to Rs.27.57 Crores in 2014-15, whereas the Profit before tax increased by 131% and Profit after tax increased by 76% in financial year 2014-15.

- vii. a. Variations in the market capitalisation of the Company: The market capitalisation of Rs.5117 Crores as on 31<sup>st</sup> March 2014 had increased to Rs.7265 Crores as on 31<sup>st</sup> March 2015, showing an increase of 42%.
- b. Price earning ratio: The price earning ratio of the Company was 30 as at 31<sup>st</sup> March 2015 and was 36 as at 31<sup>st</sup> March 2014.
- c. Percentage increase or decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year: The Company has not come out with public issue. However, a Shareholder investing Rs.100/- in the share capital of the Company at the time of incorporation, would have received Rs.3,111/- as dividend, yielding an average annual return of 54.58%. The said investment of Rs.100/- would have risen to a value of Rs.2,40,800/- as on 31-03-2015 yielding an annual average capital appreciation of 42.25%.
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2014-15 was 5.12% and the increase in the managerial remuneration for the same financial year was 58%. This was because, the remuneration of CMD was linked to the profit of the Company, which had increased by 131%.
- ix. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company – Provided under i & ii above.
- x. The CMD's remuneration is 5% of the profits of the Company, calculated in accordance with Section 198 of the Companies Act, 2013.
- xi. 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.
- xii. It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

## THE RAMCO CEMENTS LIMITED

### II. Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Employed throughout the financial year 2014-15 and was in receipt of remuneration, in the aggregate, not less than Rs.60 lakhs

No	Name	Designation	Remuneration - Rs.	Qualifications and experience (in years)	Date of commencement of employment	Age	Last employment held before joining the company
1	Balaji K Moorthy	President – Marketing	1,89,57,728	B.Sc, PGDC, PGDFT (39)	09/06/1997	63	Fabulac Overseas Ltd
2	Dharmakrishnan A V	Chief Executive Officer	7,51,06,978	B.Com, ACA (32)	03/05/1982	58	–
3	Gopalakrishna P B	President – Manufacturing	1,46,01,147	B.Tech (38)	10/12/2008	60	Rain Industries Ltd
4	Ramakrishnan R	SVP – Marketing	72,53,923	B.Com, ACA (31)	06/07/1998	57	Indian Oil Corporation Ltd
5	Ramasubrahmaneya Rajha P R	Chairman & Managing Director	18,74,91,836	B.Sc (57)	20/03/1958	79	–
6	Ravishankar N	SVP – Manufacturing	81,85,245	B.Tech (32)	22/08/2005	55	UltraTech Cement Ltd
7	Saikumar M J	AVP – HRD	66,57,911	B.Sc, MA (32)	01/02/1990	55	Overseas Sanmar Leasing Limited
8	Selvanayagam K	Secretary	63,90,378	B.Com, ACS (31)	21/10/1993	56	New Era Technologies Pvt Ltd
9	Srinivasan M	SVP – Manufacturing	1,11,15,564	B.E. (30)	12/05/1995	53	Fuller KCP Ltd
10	Vaithyanathan S	Chief Financial Officer	67,23,512	B.Sc, ACA (25)	20/08/1990	50	Seshasayee Industries Ltd
11	Vilas Teggi	SVP – Mines	73,99,769	B.E, 1st Class Mines Manager Certificate of Competency (32)	27/09/2012	56	My Home Industries Pvt Ltd

(ii) Employed for a part of the financial year 2014-15 and was in receipt of remuneration, at a rate which, in the aggregate, not less than Rs.5 lakhs per month

No	Name	Designation	Remuneration - Rs.	Qualifications and experience (in years)	Date of commencement of employment	Age	Last employment held before joining the company
1	Daniel Jeyakumar M	SGM - Mines	19,17,979	DME, B.A (36)	28/07/1982	63	Chettinad Cement Corporation Ltd
2	Dhanapal K	Manager – Instrumentation	6,55,305	DECE (35)	21/09/1987	58	Toshniwal Instruments
3	Dinesh Chandran K P	Sr. Manager – Marketing	13,11,597	B.Tech (13)	08/09/2006	36	Degussa Construction
4	Ganesan S P	DGM – Mechanical	41,32,887	DME (37)	16/10/1978	59	Maharaj Sea Food
5	Gurusamy L	DGM – Power Plant	10,40,438	DME (37)	02/12/1991	59	GMMCO Ltd
6	Muniasamy V	SGM – Management Services	55,52,278	B.Sc, B.Tech (29)	06/12/1995	53	Century Textiles and Industries Ltd
7	Murugesan A	DGM – Mechanical	10,49,336	DME, DMM (36)	27/08/1979	57	Sivanantha Steels Ltd
8	Nageswara Rao G	Sr. Manager – Instrumentation	13,65,948	B.E (24)	02/04/2008	48	Hyundai Engineering
9	Natarajan R	SGM – Geology	23,17,280	M.Sc (36)	15/03/1978	60	–
10	Shanmugam S	VP – Manufacturing	54,08,906	B.E (31)	10/03/2008	55	Dalmia Cements (B) Ltd
11	Stephenraj M	SDGM – Production & QC	35,82,979	M.Sc, MBA (34)	13/09/2007	58	Dalmia Cements (B) Ltd
12	Swapan Kumar Chowdhury	AGM – Civil	19,83,595	DCE (33)	11/06/2007	58	Gujarat Ambuja Cements Ltd

#### NOTES:

- 1 All appointments are contractual.
- 2 None of the employees mentioned above is related to any director of the Company except Shri.P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director who is related to Director, Shri.P.R.Venketrama Raja.
- 3 No employee was in receipt of remuneration in excess of that drawn by Chairman & Managing Director.
- 4 Remuneration includes salary, variable performance pay, allowances, contribution to Provident Fund and Superannuation Fund, taxable value of perks and leave encashment but excludes gratuity.

On behalf of the Board of Directors  
For THE RAMCO CEMENTS LIMITED,

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

Chennai  
29-05-2015





## INDEPENDENT AUDITOR'S REPORT

### To The Members of The Ramco Cements Limited

#### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of The Ramco Cements Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### Auditor's Responsibility

- 3.1 Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 3.2 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.
- 3.3 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.

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

#### Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its Profit and its Cash flows for the year ended on that date.

#### Emphasis of Matter

5. We draw attention to Note No. 28.13 regarding imposing of penalty of Rs.258.63 Crores on the company by the Competition Commission of India for alleged cartelization with select cement manufacturers. The Company has filed an appeal against the order before Competition Appellate Tribunal. The Company believes that it has got a good case and has not considered any provision as necessary. Our opinion is not qualified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

- 6.1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 6.2 As required by Section 143 (3) of the Act, we report that:
  - 6.2.1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 6.2.2 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.
  - 6.2.3 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 accounts.
- 6.3 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.
- 6.4 On the basis of the written representations received from the

## THE RAMCO CEMENTS LIMITED

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directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

6.5 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:

For M.S.Jagannathan & N.Krishnaswami  
Chartered Accountants  
Firm registration No. 001208S  
K.Srinivasan  
Partner  
Membership No. 021510

Chennai  
29-May-2015

- 6.5.1 The details of the pending litigations and its impact on the Financial Statements have been disclosed in the Note No 28.4 to 28.26.
- 6.5.2 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 6.5.3 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.Gangadaran  
Partner  
Membership No. 011205

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## ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to item no. 6.1 of paragraph 'Report on Other Legal and Regulatory Requirements' paragraph of our Independent Auditors Report of even date:

In our opinion and to the best of knowledge and belief and as per the information and explanation given to us and on the basis of books and records examined by us in the normal course of audit, we report that:

### 1. Fixed Assets

- 1.1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2. The management at reasonable intervals has physically verified the fixed assets of the company and no material discrepancies were noticed on such verification.

### 2. Inventories

- 2.1. Management has conducted physical verification of its inventory at reasonable intervals.
- 2.2. The procedure for physical verification of inventory followed by the management is reasonable and is adequate in relation to the size of the Company and the nature of its business.
- 2.3. On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

### 3. Loans and Advances

- 3.1. The Company has granted loan aggregating to Rs.7.40

crores (PY: Rs.219.00 crores) during the year to one party listed in the Register maintained under Section 189 of the Act. The maximum outstanding at any time during the year Rs.7.40 crores (PY: Rs. 51.00 crores) and the amount outstanding as on March 31, 2015 is Rs.7.40 crores (PY: Nil)

- 3.2. The receipt of the Principal amounts and the Interest wherever applicable are regular; and

- 3.3. There are no overdue amounts in respect of the loans granted to the parties listed in the register maintained under Section 189 of the Act.

4. There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

5. The Company has not accepted any deposits within the meaning of Companies (Acceptance of Deposits) Rules 2014, from the public during the year. The Deposits accepted by the Company before the Commencement of the Act have been repaid as per the provisions of Section 74 of the Act except unclaimed deposits amounting to Rs.0.07 Crores. No order has been passed by the Company Law Board or the National Company Law Tribunal or by any court or by any other Tribunal against the Company.

6. The Company is maintaining the accounts and records which have been specified by the Government of India under Section 148(1) of the Act.



## 7. Undisputed and disputed taxes and duties

7.1. The company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they become payable.

7.2. The Disputed Statutory dues aggregating to Rs.592.95 crores (PY: Rs.349.50 crores) that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No	Name of the Statute	Forum where dispute is pending	Rs. In Crores
1	Income Tax Act	High Court	13.21
2	Sales Tax Act	Appellate Tribunal	5.52
		High Court	0.02
3	CST Act	High Court	0.07
4	VAT Act	Assistant/ Deputy Commissioner, Appeals	5.15
		Assessing Authority	4.47
		Appellate Tribunal	0.45
		High Court	77.71
5	Central Excise Act & Cenvat Credit Rules	Asst./Deputy/Additional Commissioner	295.40
		Commissioner, Appeals	1.03
		Appellate Tribunal	140.52
		High Court	4.85
		Supreme Court	15.50
6	Customs Act	High Court	29.05
	<b>Total</b>		<b>592.95</b>

7.3. The amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules there under have been transferred to such fund within time.

8. The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year and in the immediately preceding financial year.
9. The Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
10. Based on the information and explanation given to us, the terms and conditions of the guarantee given by the Company to related parties -
  - a. Ramco Systems Limited – Guarantee given Rs.250.00 crores (PY: Rs.325.00 crores) {since reduced as on date of report to Rs.25.00 Crores}; Loans outstanding Rs.250.00 crores (PY: Rs.325.00 crores) {outstanding as on date of report Rs.4.66 Crores};
  - b. Sandhya Spinning Mill Limited – Guarantee given Rs.34.38 crores (PY: Rs.59.38 crores); Loans outstanding Rs.7.94 crores (PY: Rs.17.02 crores);
  - c. Thanjavur Spinning Mill Limited – Guarantee given is Rs.68.00 crores (PY: Rs. 83.00 crores); Loan outstanding Rs.51.02 crores (PY: Rs.66.71);
  - d. Raja Charity Trust – Guarantee given Rs. 100.00 crores (PY: Rs.100.00 crores); loans outstanding Rs.34.46 crores (PY: Rs.28.00 crores);
  - e. Ramco Windfarms Limited – Guarantee given is Rs.23.50 crores (PY: NIL); Loan outstanding Rs.22.26 crores (PY: NIL);

to secure loans availed from banks by the respective Companies, are not prejudicial to the interest of the Company.
11. The Company has raised Term loans during the year and these have been applied for the purposes for which they were raised.
12. No material fraud on or by the Company has been noticed or reported during the course of audit.

For M.S.Jagannathan & N.Krishnaswami  
Chartered Accountants  
Firm Registration No. 001208S  
K.Srinivasan  
Partner  
Membership No. 021510

Chennai  
29-May-2015

For CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.Gangadaran  
Partner  
Membership No. 011205

# THE RAMCO CEMENTS LIMITED

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

		As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>EQUITY &amp; LIABILITIES</b>	Note No.		
<b>Shareholders' Funds</b>			
Share Capital	3	23.81	23.80
Reserves and Surplus	4	2,621.38	2,458.28
		<u>2,645.19</u>	<u>2,482.08</u>
<b>Non Current Liabilities</b>			
Long Term Borrowings	5	1,710.02	1,520.35
Deferred Tax Liabilities (net)	6	827.06	737.37
Other Long Term Liabilities	7	404.89	383.47
Long Term Provisions	8	39.90	40.61
		<u>2,981.87</u>	<u>2,681.80</u>
<b>Current Liabilities</b>			
Short Term Borrowings	9	553.61	723.62
Trade Payables		219.75	175.92
Other Current Liabilities	10	547.44	740.92
Short Term Provisions	11	122.42	64.22
		<u>1,443.22</u>	<u>1,704.68</u>
<b>Total</b>		<u>7,070.28</u>	<u>6,868.56</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	12		
Tangible Assets		4,763.91	4,500.57
Intangible Assets		111.61	140.91
Capital Work in Progress		257.52	349.52
Intangible Assets under Development		5.14	4.31
Non-Current Investments	13	355.83	283.41
Long Term Loans and Advances	14	374.54	338.68
Other Non Current Assets	15	2.06	1.62
		<u>5,870.61</u>	<u>5,619.02</u>
<b>Current Assets</b>			
Inventories	16	520.58	685.53
Trade Receivables	17	380.22	303.96
Cash and Bank Balances	18	61.85	44.61
Short Term Loans and Advances	19	233.76	206.59
Other Current Assets	20	3.26	8.85
		<u>1,199.67</u>	<u>1,249.54</u>
<b>Total</b>		<u>7,070.28</u>	<u>6,868.56</u>

See accompanying notes to the financial statements

As per our report annexed

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.GANGADARAN  
Partner  
Membership No. 011205

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

S.VAITHIYANATHAN  
Chief Financial Officer

K.SELVANAYAGAM  
Secretary

P.R.VENKETRAMA RAJA  
R.S.AGARWAL  
M.M.VENKATACHALAM  
Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

Chennai  
29-05-2015



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

			Rs. In Crores
	Note No.	2014-15	2013-14
<b>REVENUE</b>			
Revenue from Operations	21	3,644.89	3,683.51
Other Income	22	86.88	85.72
<b>Total Revenue</b>		<b>3,731.77</b>	<b>3,769.23</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	23	677.33	669.86
Changes in Inventories of Finished Goods and Work-in-progress	24	3.21	19.80
Employee Benefits Expense	25	228.68	221.83
Finance Costs	26	193.81	188.13
Depreciation and Amortization Expenses	12,13 & 32	249.88	306.29
Other Expenses	27	2,022.43	2,208.98
<b>Total Expenses</b>		<b>3,375.34</b>	<b>3,614.89</b>
<b>Profit Before Tax</b>		<b>356.43</b>	<b>154.34</b>
<b>Tax Expenses</b>			
Current Tax		74.91	32.30
MAT Credit Recognition for Current year		(59.86)	(22.03)
MAT Credit Recognition for Previous year		(6.28)	(14.64)
Net Current tax expenses / (benefit)		8.77	(4.37)
Deferred Tax		105.31	21.01
<b>Total Tax Expenses</b>		<b>114.08</b>	<b>16.64</b>
<b>Profit for the year</b>		<b>242.35</b>	<b>137.70</b>
<b>Earnings Per Equity Share of face value of Rs.1 each</b>	46		
Basic and Diluted in Rupees		10	6
See accompanying notes to the financial statements			

As per our report annexed

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Chennai  
29-05-2015



## THE RAMCO CEMENTS LIMITED

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

		2014-15	2013-14
			Rs. In Crores
<b>Cash Flow from Operating Activities</b>			
<b>Net Profit before Tax and Extraordinary Items</b>		<b>356.43</b>	154.34
Adjustments for:			
(Profit)/Loss on sale of Assets/Investments		<b>(0.25)</b>	(22.43)
Bad Debts written off		<b>0.65</b>	0.60
Depreciation & Amortization		<b>249.88</b>	306.29
Impairment Loss on Assets		<b>1.60</b>	0.54
Dividend Received & Re-invested		<b>(0.03)</b>	(0.01)
Provision for Leave Encashment		<b>2.20</b>	2.29
Amortised Premium on Forward Contract		<b>2.09</b>	7.10
Interest & Dividend received		<b>(6.93)</b>	(7.02)
Rent Received		<b>(7.55)</b>	(7.29)
Interest paid		<b>191.65</b>	178.06
Reversal of provision for diminution in value of investment		<b>(0.03)</b>	(0.03)
Exchange Difference on Forex Transactions		<b>0.07</b>	2.97
Amortisation of Intangible Assets		<b>22.44</b>	9.58
<b>Operating Profit before working capital changes</b>		<b>812.22</b>	624.99
Adjustments for:			
Trade and other receivables		<b>17.64</b>	(91.61)
Earmarked Balances with Banks		<b>0.00</b>	(0.23)
Inventories		<b>164.95</b>	(90.78)
Trade payables and other liabilities		<b>15.13</b>	76.24
<b>Cash Generated from Operations</b>		<b>1,009.94</b>	518.61
Direct Taxes paid		<b>(68.29)</b>	(39.82)
<b>Net Cash from Operating Activities</b>	A	<b>941.65</b>	478.79
<b>Cash Flow from Investing Activities</b>			
Purchase of Fixed Assets and Investment properties (Including Capital work-in-progress and Capital Advances)		<b>(474.19)</b>	(588.80)
Proceeds from sale of Fixed Assets		<b>3.63</b>	32.00
Interest & Dividend received		<b>6.93</b>	7.02
Investments in Equity Shares of Subsidiary		<b>—</b>	(0.72)
Investments in Equity Shares of Associate		<b>(51.15)</b>	—
Rent Received		<b>7.55</b>	7.29
Proceeds from sale of Investments		<b>0.70</b>	0.50
Capital Subsidy Received		<b>—</b>	1.50
<b>Net Cash Used in Investing Activities</b>	B	<b>(506.53)</b>	(541.21)



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

Rs. In Crores

		2014-15	2013-14
<b>Cash Flow from Financing Activities</b>			
Proceeds from Long Term Borrowings		676.50	841.50
Repayment of Long Term Borrowings		(704.77)	(715.29)
Repayment of Short Term Borrowings (net)		(170.08)	132.57
Payment of Dividend and Tax thereon		(27.88)	(27.88)
Interest paid		(191.65)	(178.06)
<b>Net Cash (Used)/Generated from Financing Activities</b>	C	<b>(417.88)</b>	<b>52.84</b>
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	(A+B+C)	<b>17.24</b>	<b>(9.58)</b>
<b>Opening balance of Cash and Cash equivalents</b>	D	<b>40.10</b>	49.68
<b>Closing balance of Cash and Cash equivalents</b>	E	<b>57.34</b>	40.10
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	(E-D)	<b>17.24</b>	<b>(9.58)</b>
<b>Earmarked Balances with Banks (*)</b>	F	<b>4.51</b>	4.51
<b>Closing Cash and Bank Balances</b>	(E+F)	<b>61.85</b>	44.61

(\*) These balances are not available for use by the Company as they represent unpaid dividend liabilities and deposits held as security.

See accompanying notes to the financial statements

As per our report annexed

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

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Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### 1. Corporate Information

The Ramco Cements Limited, formerly known as Madras Cements Ltd, is a public limited company domiciled and headquartered in India and incorporated under the provisions of Companies Act. Its shares are listed in BSE Limited and National Stock Exchange of India Limited. The Company is engaged in manufacture of Cement, Ready-mix concrete and Dry Mortar products. The company caters mainly to the domestic markets. The company is also engaged in sale of surplus electricity generated from its windmills and thermal power plants after meeting its captive requirements.

### 2. Significant Accounting Policies

#### 2.1 Basis of Preparation and Presentation of Financial Statements

2.1.1 The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, and in compliance of the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, as applicable.

2.1.2 The accounting policies that are adopted in preparation of the financial statements are consistently followed as in the previous year except for change in the accounting policy for depreciation, as adopted consistently by the Company.

2.1.3 Pursuant to the notification of Schedule II to the Companies Act, 2013 for computation of Depreciation with effect from 01-04-2014, the Company revised the useful life of its assets to align the useful life specified in Schedule II of the said Act. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value. The carrying amount of the asset on 01-04-2014, after retaining the residual value, is adjusted in the Retained earnings, where the remaining useful life of an asset is Nil.

2.1.4 Assets individually costing Rs.5,000/- or less that were fully depreciated earlier in the year of purchase, are now depreciated based on the useful life considered by the Company for the respective category of assets.

2.1.5 The financial statements are presented in Indian Rupees rounded to the nearest Crores with two decimals. The amount below the round off norm adopted by the company is denoted as Rs.0.00 Crores

2.1.6 The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2.1.7 The company has considered its operating cycle as 12 months for the purpose of Current or Non-current classification of Assets and Liabilities.

2.1.8 The previous year figures are regrouped / restated wherever necessary.

#### 2.2 Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires management to make judgements, 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 upon management's best knowledge of current events and actions, actual results could differ from these estimates in the future periods.

#### 2.3 Inventories

2.3.1 Raw-materials, Components, Stores & Spares, Fuel, Packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realizable value whichever is lower. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

2.3.2 Process Stock is valued at weighted average cost, including the cost of conversion with systematic allocation of production and administration overheads.

2.3.3 Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition including excise duty.

#### 2.4 Cash Flow Statement

2.4.1 Cash flows are presented using indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

2.4.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into cash.

#### 2.5 Depreciation & Amortisation

2.5.1 Depreciation has been provided for Tangible Assets on straight-line basis as per the useful life prescribed in Schedule II to the Companies Act, 2013. Intangible Assets are amortised over their estimated useful life on straight line method. This is included under "Depreciation & Amortisation".



- 2.5.2 Extraction of mineral reserves is specifically excluded from the purview of AS-26; hitherto amortisation was not done for this intangible asset viz., "Mining rights". However after introduction of Schedule II to the Companies Act, 2013, all assets including intangible assets are to be depreciated / amortised in accordance with its useful life (i.e.) based on remaining period of extraction rights as per the mining lease agreement. Accordingly, amortisation is provided during the year and the same is included under "Depreciation & Amortisation" and to that extent there is a change in accounting policy during the year.
- 2.5.3 The amortisation of intangible assets relating to development and reclamation of mines are included under "Cost of materials consumed."
- 2.5.4 The amortisation of intangible assets relating to installation of power transmission lines in connection with sale of power to Tamil Nadu Electricity Board is adjusted against "Profit on Sale of Power from TPP".
- 2.5.5 The amortisation of intangible assets relating to installation of power transmission lines in connection with purchase of power from Tamil Nadu Electricity Board is included under "Power & Fuel"
- 2.5.6 The useful life adopted for amortisation for computer software meant for process control is same as applicable to respective plant and equipments. For other software the useful life adopted is six years.
- 2.5.7 The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year to reflect the changed pattern, if any.

## 2.6 Revenue Recognition

- 2.6.1 Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- 2.6.2 Revenue from operations:
- Sale of products is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. It excludes Excise duty, Education Cess, Secondary and Higher education cess, VAT / CST, trade discounts, rebates and returns.
  - Industrial Promotion Assistance (IPA) is recognised when the company's right to receive the same is established with reasonable certainty.
  - Power generated from Windmills:  
Power generated from windmills that are covered under power purchase agreement with TANGEDCO are sold to State Electricity Boards at the rate fixed by respective State Electricity Regulatory Commissions and the income is included in Value of power generated from windmills.

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO, KPTCL & BESCOM are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue because it is inter-divisional transfer.

### 2.6.3 Other income:

- Interest income and Rental income are recognised on time proportion basis.
- Dividend income is recognised when the company's right to receive dividend is established.
- Scrap sales does not include Excise duty, Education Cess, Secondary and Higher education cess, VAT / CST.
- Profit on sale of Power from TPP, arising out of sale of surplus electricity generated from its thermal power plants after meeting its captive requirements, is recognised net off expenses attributable to it.

## 2.7 Tangible Fixed Assets

- 2.7.1. Tangible Fixed Assets are stated at cost of acquisition (net of CENVAT / VAT wherever applicable) less accumulated depreciation / amortisation and impairment losses if any, except freehold land which is carried at cost. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Machinery spares that are purchased alongwith the original equipments, machineries which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the asset beyond its previously assessed standard of performance.

All other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

- 2.7.2 Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.
- 2.7.3 Gains or losses arising from disposal of fixed assets, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss.

## THE RAMCO CEMENTS LIMITED

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- 2.7.4 Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, including related expenses and attributable interest are recognised as capital work-in-progress.

### 2.8 Foreign currency transactions

- 2.8.1 All transactions in foreign currency are initially recognised at the exchange rates prevailing on that date.
- 2.8.2 Monetary assets and liabilities in foreign currencies outstanding at the year end are translated at the rates prevailing on Balance Sheet date and the resultant gains or losses are recognised during the year.
- 2.8.3 In respect of forward exchange contracts to hedge currency risks, the difference between the forward rate and the exchange rate at the inception of a forward exchange contract is recognised as income or expense amortized over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contract is recognised as income or expense in the period in which such cancellation or renewal is made.
- 2.8.4 The Exchange Differences arising on such contracts as on Balance Sheet date are recognised as income or expenses along with the exchange differences of the underlying assets and liabilities

### 2.9 Government Grants

- 2.9.1 Revenue related grants are recognised on accrual basis wherever there is reasonable certainty and are disclosed under other operating income. Receivables of such grants are shown under Loans and Advances.
- 2.9.2 Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under Loans and Advances.
- 2.9.3 Capital related grant is accounted as "Capital Subsidy" under Reserves and Surplus upon fulfilment of conditions attached thereto and is not adjusted against Fixed Assets.

### 2.10 Investments

- 2.10.1 All investments being non-current and non-trade are valued at cost. Costs of investments include acquisition charges such as brokerage, fees and duties.
- 2.10.2 The carrying amount of long term investments is determined on an individual investment basis.
- 2.10.3 As at the Balance Sheet date, provision for diminution is made to recognise the decline other than temporary, in the value of investments. The reduction in carrying amount is charged to Statement of Profit and Loss. This reduction amount is reversed when there is a rise in the value of investment other than temporary.

### 2.11 Investment Properties

- 2.11.1 An investment in land or buildings, which are not intended to be occupied substantially for use by, or in the operations of the company, are classified as investment properties.
- 2.11.2 Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any.
- 2.11.3 Depreciation on buildings under investment properties are calculated on straight-line basis based on useful life prescribed in Schedule II to the Companies Act, 2013.
- 2.11.4 Gains or losses arising from disposal of investment properties, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss.

### 2.12 Employee Benefits

- 2.12.1 Short-term Employee Benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- 2.12.2 Defined Contribution Plan viz., Contributions to Provident fund and Superannuation fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.
- 2.12.3 The company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary.
- 2.12.4 The company also contributes for superannuation a sum equivalent to 15% of the officer's eligible annual basic salary. Out of the said 15% contribution, a sum upto Rs.1 Lac per annum is remitted to "The Ramco Cements Limited Officer's Superannuation Fund" administered by trustees and managed by LIC of India. The balance amount, if any, is either remitted to National Pension System (NPS) subject to applicable ceiling or paid as salary at the option of employees. There are no other obligations other than the above defined contribution plans.
- 2.12.5 The Company has its own Defined Benefit plan viz., an approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 day's basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The company makes annual contributions to "The Ramco Cements Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India, based on the Actuarial Valuation by an independent external Actuary as at the Balance Sheet date using the Projected Unit Credit Method.





2.12.6 The company has a policy of providing encashment of un-availed leave to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external Actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

### **2.13 Borrowing costs**

2.13.1 Borrowing cost include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss.

2.13.2 Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of those assets upto the date of capitalisation of such asset.

### **2.14 Segment Reporting**

2.14.1 The company prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

2.14.2 The company identifies business segment as the primary segment. Under the primary segment, there are two reportable segments viz., Cement and Power generation from Windmills.

2.14.3 Segments were identified considering the nature of the products, the differing risks and returns. The inter-segment transfers of units of power from windmills are recognised at the applicable tariff rates of the electricity boards for the purpose of segment reporting as per the relevant accounting standard.

2.14.4 The company caters mainly to the needs of the domestic market and thus there are no reportable geographical segments.

2.14.5 Costs are allocated to the respective segment based upon the actual incidence of respective cost. Unallocated items include general corporate income and expenses which are not allocated to any business segment.

### **2.15 Leases**

2.15.1 Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease.

2.15.2 Operating lease receipts and payments are recognised in the Statement of Profit and Loss on accrual basis as per the lease terms.

### **2.16 Earnings per share**

Net profit after tax is divided by the weighted average number of equity shares including un-allotted Bonus shares outstanding during the year.

### **2.17 Income-tax**

2.17.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961 and other applicable tax laws.

2.17.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability is recognised as an asset to the extent there is convincing evidence that the company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the company during the specified period. The said asset is recognised as "MAT Credit Entitlement" and the same is created by way of credit to the Statement of Profit and loss and shown as "MAT Credit Recognition". The company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the company will pay normal Income tax during the specified period.

2.17.3 Deferred tax is recognised on timing difference between taxable income and the accounting income that originates in one period and is capable of reversal in one or more subsequent periods. It is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

2.17.4 Deferred tax liability is recognised based on the accumulated timing difference using the tax rate that have been enacted or substantially enacted by the Balance Sheet date.

2.17.5 The Deferred tax assets are recognised for timing differences of items other than un-absorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. This is reviewed for realisability at each Balance Sheet date.

2.17.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the company has legally enforceable right for such set off.

2.17.7 Deferred tax relating to items directly recognised in reserves is recognised in reserves and not in the Statement of Profit and Loss.

### **2.18 Intangible Assets**

2.18.1 The cost of land acquired under lease securing right to use of land for a term in connection with installation of plants is capitalised.



## THE RAMCO CEMENTS LIMITED

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2.18.2 The cost incurred in connection with securing right to extract mineral reserves on lease are capitalised.

2.18.3 Costs incurred for development and reclamation of mines are capitalised and amortised over the expected beneficial period, not exceeding five years.

2.18.4 The costs of computer software that are installed including process control software are accounted at cost of acquisition of such software and its subsequent improvements thereon are carried at cost less accumulated amortisation and impairment, if any. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

2.18.5 Costs incurred for establishing power transmission system in connection with evacuation of power to Tamil Nadu Electricity Board from its Thermal Power Plants to sell its surplus power which are expected to yield enduring benefits are capitalised and amortised over the expected beneficial period, not exceeding five years.

2.18.6 Costs incurred for establishing power transmission system in connection with evacuation of power from Tamil Nadu Electricity Board to its Cement grinding plant which are expected to yield enduring benefits are capitalised and amortised over the expected beneficial period, not exceeding five years.

### 2.19 Joint Ventures

The Accounts of the company reflect its share of jointly controlled asset which is accounted on the basis of Joint venture Agreement.

### 2.20 Impairment of Assets

2.20.1 The carrying values of tangible assets, cash generating units and intangible assets at each Balance Sheet date are reviewed for impairment if any indication of impairment exists.

2.20.2 Tangible Asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. The intangible assets are treated as impaired when the asset is not available for use.

2.20.3 An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

### 2.21 Provisions, Contingent Liabilities and Contingent Assets

2.21.1 Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made. Such provisions are not discounted to their present value except relating to retirement benefits. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

2.21.2 Un-provided contingent liabilities are disclosed in the financial statements. Contingent Assets are not recognised.

2.21.3 Insurance claims are accounted for on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### 2.22 Research & Development expenditure

Expenditure on Research & Development of revenue nature incurred by the Company is charged to Statement of Profit & Loss under the respective revenue heads, while those of capital nature are treated as fixed assets, under the respective asset heads and depreciated in accordance with the policies stated for Tangible Fixed Assets.



## NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 3</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
25,00,00,000 Equity Shares of Rs.1/- each (PY: 25,00,00,000 Equity Shares of Rs.1/- each)	<u>25.00</u>	<u>25.00</u>
<b>Issued, Subscribed and Fully paid-up</b>		
23,80,76,780 Equity Shares of Rs.1/- each (PY: 23,79,69,380 Equity Shares of Rs.1/- each)	<u>23.81</u>	<u>23.80</u>

Note:

2,33,600 bonus shares of Rs.1/- each (PY:3,41,000 bonus shares of Rs.1/- each) remain unallotted pending completion of required formalities.

### (i) Reconciliation of the number of shares outstanding

Number of equity shares outstanding at the beginning of the year	23,79,69,380	23,79,69,380
Fresh Issue of Equity Shares	—	—
Bonus Issue allotted during the year	1,07,400	—
Equity shares bought back during the year	—	—
Number of Equity shares outstanding at the end of the year	<u>23,80,76,780</u>	<u>23,79,69,380</u>

Note:

1,07,400 Equity shares of Rs.1/- each allotted as fully paid Bonus Shares by capitalization of General Reserve, after completion of required formalities

### (ii) Term/Rights attached to Equity Shares

The Company has one class of equity shares having a face value of Rs.1/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

### (iii) Details of Shareholders holding more than 5 percent in the Company

	No. of Shares	% of holding	No. of Shares	% of holding
Ramco Industries Limited	4,93,12,420	20.71	4,93,12,420	20.72
Rajapalayam Mills Limited	3,29,05,000	13.82	3,29,05,000	13.83
Aberdeen Global-Asian Smaller Companies Fund	<u>93,93,613</u>	<u>3.95</u>	<u>1,42,94,113</u>	<u>6.01</u>

Aggregate number of equity shares of Rs.1 each allotted as fully paid up by way of Bonus Shares during the period of five years immediately preceeding the reporting date:

1,07,400

## THE RAMCO CEMENTS LIMITED

### NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 4</b>		
<b>RESERVES AND SURPLUS</b>		
Capital Redemption Reserve	1.38	1.38
Capital Subsidy	1.50	1.50
General Reserve:		
Balance as per last financial statement	2,355.40	2,255.27
Less : Unallotted Bonus Shares Alloted during the year	0.01	—
Add: Balance transferred from surplus balance in the Statement of Profit and Loss	163.11	100.13
<b>Closing Balance</b>	<b>2,518.50</b>	<b>2,355.40</b>
<b>Surplus/(Deficit) in the Statement of Profit and Loss:</b>		
Balance as per last financial statement	100.00	90.31
Less: Depreciation Adjustment on transition to Schedule II of the Companies Act, 2013 on fixed assets net of deferred tax (Note 32)	36.22	—
Add: Profit for the year	242.35	137.70
<b>Balance available for appropriations</b>	<b>306.13</b>	<b>228.01</b>
Less: Appropriations:		
Proposed Equity Dividend (Rs.1.50 per share; PY Rs.1/- per share)	35.75	23.83
Tax on proposed Equity Dividend	7.27	4.05
Transfer to General reserve	163.11	100.13
<b>Total Appropriations</b>	<b>206.13</b>	<b>128.01</b>
<b>Net surplus in the Statement of Profit and Loss</b>	<b>100.00</b>	<b>100.00</b>
<b>Total</b>	<b>2,621.38</b>	<b>2,458.28</b>
<b>NOTE 5</b>		
<b>LONG TERM BORROWINGS</b>		
<b>Secured</b>		
Term Loan from Banks	1,200.51	1,001.89
Soft Loan from Government	110.77	80.75
<b>Sub Total</b>	<b>1,311.28</b>	<b>1,082.64</b>
<b>Unsecured</b>		
Interest Free Sales Tax Loan	398.74	437.71
<b>Sub Total</b>	<b>398.74</b>	<b>437.71</b>
<b>Total</b>	<b>1,710.02</b>	<b>1,520.35</b>

1. Term loans from Banks and Soft Loan from Government are secured by pari-passu charges on fixed assets.
2. Maturity profiles of Term Loan from Banks, Soft Loan from Government and Interest Free Sales Tax Loans are furnished in Disclosures forming part of Standalone Financial Statements vide Note 30.



## NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 6</b>		
DEFERRED TAX LIABILITIES (NET)		
<b>Deferred Tax Asset</b>		
Tax effect of provision for leave encashment	(6.48)	(5.36)
Tax effect of provision for bad and doubtful debts	(3.55)	(3.33)
	<u>(10.03)</u>	<u>(8.69)</u>
<b>Deferred Tax Liability</b>		
Tax impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	834.71	742.98
Tax impact on amortization of intangible assets	2.38	3.08
	<u>837.09</u>	<u>746.06</u>
<b>Total</b>	<u>827.06</u>	<u>737.37</u>
<b>NOTE 7</b>		
OTHER LONG TERM LIABILITIES		
Trade Payables	33.69	39.01
Payables for Capital Goods Suppliers	2.24	3.74
Security deposits from related parties	0.60	0.60
Security deposits from customers	368.36	340.12
<b>Total</b>	<u>404.89</u>	<u>383.47</u>
<b>NOTE 8</b>		
LONG TERM PROVISIONS		
Provision for leave encashment	14.23	12.48
Provision for taxation	25.67	28.13
<b>Total</b>	<u>39.90</u>	<u>40.61</u>
<b>NOTE 9</b>		
SHORT TERM BORROWINGS		
<b>Secured</b>		
Term Loans from Banks	75.00	175.00
Foreign currency loans from Banks (Buyers Credit)	38.13	157.87
Rupee Loans from Banks	204.68	234.81
<b>Sub Total (#)</b>	<u>317.81</u>	<u>567.68</u>
<b>Unsecured</b>		
<b>Loans Repayable on Demand</b>		
Loan from Directors (Note 31)	0.33	8.84
Fixed Deposits	—	1.74
<b>Other Loans and Advances</b>		
Foreign currency loans from banks (Buyers Credit)	26.88	116.21
Loan from Banks	208.59	29.15
<b>Sub Total</b>	<u>235.80</u>	<u>155.94</u>
<b>Total</b>	<u>553.61</u>	<u>723.62</u>
(#) Secured by hypothecation of current assets		

## THE RAMCO CEMENTS LIMITED

### NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 10</b>		
OTHER CURRENT LIABILITIES		
Current maturities of Long Term loan (*)	448.26	666.20
Premium payable on forward contract	2.07	18.63
Interest accrued but not due	3.76	4.26
Unclaimed dividends	4.33	4.23
Disputed Dividend	0.46	0.46
Unclaimed Matured Deposits	0.07	—
Customers' balance	15.50	29.79
Payables for Related Parties	0.22	—
Payables for Capital Goods Suppliers	23.73	11.74
Statutory duties and taxes recovery payable	47.89	5.29
Recovery from employees payable	1.15	0.32
<b>Total</b>	<b>547.44</b>	<b>740.92</b>
(*) Include maturities of Interest Free Sales Tax loan of Rs.38.97 Crores (PY: Rs.46.48 Crores)		
<b>NOTE 11</b>		
SHORT TERM PROVISIONS		
Provision for leave encashment	4.49	4.04
Provision for taxation	74.91	32.30
Proposed Dividend (including tax)	43.02	27.88
<b>Total</b>	<b>122.42</b>	<b>64.22</b>



## NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

### NOTE 12 - FIXED ASSETS

Rs. In Crores

Particulars	Gross Block					Depreciation / Amortisation						Net Block	
	As at the beginning of the year	Additions	Deductions on Disposal/ Adjustments	Deductions on Impairment	As at the end of the year	As at the beginning of the year	Adjustments to Retained Earnings	For the year	Deductions on Disposal/ Adjustments	Deductions on Impairment	As at the end of the year	As at the end of the year	As at the end of the year
<b>TANGIBLE ASSETS</b>													
<b>Own assets</b>													
Land	2014-15	397.19	34.81	2.50	-	429.50	-	-	-	-	-	-	429.50
	2013-14	342.30	54.89	-	-	397.19	-	-	-	-	-	-	397.19
Buildings	2014-15	504.56	165.04	4.95	0.82	663.83	64.75	26.30	37.76	0.55	0.78	127.48	536.35
	2013-14	420.54	84.02	-	-	504.56	52.10	-	12.65	-	-	64.75	439.81
Plant & Equipments	2014-15	5,298.70	336.91	29.07	2.26	5,604.28	1,789.06	4.26	172.17	24.12	0.88	1,940.49	3,663.79
	2013-14	5,271.36	142.55	115.21	-	5,298.70	1,632.57	-	264.57	108.08	-	1,789.06	3,509.64
Railway Siding	2014-15	67.86	1.03	-	-	68.89	20.51	-	5.00	-	-	25.51	43.38
	2013-14	56.91	10.95	-	-	67.86	17.93	-	2.58	-	-	20.51	47.35
Workshop, Quarry Equipments etc.	2014-15	47.13	0.09	0.59	-	46.63	26.42	0.27	4.21	0.47	-	30.43	16.20
	2013-14	44.94	3.00	0.81	-	47.13	23.12	-	3.88	0.58	-	26.42	20.71
Research & Development Equipments	2014-15	70.85	-	-	-	70.85	51.18	0.26	3.43	-	-	54.87	15.98
	2013-14	70.85	-	-	-	70.85	46.59	-	4.59	-	-	51.18	19.67
Furniture & Fixtures	2014-15	34.94	6.51	0.55	1.18	39.72	11.70	0.54	3.99	0.33	1.14	14.76	24.96
	2013-14	25.97	9.52	0.55	-	34.94	10.16	-	1.84	0.30	-	11.70	23.24
Office Equipments	2014-15	41.89	6.38	0.76	2.68	44.83	19.56	2.98	6.74	0.67	2.56	26.05	18.78
	2013-14	34.62	7.76	0.49	-	41.89	17.16	-	2.77	0.37	-	19.56	22.33
Vehicles	2014-15	22.30	0.85	1.38	0.06	21.71	8.70	0.09	2.71	0.82	0.05	10.63	11.08
	2013-14	19.59	3.64	0.93	-	22.30	7.19	-	1.93	0.42	-	8.70	13.60
Aircraft in Joint Venture (a)	2014-15	3.61	-	3.61	-	-	0.67	-	0.16	0.83	-	-	-
	2013-14	3.61	-	-	-	3.61	0.47	-	0.20	-	-	0.67	2.94
<b>Leased assets</b>													
Land	2014-15	4.75	-	0.06	-	4.69	0.66	-	0.14	-	-	0.80	3.89
	2013-14	6.17	-	1.42	-	4.75	0.53	-	0.16	0.03	-	0.66	4.09
<b>Total - Tangible Assets</b>	2014-15	6,493.78	551.62	43.47	7.00	6,994.93	1,993.21	34.70	236.31	27.79	5.41	2,231.02	4,763.91
	2013-14	6,296.86	316.33	119.41	-	6,493.78	1,807.82	-	295.17	109.78	-	1,993.21	4,500.57
<b>INTANGIBLE ASSETS</b>													
Mining rights	2014-15	27.83	5.55	-	-	33.38	-	16.98	- 1.18	-	-	18.16	15.22
	2013-14	27.83	-	-	-	27.83	-	-	-	-	-	-	27.83
Mine development & reclamation (b)	2014-15	67.97	14.36	-	-	82.33	19.93	-	19.85	-	-	39.78	42.55
	2013-14	28.22	39.75	-	-	67.97	7.34	-	12.59	-	-	19.93	48.04
Computer software	2014-15	76.95	2.17	-	2.20	76.92	21.40	0.16	10.61	-	2.19	29.98	46.94
	2013-14	70.97	16.78	-	10.80	76.95	21.38	-	10.27	-	10.25	21.40	55.55
Power Transmission system (c)	2014-15	12.96	-	-	-	12.96	3.47	-	2.59	-	-	6.06	6.90
	2013-14	6.44	6.52	-	-	12.96	1.29	-	2.18	-	-	3.47	9.49
<b>Total - Intangible Assets</b>	2014-15	185.71	22.08	-	2.20	205.59	44.80	17.14	34.23	-	2.19	93.98	111.61
	2013-14	133.46	63.05	-	10.80	185.71	30.01	-	25.04	-	10.25	44.80	140.91
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>													
Mine development	2014-15	4.31	1.09	0.26	-	5.14	-	-	-	-	-	-	5.14
	2013-14	8.63	2.28	6.60	-	4.31	-	-	-	-	-	-	4.31
<b>Total - Intangible Assets under Development</b>	2014-15	4.31	1.09	0.26	-	5.14	-	-	-	-	-	-	5.14
	2013-14	8.63	2.28	6.60	-	4.31	-	-	-	-	-	-	4.31
<b>CAPITAL WORK IN PROGRESS</b>	2014-15	349.52	-	-	-	257.52	-	-	-	-	-	-	257.52
	2013-14	147.96	-	-	-	349.52	-	-	-	-	-	-	349.52

- (a) The company owned 1/6<sup>th</sup> share in the jointly owned Aircraft was sold during the year.
- (b) Amortization of Mine development & reclamation is included in "Cost of materials consumed"
- (c) Amortization of Power transmission system is adjusted in "Profit on sale of power from TPP" for Rs.1.97 Crores (PY: Rs.1.97 Crores) and in "Power & Fuel" for Rs.0.62 Crores (PY: Rs.0.21 Crores)
- (d) The difference between Gross Block and Depreciation/Amortization pertaining to deductions on impairment is recognized as an Impairment Loss for Rs.1.60 Crores (PY: Rs.0.54 Crores) in the Statement of Profit and Loss.
- (e) The Depreciation amortisation amount of Rs.249.88 Crores (PY: Rs.306.29 Crores) as per Statement of Profit and Loss consist of the following:  
Tangible Fixed Assets: Rs.236.31 Crores (PY: Rs.295.17 Crores); Mining Rights: Rs.1.18 Crores (PY: Nil); Computer Software: Rs.10.61 Crores (PY: Rs.10.27 Crores); Investment Property (Note 13): Rs.1.78 Crores (PY: Rs.0.85 Crores)
- (f) Pursuant to implementation of depreciation methodology as per Companies Act 2013, the value of assets whose life is exhausted as on 01-04-2014 has been adjusted to Retained Earnings.
- (g) Adjustments include reclassification of Gross Block of Land (Cost: Rs.2.49 Crores) and Buildings (Cost: Rs.4.92 Crores), Accumulated Depreciation (Rs.0.52 Crores) into Investment Property.
- (h) The impact of change in accounting policy consequent to implementation of Depreciation methodology based on useful life of Asset is disclosed in Note 32.
- (i) Previous years figures have been re-classified/regrouped wherever necessary.



## THE RAMCO CEMENTS LIMITED

### NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

		Rs. In Crores	
	Face value	As at 31-03-2015	As at 31-03-2014
<b>NOTE 13</b>			
<b>NON-CURRENT INVESTMENTS</b>			
<b>Investment property</b>			
<b>Trade Investments</b>			
<b>Building</b>			
As at the beginning of the year		0.66	0.66
Less: Sale of Building		0.66	—
As at the end of the year	(1)	—	0.66
<b>Other Investments</b>			
<b>Land</b>			
As at the beginning of the year		137.57	137.57
Add: Reclassification from Tangible Fixed Assets		2.49	—
As at the end of the year	(2)	140.06	137.57
<b>Building</b>			
As at the beginning of the year		—	—
Add: Reclassification from Tangible Fixed Assets		4.92	—
As at the end of the year		4.92	—
<b>Building given on operating lease</b>			
As at the beginning of the year		60.76	42.52
Additions during the year		16.48	18.24
As at the end of the year		77.24	60.76
<b>Gross Block</b>		82.16	60.76
Less: Accumulated depreciation as at the beginning of the year		4.58	3.73
Accumulated Depreciation for reclassified Asset		0.52	—
Depreciation for the year		1.78	0.85
Disposals		0.28	—
<b>Accumulated Depreciation as at the end of the year</b>		6.60	4.58
<b>Net Block</b>	(3)	75.56	56.18
<b>Total Investment property (A)</b>	(1)+(2)+(3)	215.62	194.41
<b>Investments in Equity Instruments</b>			
<b>Non Trade Investments (valued at cost)</b>			
<b>Unquoted Equity Instruments</b>			
<b>Subsidiary Company:</b>			
Ramco Windfarms Limited (CY: 71,50,000 shares; PY: 71,50,000 shares of Rs.1/- each fully paid up)	0.72	0.72	0.72
<b>Other Companies:</b>			
AP Gas Power Corporation Limited (CY: 16,08,000 shares; PY: 16,08,000 shares of Rs.10/- each fully paid up)	1.61	22.12	22.12
Sri Vishnu Shankar Mill Limited (CY: 2,100 shares; PY: 2,100 shares of Rs.10/- each fully paid up)	0.00	0.01	0.01
Chettinad Cement Corporation Limited (CY: 100 shares; PY: 100 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00



## NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

		Rs. In Crores	
	Face value	As at 31-03-2015	As at 31-03-2014
<b>Other Investments:</b>			
The Madras Cements Employees' Co-operative Stores Ltd. (CY: 250 shares; PY: 250 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
<b>Total Unquoted Instruments (B)</b>	<b>2.33</b>	<b>22.85</b>	<b>22.85</b>
<b>Quoted Equity Instruments</b>			
<b>Associate Company:</b>			
Ramco Systems Limited (CY: 54,17,810 shares; PY: 21,17,810 shares of Rs.10/- each fully paid up)	5.42	88.06	36.91
<b>Other Companies:</b>			
Ramco Industries Limited (CY: 1,33,72,500 shares; PY: 1,33,72,500 shares of Rs.1/- each fully paid up)	1.34	20.54	20.54
ACC Limited (CY: 103 shares; PY: 103 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
India Cements Limited (CY: 58 shares PY: 58 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
Andhra Cements Limited (CY: 27 Shares; PY: 27 Shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
Heidelberg Cement India Limited (CY: 170 shares; PY: 170 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
Rajapalayam Mills Limited (7,25,600 shares; PY: 7,25,600 shares of Rs.10/- each fully paid up)	0.73	8.12	8.12
Housing Development Finance Corporation Limited (CY: 17,400 shares; PY: 17,400 Shares of Rs.2/- each fully paid up)	0.00	0.00	0.00
HDFC Bank Limited (CY: 2,500 shares; PY: 2,500 shares of Rs.2/- each fully paid up)	0.00	0.00	0.00
Indbank Merchant Banking Services Limited (CY: 50,000 shares; PY: 50,000 shares of Rs.10/- each fully paid up)	0.05	0.20	0.20
Tamil Nadu News Print & Papers Limited (CY: 22,700 shares; PY: 22,700 shares of Rs.10/- each fully paid up)	0.02	0.25	0.25
Indian Bank (CY: 2,792 shares; PY: 2,792 shares of Rs.10/- each fully paid up)	0.00	0.02	0.02
Industrial Development Bank of India Limited (CY: 14,240 shares; PY: 14,240 shares of Rs.10/- each fully paid up)	0.01	0.11	0.11
<b>Sub Total</b>	<b>7.57</b>	<b>117.30</b>	<b>66.15</b>
Provision for "other than temporary diminution" in the value		0.15	0.18
<b>Total</b>	<b>7.57</b>	<b>117.15</b>	<b>65.97</b>
<b>Investments in Mutual Funds</b>			
HDFC Balance Fund (CY: 1,37,197 units; PY: 1,27,843 units of Rs.10/- each)	0.13	0.21	0.18
<b>Total Quoted Instruments (C)</b>	<b>7.70</b>	<b>117.36</b>	<b>66.15</b>
<b>Aggregate Market Value of Quoted Investments</b>		<b>467.16</b>	<b>111.89</b>
<b>Aggregate Value of Investments (A+B+C)</b>		<b>355.83</b>	<b>283.41</b>

## THE RAMCO CEMENTS LIMITED

### NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 14</b>		
LONG TERM LOANS AND ADVANCES		
<b>Secured and Considered Good</b>		
Capital advances	12.07	31.88
Loans and Advances to employees	19.93	17.95
<b>Sub Total</b>	<b>32.00</b>	<b>49.83</b>
<b>Unsecured and Considered Good</b>		
Loans and Advances to related parties	7.40	—
Deposits and Balance with Govt. Departments	21.94	18.20
Deposits under protest, in Appeals	62.62	62.04
Deposit with suppliers	11.15	10.88
Advance to suppliers	11.48	12.00
Advance recoverable in cash or kind	11.22	14.86
MAT Credit Entitlement	115.73	49.58
IPA Receivable (Note 41)	101.00	121.29
<b>Sub Total</b>	<b>342.54</b>	<b>288.85</b>
<b>Total</b>	<b>374.54</b>	<b>338.68</b>
<b>NOTE 15</b>		
OTHER NON-CURRENT ASSETS		
<b>Long term Trade Receivables</b>		
Secured and Considered Good (*)	1.55	1.20
Unsecured and Considered Good	0.51	0.42
Considered Doubtful	7.25	7.25
Provision for Doubtful debts	(7.25)	(7.25)
<b>Total</b>	<b>2.06</b>	<b>1.62</b>
(*) Includes receivables from TANGEDCO towards sale of power for Rs.0.87 Crores (PY: Nil)		
(*) Includes receivables from TANCEM towards sale of cement for Rs.0.34 Crores (PY: Nil)		
<b>NOTE 16</b>		
INVENTORIES		
Raw materials	156.15	178.12
Stores, Spares, Fuel and Packing Materials	253.96	393.95
Work-in-progress	60.38	53.39
Finished goods (*)	50.09	60.07
<b>Total</b>	<b>520.58</b>	<b>685.53</b>

(\*) Includes finished goods in transit of Rs.2.91 Crores (PY: Rs.3.15 Crores)



## NOTES TO STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 17</b>		
<b>TRADE RECEIVABLES</b>		
<b>Secured and Considered Good</b>		
Trade receivables less than 6 months (a)	214.89	175.62
Trade receivables more than 6 months (b)	2.26	1.86
<b>Unsecured and Considered Good</b>		
Trade receivables less than 6 months (a)	144.66	125.22
Trade receivables more than 6 months (b)	18.41	1.26
<b>Considered Doubtful</b>		
Trade receivables - unsecured	3.00	3.00
Provision for Doubtful debts	(3.00)	(3.00)
<b>Total</b>	<b>380.22</b>	<b>303.96</b>

- (a) (i) Includes receivables from TANGEDCO towards sale of power for Rs.97.13 Crores (PY: Rs.64.19 Crores)  
(ii) Includes receivables from TANCEM towards sale of cement for Rs.17.89 Crores (PY: Rs.19.28 Crores)  
(iii) Includes receivables from APTRANSCO towards sale of power for Rs.0.36 Crores (PY: Nil)  
(iv) Includes receivables from Related party towards sale of cement for Rs.0.25 Crores (PY: Rs.0.18 Crores)  
(b) (i) Includes receivables from TANGEDCO towards sale of power for Rs.19.98 Crores (PY: Rs.1.02 Crores)  
(ii) Includes receivables from TANCEM towards sale of cement for Rs.0.01 Crores (PY: Rs.0.02 Crores)  
(iii) Includes receivables from APTRANSCO towards sale of power for Rs.0.68 Crores (PY: Nil)

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 18</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	0.13	0.12
Stamp paper and imprest	0.03	0.04
Balance in current account	57.18	39.94
<b>Other Bank Balances</b>		
Term Deposits (*)	0.18	0.28
Dividend Warrant account	4.33	4.23
<b>Total</b>	<b>61.85</b>	<b>44.61</b>

(\*) Deposits with banks held towards security to various Government Departments.

<b>NOTE 19</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured and Considered Good</b>		
Loans and Advances to related parties	7.71	39.04
Loans and Advances to employees	5.91	6.55
Deposits and Balance with Govt. Departments	60.11	2.63
Advances to suppliers	17.90	37.23
Advance income tax paid, TDS and refund receivable	82.63	48.76
Advance recoverable in cash or kind	10.34	6.73
Tax Credits - Indirect Taxes	42.65	55.06
Prepaid Expenses	6.51	10.59
<b>Total</b>	<b>233.76</b>	<b>206.59</b>

<b>NOTE 20</b>		
<b>OTHER CURRENT ASSETS</b>		
Unamortised Premium on Forward Contracts	1.00	5.68
Unbilled Revenue	2.26	3.17
<b>Total</b>	<b>3.26</b>	<b>8.85</b>

## THE RAMCO CEMENTS LIMITED

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

	Rs. In Crores	
	2014-15	2013-14
<b>NOTE 21</b>		
REVENUE FROM OPERATIONS		
<b>Sale of Products</b>		
Domestic Sales - Cement	3,947.22	3,973.79
Exports - Cement	72.94	82.45
Ready Mix Concrete	13.48	16.70
Domestic Sales - Dry Mortar Mix	30.10	25.10
Exports - Dry Mortar Mix	0.30	—
Self consumption - Cement	13.32	20.03
Self consumption - Dry Mortar Mix	0.08	0.48
	<u>13.40</u>	<u>20.51</u>
Power generated from Wind Mills (Note 38)	53.44	68.24
<b>Other Operating Revenue</b>		
Industrial Promotion Assistance (Note 41)	51.02	51.39
<b>Gross Revenue from Operations</b>	<b>4,181.90</b>	<b>4,238.18</b>
Less:		
Excise Duty and Cess	537.01	554.67
<b>Total</b>	<b><u>3,644.89</u></b>	<b><u>3,683.51</u></b>
<b>NOTE 22</b>		
OTHER INCOME		
Interest income	6.37	6.27
Dividend income	0.59	0.76
Sundry Receipts	2.19	0.51
Scrap sales (Net)	9.61	11.75
Rent receipts	7.55	7.29
Carbon Credit sales	—	0.78
Profit on sale of Power from Thermal Power Plant (*)	59.44	35.89
Gain on Exchange Difference (net)	0.85	—
Reversal of reduction in carrying amount of Investment	0.03	0.03
Profit on sale of assets (net)	0.25	22.44
<b>Total</b>	<b><u>86.88</u></b>	<b><u>85.72</u></b>

(\*) After netting off directly attributable expenses of Rs.158.79 Crores (PY: Rs.110.69 Crores)



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

Rs. In Crores

	2014-15		2013-14	
<b>NOTE 23</b>				
<b>COST OF MATERIALS CONSUMED</b>				
<b>Cement</b>				
Lime stone	255.65		274.44	
Pozzolona Material	145.33		159.00	
Gypsum	51.63		59.34	
Laterite	23.35		23.03	
Iron Ore	4.75		4.21	
Other Additives	15.47		13.83	
Freight & Handling - Inter unit clinker Transfer	150.62		107.03	
Material handling expenses	10.71		7.50	
	<u>657.51</u>		<u>648.38</u>	
<b>Ready Mix Concrete</b>				
Cement	2.94		4.03	
Aggregates	3.80		4.80	
Others	0.24		0.22	
	<u>6.98</u>		<u>9.05</u>	
<b>Dry Mortar Mix</b>				
Cement	5.20		4.94	
White Cement	0.67		0.87	
Additives	6.97		6.62	
	<u>12.84</u>		<u>12.43</u>	
<b>Total</b>	<u>677.33</u>		<u>669.86</u>	
<b>Imported and indigenous Raw materials consumed</b>				
Imported	43.64	6.44%	70.06	10.46%
Indigenous	633.69	93.56%	599.80	89.54%
<b>Total</b>	<u>677.33</u>	<u>100.00%</u>	<u>669.86</u>	<u>100.00%</u>



## THE RAMCO CEMENTS LIMITED

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

	Rs. In Crores	
	2014-15	2013-14
<b>NOTE 24</b>		
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
<b>Closing Stock</b>		
Finished Goods	50.09	60.07
Work-in-progress	60.38	53.39
	<u>110.47</u>	<u>113.46</u>
<b>Opening stock</b>		
Finished Goods	60.07	72.35
Work-in-progress	53.39	60.60
	<u>113.46</u>	<u>132.95</u>
(Increase)/Decrease in stock	2.99	19.49
ED on stock variance	0.22	0.31
<b>Total</b>	<u>3.21</u>	<u>19.80</u>
<b>NOTE 25</b>		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	187.82	184.89
Workmen and Staff Welfare	19.93	18.29
Contribution to Provident Fund	11.44	10.78
Contribution to Gratuity Fund	3.57	2.17
Contribution to National Pension System (NPS)	0.92	0.88
Contribution to Superannuation Fund	5.00	4.82
<b>Total</b>	<u>228.68</u>	<u>221.83</u>
<b>NOTE 26</b>		
FINANCE COSTS		
Interest on term loans	189.28	182.92
Interest on fixed deposits	0.20	0.16
Applicable loss on foreign currency transactions and translation	0.07	2.97
Other borrowing costs	4.26	2.08
<b>Total</b>	<u>193.81</u>	<u>188.13</u>



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

Rs. In Crores

	2014-15	2013-14
<b>NOTE 27</b>		
<b>OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Power & Fuel	704.00	832.40
Packing Materials consumption	163.16	176.05
Stores and Spares consumption	69.61	72.92
Repairs to plant and equipments	45.24	48.04
Repairs to buildings	13.80	16.23
Repairs to vehicles and locomotives	7.40	9.33
General repairs	2.22	1.96
	<b>1,005.43</b>	<b>1,156.93</b>
<b>Establishment Expenses</b>		
Managing Director Remuneration	18.75	8.12
IT & Communication expenses	15.59	16.21
Corporate Social Responsibility expenses (Note 42)	7.80	4.71
Insurance	6.71	7.52
Loss on Exchange Difference (Net)	—	2.64
General Administration expenses	2.93	3.27
Travelling expenses	13.54	14.06
Training & Development expenses	0.91	3.90
Filing & Registration Fees	0.10	0.15
Rates and taxes	12.15	8.29
Rent	10.60	9.93
Input tax credit reversal	6.72	5.65
Miscellaneous expenses	10.26	9.47
Donations	2.17	12.13
Legal and Consultancy expenses	2.39	2.49
Bank Charges	0.73	0.82
Cement Cess	0.57	0.64
Audit Fees & expenses (Note 33)	0.33	0.26
Security Charges	9.38	9.03
Board Meeting expenses	0.06	0.05
Directors Sitting fees	0.14	0.06
Loss on sale of investments	—	0.01
Impairment Loss on assets	1.60	0.54
	<b>123.43</b>	<b>119.95</b>
<b>Selling and Distribution Expenses</b>		
Transportation and Handling Expenses	795.76	825.67
Advertisement expenses	34.62	53.62
Other Selling expenses	2.29	2.43
Sales Promotion expenses	52.91	41.07
Agency commission	7.34	8.71
Bad debts	0.65	0.60
	<b>893.57</b>	<b>932.10</b>
<b>Total</b>	<b>2,022.43</b>	<b>2,208.98</b>

## THE RAMCO CEMENTS LIMITED

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

	2014-15		2013-14	
			Rs. In Crores	
<b>Imported and indigeneous Stores and Spare Parts consumed</b>				
Imported	4.21	6.05%	7.04	9.65%
Indigenous	65.40	93.95%	65.88	90.35%
<b>Total</b>	<b>69.61</b>	<b>100.00%</b>	<b>72.92</b>	<b>100.00%</b>
<b>Value of imports calculated on C.I.F basis in respect of:</b>				
Raw Materials	23.64		45.35	
Stores and spare parts	10.42		12.69	
Fuel (Coal and Petcoke)	293.38		429.99	
Packing Materials	3.64		31.10	
Capital Goods	7.22		21.62	
	<b>338.30</b>		<b>540.75</b>	
<b>Expenditure in Foreign Currency on account of:</b>				
Interest	2.35		2.96	
Supervision Charges for Foreign Technician	0.52		2.55	
Foreign Travel	0.46		0.41	
Advertisement, Sales promotion outside India	0.35		0.65	
Leadership Training programme	0.65		1.75	
Subscription and Periodicals	0.11		0.50	
Quality Certification Fees	0.07		0.07	
	<b>4.51</b>		<b>8.89</b>	
<b>Earnings in Foreign Currency</b>				
Export of Cement calculated on FOB Basis	63.86		80.98	
Export of Dry mix products calculated on FOB Basis	0.28		—	
	<b>64.14</b>		<b>80.98</b>	

As per our report annexed

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.GANGADARAN  
Partner  
Membership No. 011205

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director  
  
S.VAITHIYANATHAN  
Chief Financial Officer  
  
K.SELVANAYAGAM  
Secretary

P.R.VENKETRAMA RAJA  
R.S.AGARWAL  
M.M.VENKATACHALAM  
Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

Chennai  
29-05-2015



## DISCLOSURES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2015

		Rs. in Crores	
		As at	As at
		31-03-2015	31-03-2014
<b>28. Contingent Liabilities</b>			
28.1 Unexpired Letters of credit for purchase of:			
– Spares & Fuel		<b>98.56</b>	1.74
– Capital Goods		<b>10.52</b>	33.31
28.2 Guarantees given by the bankers on behalf of company		<b>55.29</b>	53.86
28.3 Guarantees given to banks to avail loan facilities by Related parties:			
– Thanjavur Spinning Mill Limited		<b>68.00</b>	83.00
– Sandhya Spinning Mill Limited		<b>34.38</b>	59.38
– Ramco Systems Limited		<b>250.00</b>	325.00
– Raja Charity Trust		<b>100.00</b>	100.00
– Ramco Windfarms Limited		<b>23.50</b>	–

28.4 Income tax assessments have been completed up to the accounting year ended on 31<sup>st</sup> March 2012 i.e., Assessment Year 2012-13. The company has preferred appeals before appellate authorities in respect of various disallowances in assessments and the appeals are pending. As against the tax demand of Rs.23.76 Crores (PY: Rs.23.77 Crores), the department has adjusted Rs.10.55 Crores (PY: Rs.10.56 Crores) against refunds claimed. In the opinion of Management, there may not be any tax liability with regard to the said disallowances and the refunds so adjusted are held in “Deposits under protest, in appeals” under Long term Loans and Advances.

28.5 The VAT authority in the State of Tamil Nadu levied VAT of Rs.3.13 Crores and penalty of Rs.1.56 Crores for the sales made and assessed in other states for the years 2008-09 to 2010-11. Challenging the said demand, the Company has filed a writ petition in the Madurai Bench of Honourable Madras High Court and obtained an interim stay vide order dated 18-11-2014. Hearing is completed and final order is awaited.

The VAT authority in the State of Tamil Nadu has issued notices proposing to disallow input tax credit under Tamil Nadu VAT Act, 2006 for Rs.68.32 Crores for the years 2011-12 to 2014-15. Challenging the said notices, the Company has filed a writ petitions in the Madurai Bench of Honourable Madras High Court that are pending.

In respect of other statutory appeals in VAT & CST matters in various States pending with the Appellate Authorities, as against the net tax demands amounting to Rs.25.19 Crores (PY: Rs.40.05 Crores), a sum of Rs.4.81 Crores

(PY: Rs.6.84 Crores) have been paid under protest and is held in “Deposits under protest, in appeals” under Long term Loans and Advances.

28.6 As on 31-03-2015, the differential excise duty on cement in “Bulk & Cement supplies to industrial consumers” including penalty amounting to Rs.268.43 Crores (PY: Rs.213.63 Crores) demanded by the Department, denying the concession provided under relevant notifications, remain un-paid. The Tribunals have allowed our appeals in this matter. The Department’s appeal was also dismissed in Karnataka High court in the similar issue pertaining to another cement company. But the department has preferred an appeal before the Honourable Supreme Court against Tribunal orders in this matter. However periodical demands are being issued to the company by the department in this matter in view of pendency of its appeal in the Honourable Supreme Court.

The demands due to CENVAT credit disallowance on some of the inputs, capital goods, service tax on goods transports and levy of differential excise duty with consequential interest and penalty, as at 31-03-2015, amounts to Rs.188.87 Crores (PY: Rs.58.85 Crores) remain un-paid, against which the company has objected or preferred appeals that are pending adjudication. Out of the aggregate dispute of Rs.188.87 Crores, the Company had favourable orders from the lower authority for Rs.15.55 Crores against which the Department has preferred appeals. The company has paid so far Rs.11.22 Crores as pre-deposit in compliance of the interim orders by the appellate authorities and the same is held in “Deposits under protest, in appeals” under Long term Loans and Advances.

28.7 The Classification of import of “Steam coal” was challenged by the Customs Department for the period from 17-03-2012 to 28-02-2013 for the imports made by the company as well as other importers across the country. The Department has sought to re-classify the “Steam coal” as “Bituminous coal” and levy duty accordingly. While imposing the above said differential duties, the Department has denied the benefit of the Notification No.46/2011-Cus dated 01-06-2011, a concession provided for levy of duty based on origin of goods. Subsequently the Department has allowed the benefit of above said notification upon the direction from the Honourable Madras High court in the writ filed by the company in one of the appeals. Accordingly the aggregate demand is re-quantified for Rs.9.16 Crores as differential customs duty and Rs.12.62 Crores as differential CVD. Apart from that a penalty of Rs.7.22 Crores and redemption fine of Rs.3.60 Crores were also imposed. Had the benefit of the Notification No.46/2011-Cus dated 01-06-2011 been granted in all cases as claimed by the company, the duty liability would have been Rs.4.37 Crores towards

## THE RAMCO CEMENTS LIMITED

- differential customs duty and Rs.11.47 Crores towards differential CVD. The company has filed statutory appeals before CESTAT against the said re-classification. The company has paid so far Rs.3.55 Crores as pre-deposit in compliance of the interim orders by the appellate authorities and the same is held in "Deposits under protest, in appeals" under Long term Loans and Advances.
- 28.8 The Writ Petitions filed by the company in the Honourable Madras High Court against Tamil Nadu Electricity Board (TNEB) towards levy of electricity tax at 15% on the generation of power from captive generator sets using furnace oil are pending. The levy pertains to the period 01-01-1992 to 30-10-1997. The disputed amount remaining un-paid is Rs.0.85 Crores.
- 28.9 TNEB has imposed Rs.1.39 Crores towards penalty, alleging shortfall in lifting of flyash as per the terms of MoU entered into with the Company. TNEB has made the calculation based on the estimation of flyash quantity that could have been generated for the quantity of coal used by them, instead of ascertaining the actual availability of flyash generated by them. The Company has obtained stay orders against the penalty from Honourable High Court of Madras.
- 28.10 The company had entered into MoU with TNEB for sourcing flyash from their thermal power stations. Ignoring the company's right vested under MoU, it was proposed by TNEB to introduce auction unilaterally, for disposal of flyash. Further TNEB has also proposed to increase the rate from Rs.350/- to Rs.700/- per ton of flyash from 01-03-2011. In the writ petitions filed by the Company and other similarly affected companies, the Honourable High Court of Madras, has fixed rate at Rs.540/- per ton. Challenging the above order, the company filed a review petition and obtained an interim order fixing the rate at Rs.410/- per ton. Based on the interim order, the company has paid at the rate of Rs.410/- per ton. The final decision from the court is awaited.
- 28.11 TANGEDCO has raised a demand towards compensation charges of Rs.0.92 Crores alleging that the Company has exceeded the quota of power consumption during evening peak hours. The Company has deposited the amount under protest, filed writ petition before the Honourable High Court of Madras and the same has been admitted.
- 28.12 Government of Karnataka has imposed Environmental Protection Fee of Rs.5.60 Crores, in connection with Company's mining leases. In the writ petitions filed by the Company and other similarly affected companies, the Honourable High Court of Karnataka, has stayed the imposition of the fee. As per the interim order, the Company has deposited a sum of Rs.2.90 Crores (PY: Rs.2.90 Crores).
- 28.13 The Competition Commission of India vide its order dated 20-06-2012 has imposed a penalty of Rs.258.63 Crores on the company for alleged cartelisation with select cement manufacturers. The company has filed an appeal against the order before Competition Appellate Tribunal. In compliance of the interim order, the company has deposited Rs.25.86 Crores, being 10% of the impugned penalty. The appeal is pending. The company believes that it has a good case and hence no provision is made.
- 28.14 Southern Power Distribution Company of Andhra Pradesh Limited has demanded an amount of Rs.0.32 Crores towards alleged excess load factor incentives allowed by them. The Company has filed an appeal before Honourable High Court of Andhra Pradesh and obtained an order of interim stay.
- 28.15 Andhra Pradesh Transmission Corporation Limited (APTRANSCO) has levied Rs.5.85 Crores as Fuel Surcharge Adjustment (FSA) for the period from Apr-08 to Dec-12. Out of that, the company has paid and expensed Rs.3.72 Crores. Out of that an amount of Rs.2.13 Crores is not presently enforceable for the reasons that a part of the amount is covered in the appeal filed by the APTRANSCO before Honourable Supreme court and the interim order granted in favour of the company by the Honourable AP High court. APERC has ordered that this FSA is not leviable from Jan-13 onwards.
- 28.16 Under the Jute Packing Materials (Compulsory use of packing commodities) Act, 1987, 50% of the cement produced should be supplied in jute bags. Failure to do so attracts a maximum fine equal to twice the cost of jute bags not used as required by the Act. In view of the competitive conditions prevailing in the market and consumer preference for paper and HDPE bags, the company was not able to use jute bags. The Honourable Supreme Court upheld the Constitutional validity of the above Act. However, the Honourable Madras High Court and also a few other High Courts have stayed the implementation of the Jute Control Order, in the Writ Petitions filed by the Trade Unions, taking into account the health hazards associated with Jute Packing. Subsequently, Cement has been removed from the schedule of items required to be packed in Jute Packing Materials with effect from 01-07-1997 vide GOI Gazette Extraordinary No.472E dated 30-06-1997. The amount that may become payable in case it is ultimately held for non-compliance of the Act during the intervening period is presently not quantifiable.
- 28.17 The AP State Electricity Board (APSEB) had hiked the wheeling charges with effect from 24-03-2002. As a result, the cost of power the company is getting from A P Gas Power Corporation Ltd (APGPCL) had gone up by Rs.0.84 per unit. APGPCL and other affected consumers including our company had filed appeals in the Honourable AP High





Court. The court passed orders in favour of the industries. The APSEB has preferred an appeal to the Honourable Supreme Court and the matter is pending.

- 28.18 The Director of Geology & Mining, Government of Tamil Nadu had raised additional Royalty demand on limestone, based on production of cement by the company instead of basing it on actual quantity of limestone mined. The demand for the company is Rs.9.66 Crores for the period from the year 1989 to year 2001. In the Writ petitions filed by the company and other similarly affected companies, the Honourable Madras High court has stayed the demands of the Government.
- 28.19 Water Resources Department of Public Works Department, Government of Tamil Nadu had raised a demand of Rs.1.13 Crores contending that water charges are to be paid on the contracted quantity and not on the actual quantity of water drawn by the company from Arjuna River in Virudhunagar District. The demand pertains to the period from the year 1990 to year 2009. The company has obtained interim stay from the Honourable High Court of Madras. As per the interim order, the Company has deposited a sum of Rs.0.30 Crores with the Department.
- 28.20 Environment, Forests Science & Technology Department, Government of Andhra Pradesh has increased the Royalty on the Limestone mined from the Forest Area from Rs.5/- per permit to Rs.10/- per ton from the year 2010-11 onwards. The company filed a writ petition before the Honourable High Court of Andhra Pradesh and obtained an interim order, to pay 1/3<sup>rd</sup> of the demand. As per the Court order, the company has paid and expensed Rs.1.26 Crores (PY: Rs.0.99 Crores), being the 1/3<sup>rd</sup> portion upto 31-03-2015.
- 28.21 New Industries set up in Tamil Nadu were eligible for Power Tariff Concession as per G.O.Ms. No.29 dated 31-01-1995, which was sought to be withdrawn to Industries set up after 14-02-1997 as per G.O.Ms. No.17 dated 14-02-1997. The eligibility for Power Tariff Concession for Alathiyur unit became a dispute between the Company and TNEB. Based on the interim order of the Honourable High Court of Madras, the Company had availed power tariff concession to the tune of Rs.11.41 Crores and sought refund of un-availed concession of Rs.1.80 Crores. The matter was finally settled by the Honourable Supreme Court, vide its judgement dated 16-05-2008, wherein it laid down criteria for ascertaining the eligibility for Power Tariff Concession for new industries and directed the TNEB to decide the eligibility for the Company based on the said criteria. However, vide its order dated 30-06-2008, the TNEB sought to introduce new criteria not enumerated in the Honourable Supreme Court judgement. Aggrieved, the Company filed a writ petition (WP No:16348 of 2008) before the Honourable High Court of Madras, which by its judgement dated 13-11-2008 set aside the additional criteria not mentioned in the Honourable Supreme Court Judgement and confirmed the eligibility of Power Tariff Concession for the Company. TNEB has filed a writ appeal (WA No: 629 of 2010) in the Honourable High Court of Madras against the said order seeking disentitlement of power tariff concession already availed. The matter is pending before the Honourable High Court of Madras.
- 28.22 Under Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligations) Regulations, 2010, consumers owning grid connected captive power generating plants and open access consumers with a sanctioned demand of more than 2 MVA are obligated to consume a minimum of 9% and 0.5% of their energy requirements from wind and solar sources respectively. The non-complainants are required to purchase Renewable Energy Certificates (REC) from markets @ 1 REC per 1000 units of shortage or deposit an equivalent amount in a separate designated fund. Even though the Company is consuming wind energy generated from its wind farms, it has been excluded for reckoning the obligatory consumption, since the company has wheeling and banking arrangement with TNEB. Aggrieved, the Company including other affected producers have approached the Honourable Madras High Court and obtained an interim stay against the implementation of the said regulation.
- 28.23 TANGEDCO has levied "Scheduling & System Operation charges" for windmills under "Sale to Board" category at Rs.600 per day per 2 MW based on their internal circular dated 25-11-2014. The annual impact of "Scheduling & System Operation charges" will be Rs.1.02 Crores. The Company has filed a Writ Petition before the Honourable Madras High Court challenging the collection of said charges and obtained an interim stay against the "Scheduling & System Operation charges".
- 28.24 The Company had purchased around 40.36 acres of lands in Tamil Nadu after verification of title documents based on revenue records of the year 1987 as basis. Thereafter, the revenue officials verified the title documents and transferred the patta in the name of the Company. While this being so, the Sub-Collector, Ariyalur, by the order dated 10-02-2015, cancelled the said patta and reclassified the said land as Government poramboke 'Anadheenam lands' by placing reliance on revenue records of the year 1927. The Company has filed a Writ Petition before the Honourable Madras High Court challenging the said cancellation of patta and obtained an interim stay.
- 28.25 The Government of West Bengal enacted "The West Bengal Tax on Entry of goods into local areas Act, 2012" and writ petitions were filed by others challenging the validity of the said Act. The Calcutta High court held that the said the Act was ultra-vires. Aggrieved, the Government



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has preferred an appeal before the Division Bench and obtained an interim direction to continue the Assessment proceedings only. Though the company has not received any demand, it has filed a petition to join in the case.

28.26 TANGEDCO had raised a demand of Rs.6.18 Crores towards levy of energy and demand charges based on its Audit objections which were disputed by the Company vide its detailed explanations supported by the Orders of TNERC. Consequent to that, TANGEDCO has reworked the calculations and advised the Company to remit a sum of Rs.0.52 Crores to drop the matter. Even after remittance

of the said amount, TANGEDCO instead of dropping the matter revised the demand to Rs.1.74 Crores. The Company has challenged the said demand before the TNERC by filing a Petition on 30-05-2014 and the same is pending before the Commission.

### 29. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

As at 31-03-2015	As at 31-03-2014
111.26	191.93

30. The Maturity profile of the Long Term Borrowings as on 31-03-2015 is as follows:

#### Term Loans from Banks:

Rate of interest in %	2019-20		2018-19		2017-18		2016-17		Total
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
9.45	4	12.50	4	12.50	4	12.50	4	12.50	50.00
9.65	-	-	-	-	1	100.00	-	-	100.00
10.00	7	35.42	11	48.42	20	68.67	13	33.25	185.76
10.05	-	-	3	16.33	4	20.00	4	20.00	56.33
10.10	-	-	1	5.00	4	20.00	4	20.00	45.00
10.25	-	-	-	-	-	-	2	33.33	33.33
10.40	-	-	-	-	-	-	2	13.33	13.33
10.45	-	-	-	-	4	40.00	4	40.00	80.00
10.50	-	-	4	18.75	13	251.12	27	366.89	636.76
	11	47.92	23	101.00	50	512.29	60	539.30	1,200.51

#### Soft Loan from Tamil Nadu Government:

Repayment due	Rate of interest	Total
Apr-2022	0.10%	30.74
Apr-2023	0.10%	50.01
Apr-2024	0.10%	30.02
	<b>Total</b>	<b>110.77</b>



#### Interest Free Sales Tax Loan:

Year	Alathiyur Unit		Jayanthipuram Unit		Total
	No. of instalments	Amount	No. of instalments	Amount	
2025-26	-	-	2	3.55	3.55
2024-25	-	-	4	16.38	16.38
2023-24	-	-	9	40.04	40.04
2022-23	-	-	5	21.43	21.43
2021-22	-	-	-	-	-
2020-21	6	54.74	-	-	54.74
2019-20	12	100.62	-	-	100.62
2018-19	12	74.43	-	-	74.43
2017-18	12	50.60	-	-	50.60
2016-17	7	36.95	-	-	36.95
		<b>317.34</b>		<b>81.40</b>	<b>398.74</b>

31. "Short term Borrowings" under "Unsecured Loans" include Loans from Directors as detailed below:

Name	Closing balance as on 31-03-2015	Interest @ 8% p.a
P.R.Ramasubrahmaneya Rajha	0.33 (PY: 8.84)	0.07 (PY: 0.73)

32. Pursuant to the notification of Schedule II to the Companies Act, 2013 for computation of Depreciation with effect from 01-04-2014, the Company revised the useful life of its assets to align with Schedule II of the Act. Accordingly the carrying values of the fixed assets which have completed their useful life as on 01-04-2014 have been charged off against the Retained Earnings amounting to Rs.36.22 Crores after netting off deferred tax of Rs.15.62 Crores. Due to this change in accounting policy, the depreciation for the year ended 31-03-2015 is lower by Rs.55.77 Crores when compared to the calculation of depreciation under the Companies Act, 1956.
33. Audit Fees & expenses (excluding Service Tax)
- |                               | 2014-15     | 2013-14     |
|-------------------------------|-------------|-------------|
| <b>Statutory Auditors:</b>    |             |             |
| For Statutory Audit           | 0.20        | 0.15        |
| For Tax Audit                 | 0.02        | 0.02        |
| For Certification work        | 0.01        | 0.03        |
| For reimbursement of expenses | 0.04        | 0.04        |
| <b>Cost Auditor:</b>          |             |             |
| For Cost Audit                | 0.03        | 0.02        |
| For reimbursement of expenses | 0.00        | 0.00        |
| <b>Secretarial Auditor:</b>   |             |             |
| For Secretarial Audit         | 0.03        | -           |
| For reimbursement of expenses | 0.00        | -           |
| <b>Total</b>                  | <b>0.33</b> | <b>0.26</b> |
34. The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited for which Listing fees for the year 2015-16 have been paid. The Company's application for de-listing from Calcutta Stock Exchange is under process.
35. There are no dues to Micro and Small Enterprises as at 31-03-2015 (PY: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
36. The company has invested Rs.22.12 Crores in Andhra Pradesh Gas Power Corporation Ltd (APGPCL) by purchasing its 16,08,000 equity shares. The investment entitles the company to source 6 MW power from APGPCL at economical rates compared to the rates charged by AP State Electricity Board. Considering the availability of captive power sources at Jayanthipuram plant, in order to utilise the entitled power, all the shares are being held jointly with the following related parties:

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Name of the Related Party	Number of shares	Entitlement of power (MW)	Interest free Security Deposit Received (Rs. in Crores)
Rajapalayam Mills Limited	3,48,400	1.30	0.130
The Ramaraju Surgical Cotton Mills Ltd	3,08,200	1.15	0.115
Sri Vishnu Shankar Mill Ltd	3,21,600	1.20	0.120
Sandhya Spinning Mill Ltd	3,21,600	1.20	0.120
Sri Harini Textiles Limited	3,08,200	1.15	0.115

APGPCL will supply the entitled power of 6 MW (PY: 6 MW) to the above related parties for which the charges will be paid by them directly. The Company has received 10 paise per unit for the power consumed by them by virtue of the joint ownership of the shares amounting to Rs.0.10 Crores (PY: Rs.0.18 Crores).

37. Research and Development expenses for the year are Rs.9.87 Crores (PY: Rs.10.94 Crores) including Rs.3.72 Crores towards Depreciation (PY: Rs.5.39 Crores).
38. Out of units of 21.06 Crores units (PY: 26.67 Crores units) generated net of wheeling and banking at wind farms –
  - a) 17.81 Crores units (PY: 22.96 Crores units) were sold to TANGEDCO for Rs.53.44 Crores (PY: 68.24 Crores) shown under “Power generated from windmills”.
  - b) 3.16 Crores units (PY: 3.53 Crores units) were consumed at the cement plants. The monetary value of such units was not recognised as it is inter-divisional transfer.
  - c) 0.07 Crores units (PY: 0.16 Crores units) were adjusted towards transmission loss.
  - d) Unadjusted units as on 31-03-2015 eligible for adjustment in subsequent periods is 0.02 Crores (PY: 0.02 Crores) units. The monetary value of such units is Rs.0.12 Crores (PY: Rs.0.15 Crores) and the same is included in “Other Current Assets”.
39. The Pre-operative expenses incurred on account of insurance premium of Rs.0.12 Crores (PY: Rs.0.16 Crores) and borrowing costs of Rs.38.89 Crores (PY: Rs.26.56 Crores) relating to acquisition / construction of assets have been capitalized during the year.
40. The company’s petition filed against the judgement upholding the validity of “The Cess and Other Taxes on Minerals (Validation) Act, 1992” in the Honourable Supreme Court has been ruled in company’s favour. Pursuant to the above judgement, the company is entitled to receive a sum of Rs.1.50 Crores (PY: Rs.1.50 Crores) from the Government of Tamil Nadu and is held under “Advances recoverable in cash or kind”.

41. The Company is eligible for incentives under “West Bengal Incentive Scheme 2004” in respect of the clinker grinding unit at Kolaghat in the State of West Bengal. A sum of Rs.51.02 Crores (PY: Rs.50.14 Crores) accrued as Industrial Promotional Assistance (IPA), being 90% of taxes paid for the year 2014-15, is credited to Statement of Profit and Loss, under “Other Operating Revenue”. The aggregate value of incentives receivable as on 31-03-2015 is Rs.101 Crores (PY: Rs.120.04 Crores). During the year the company has realised Rs.70.06 Crores (PY: Rs.5.53 Crores). The accrued incentives of Rs.1.25 Crores in the State of Andhra Pradesh for the year 2013-14 was realised during the current year.

42. The Company is required to spend CSR expenditure of Rs.8.66 Crores for the year 2014-15 in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. As against this, the company has spent Rs.7.80 Crores in the following categories:

Categories	2014-15	2013-14
Rural Development Projects	2.65	0.62
Disaster relief (Hudhud cyclone) Contribution to A.P. Chief minister Relief Fund	2.00	–
Promotion of Education	0.65	0.24
Promotion of Health Care including Preventive Health Care	0.66	0.24
Protection of Art and Culture	0.51	0.25
Restoration of Building and Sites of Historical importance and Works of Art	0.44	2.42
Eradication of Hunger	0.38	0.09
Making available Safe Drinking Water	0.15	0.16
Protection of National Heritage of Art and culture	0.12	–
Promotion of Nationally recognised Sports, Rural sports & Paralympics sports	0.11	0.20
Environmental Sustainability	0.04	0.07
Vocational Skill Training	0.03	0.08
Promotion and Development of Traditional Art	0.03	0.00
Livelihood Enhancement Projects	0.02	0.33
Contribution for setting up of Homes and Hostels for Women and Orphans	0.01	0.01
Total	7.80	4.71

The previous year figures were re-grouped / re-stated based on comparable criteria.



43. As per AS-15, the disclosures pertaining to “Employee Benefits” are given below:

Rs. In Crores

#### Defined Contribution Plan

Particulars	2014-15	2013-14
Employer's Contribution to Provident Fund	11.44	10.78
Employer's Contribution to National Pension System (NPS)	0.92	0.88
Employer's Contribution to Superannuation Fund	5.00	4.82

#### Defined Benefit Plan

Particulars	Post Retirement Gratuity Plan (Funded)		Leave Encashment Plan (Un-funded)	
	2014-15	2013-14	2014-15	2013-14

#### Reconciliation of Opening and Closing balances of Obligation

Defined Benefit Obligation as at the beginning of the year	30.09	27.27	16.52	14.23
Current Service Cost	1.99	1.94	0.81	0.77
Interest Cost	2.60	2.11	1.41	1.09
Actuarial Loss	1.39	0.65	1.64	1.62
Benefits paid	(-) 2.28	(-) 1.88	(-) 1.66	(-) 1.19
Defined Benefit Obligation as at the end of the year	33.79	30.09	18.72	16.52

#### Reconciliation of Opening and Closing balances of Fair Value of Plan Assets

Fair value of Plan Assets as at the beginning of the year	30.09	27.27	Nil	Nil
Expected Return on Plan Assets	1.91	1.71	Nil	Nil
Actuarial Gain	0.50	0.82	Nil	Nil
Employer contribution	3.57	2.17	1.66	1.19
Benefits paid	(-) 2.28	(-) 1.88	(-) 1.66	(-) 1.19
Fair Value of Plan Assets as at the end of the year	33.79	30.09	Nil	Nil

#### Actual Return on Plan Assets

Expected Return on Plan Assets	1.91	1.71	Nil	Nil
Actuarial Gain on Plan Assets	0.50	0.82	Nil	Nil
Actual Return on Plan Assets	2.41	2.53	Nil	Nil

#### Reconciliation of Fair Value of Assets and Obligations

Fair Value of Plan Assets	33.79	30.09	Nil	Nil
Present value of Obligation	33.79	30.09	18.72	16.52
Difference	Nil	Nil	18.72	16.52
Unrecognized past service cost – non vested benefits	Nil	Nil	Nil	Nil
Amount recognized in Balance Sheet	Nil	Nil	18.72	16.52

#### Expense recognized during the year

Current Service Cost	1.99	1.94	0.81	0.77
Interest Cost	2.60	2.11	1.41	1.09
Expected return on plan assets	(-) 1.91	(-) 1.71	Nil	Nil
Actuarial Loss / (Gain)	0.89	(-) 0.17	1.64	1.62
Past service cost - non-vested benefits	Nil	Nil	Nil	Nil
Past service cost - vested benefits	Nil	Nil	Nil	Nil
Net Cost	3.57	2.17	3.86	3.48

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Rs. in Crores

Particulars	Post Retirement Gratuity Plan (Funded)		Leave Encashment Plan (Un-funded)	
	2014-15	2013-14	2014-15	2013-14

### Investment Details as on 31-03-2015

GOI Securities	-	0.07	Nil	Nil
High Quality Corporate Bonds	0.05	0.05	Nil	Nil
Funds with LIC	31.07	27.41	Nil	Nil
Bank balance	0.02	0.03	Nil	Nil
Interest & IT refund receivable	2.65	2.53	Nil	Nil
Total	33.79	30.09	Nil	Nil

### Actuarial assumptions

LIC 1996-98 Ultimate Table applied for service mortality rate	Yes	Yes	Yes	Yes
Discount rate p.a	7.70%	9.00%	7.70%	9.00%
Expected rate of Return on Plan Assets p.a	6.22%	6.22%	Nil	Nil
Rate of escalation in salary p.a	3.00%	3.50%	3.00%	3.50%

44. a) The lease rentals recognised on non-cancellable operating lease of aircraft on Joint venture basis in the Statement of Profit and Loss grouped under the head Travelling expenses are as detailed below:

Lease Payments

Contingent rent (Usage Charges)

2014-15	2013-14
1.38	1.42
1.56	1.20

- b) Operating Lease obligations payable for future periods from the Balance Sheet date:

Not Later than one Year

Later than one year and not later than five years

Later than five years

2.05	1.15
2.39	2.50
0.00	0.00



45. The Segment Information for the year ended 31<sup>st</sup> March, 2015 is detailed below:

	<b>Cement</b>		<b>Power from Windmills</b>		<b>Total</b>	
	<b>2014-15</b>	2013-14	<b>2014-15</b>	2013-14	<b>2014-15</b>	2013-14
<b>REVENUE:</b>						
Total Sales	<b>3,591.45</b>	3,615.27	<b>72.41</b>	83.82	<b>3,663.86</b>	3,699.09
Less : Inter Segment Sale			<b>18.97</b>	15.58	<b>18.97</b>	15.58
External Sales (Net)	<b>3,591.45</b>	3,615.27	<b>53.44</b>	68.24	<b>3,644.89</b>	3,683.51
Other income	<b>72.33</b>	48.13	<b>0.00</b>	23.77	<b>72.33</b>	71.90
Total Revenue	<b>3,663.78</b>	3,663.40	<b>53.44</b>	92.01	<b>3,717.22</b>	3,755.41
<b>RESULT:</b>						
Segment Result	<b>664.01</b>	420.67	<b>4.64</b>	41.23	<b>668.65</b>	461.90
Unallocated Income					<b>8.18</b>	7.55
Unallocated Expenses					<b>132.96</b>	133.25
Operating Profit					<b>543.87</b>	336.20
Interest Expense					<b>193.81</b>	188.13
Interest Income					<b>6.37</b>	6.27
Income tax - Current					<b>8.77</b>	(4.37)
- Deferred					<b>105.31</b>	21.01
Net Profit					<b>242.35</b>	137.70
<b>OTHER INFORMATION:</b>						
Segment Assets	<b>5,783.51</b>	5,580.45	<b>506.29</b>	553.58	<b>6,289.80</b>	6,134.03
Unallocated Assets					<b>780.48</b>	734.53
Total Assets					<b>7,070.28</b>	6,868.56
Segment Liabilities	<b>1,105.65</b>	1,081.03	<b>4.36</b>	4.00	<b>1,110.01</b>	1,085.03
Unallocated Liabilities					<b>3,315.08</b>	3,301.45
Total Liabilities					<b>4,425.09</b>	4,386.48
Capital Expenditure	<b>448.05</b>	532.57	<b>0.18</b>	1.28	<b>448.23</b>	533.85
Unallocated Capital Expenditure					<b>29.35</b>	36.03
Depreciation	<b>202.83</b>	251.19	<b>29.71</b>	41.15	<b>232.54</b>	292.34
Unallocated Depreciation					<b>17.34</b>	13.95
Non-Cash expenses other than Depreciation	<b>24.51</b>	10.18	<b>—</b>	—	<b>24.51</b>	10.18
Unallocated Non-Cash expenses other than Depreciation					<b>4.54</b>	12.90

46. Earnings per Share

Particulars	<b>2014-15</b>	2013-14
Net profit after tax (A) (Rs. in Crores)	<b>242.35</b>	137.70
Adjusted Weighted average number of Equity shares including unallotted Bonus shares (B) (in Crores)	<b>23.83</b>	23.83
Nominal value per equity share (in Rs.)	<b>1</b>	1
Basic & Diluted Earnings per share (A)/(B) (in Rs.)	<b>10</b>	6



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### 47. Disclosure of Related party transactions as per AS-18 for the year & previous year figures in bracket are as below:

#### Key Managerial Personnel

P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director

P.R.Venketrama Raja, Director

A.V. Dharmakrishnan, Chief Executive officer

#### Relative of Key Managerial personnel

P.R.Venketrama Raja, Director, Son of P.R.Ramasubrahmaneya Rajha

R.Nalina Ramalakshmi, Daughter of P.R.Ramasubrahmaneya Rajha

S.Sharada Deepa, Daughter of P.R.Ramasubrahmaneya Rajha

B.Sri Sandhya Raju, Daughter of P.R.Venketrama Raja

#### Amounts paid to Key Managerial Personnel (KMP)

Name of the Related Party	Amount	Nature of payment
P.R.Ramasubrahmaneya Rajha	18.75 (8.12)	Managerial Remuneration
	0.07 (0.73)	Interest
	0.38 (0.38)	Dividend
P.R.Venketrama Raja	0.04 (0.02)	Sitting fees
	0.00 (0.01)	Rent
	0.01 (0.01)	Dividend
A.V. Dharmakrishnan (HUF)	0.07 (0.07)	Rent

Enterprises over which the above persons exercise significant influence and with which the company had transactions during the year

Rajapalayam Mills Limited

Thanjavur Spinning Mill Limited

Sudharsanam Investments Limited

The Ramaraju Surgical Cotton Mills Limited

Sri Harini Textiles Limited

Ramco Management Private Limited

Ramco Industries Limited

Madurai Trans Carrier Limited

Rajapalayam Textile Limited

Sri Vishnu Shankar Mill Limited

Ontime Industrial Services Limited

JKR Enterprise Limited

Sandhya Spinning Mill Limited

Shri Harini Media Limited

#### Subsidiary Company

Ramco Windfarms Limited

#### Associate Company

Ramco Systems Limited

#### Public Trusts

Smt.Lingammal Ramaraju Shastra Prathishta Trust

PACR Sethurammam Charity Trust

Ramco Welfare Trust

PACR Sethurammam Charities

Raja Charity Trust

PAC Ramasamy Raja Education Charity Trust

The Ramco Cements Limited Educational and Charitable Trust



Transactions with the Relative of Key Managerial personnel and the Enterprises over which the above persons exercise significant influence and with which the company had transactions during the year are detailed below:

a) *Investments held jointly in APGPCL for which deposits received*

Name of the Related Party	Number of shares	% of holding	Interest free Security Deposit Received
Rajapalayam Mills Limited	3,48,400	21.68	0.130 (0.130)
The Ramaraju Surgical Cotton Mills Limited	3,08,200	19.16	0.115 (0.115)
Sri Vishnu Shankar Mill Limited	3,21,600	20.00	0.120 (0.120)
Sandhya Spinning Mill Limited	3,21,600	20.00	0.120 (0.120)
Sri Harini Textiles Limited	3,08,200	19.16	0.115 (0.115)

b) *Advance / inter-corporate deposit given*

Name of the Related Party	Maximum outstanding during the Year	Interest @ 10.5% / 12% p.a	Receivable as on 31-03-2015
Ramco Windfarms Limited	31.39 (31.39)	1.96 (Nil)	7.40 (31.39)

c) *Goods Sold*

i) *Sale of Cement*

Name of the Related Party	Value	Receivable as on 31-03-2015
Rajapalayam Mills Limited	0.20 (0.15)	Nil (Nil)
Ramco Industries Limited	29.07 (30.14)	0.02 (Nil)
Sandhya Spinning Mill Limited	0.02 (0.01)	Nil (Nil)
Sri Vishnu Shankar Mill Limited	0.02 (0.02)	Nil (Nil)
Thanjavur Spinning Mill Limited	0.02 (0.06)	Nil (Nil)
Sri Harini Textiles Limited	0.00 (0.00)	Nil (Nil)
The Ramaraju Surgical Cotton Mills Limited	0.08 (0.23)	0.00 (Nil)
Raja Charity Trust	0.44 (1.36)	0.02 (0.18)
PAC Ramasamy Raja Education Charity Trust	0.15 (0.08)	Nil (Nil)
Rajapalayam Textile Limited	0.00 (Nil)	Nil (Nil)
JKR Enterprise Limited	1.38 (Nil)	0.21 (Nil)
B.Sri Sandhya Raju	0.01 (Nil)	Nil (Nil)

ii) *Sale of Electrical energy*

Name of the Related Party	Value	Receivable as on 31-03-2015
Thanjavur Spinning Mill Limited	0.91 (2.85)	Nil (Nil)
The Ramaraju Surgical Cotton Mills Limited	1.15 (0.98)	Nil (Nil)
Sri Vishnu Shankar Mill Limited	2.33 (2.89)	Nil (Nil)
Rajapalayam Mills Limited	6.70 (5.73)	Nil (Nil)
Sandhya Spinning Mill Limited	2.71 (2.46)	Nil (Nil)
Ramco Industries Limited	2.19 (1.20)	Nil (Nil)
Rajapalayam Textile Limited	0.27 (Nil)	Nil (Nil)

## THE RAMCO CEMENTS LIMITED

### iii) Sale of Fly ash

Name of the Related Party	Value	Receivable as on 31-03-2015
Ramco Industries Limited	0.21 (0.21)	Nil (Nil)

### iv) Sale of Dry Mortar Mix

Name of the Related Party	Value	Receivable as on 31-03-2015
Rajapalayam Mills Limited	0.00 (Nil)	Nil (Nil)

### v) Sale of Stores & Spares

Name of the Related Party	Value	Receivable as on 31-03-2015
Ramco Windfarms Limited	1.97 (Nil)	Nil (Nil)

### d) Goods & services purchased /availed

Name of the Related Party	Value of Goods / Services	Payable as on 31-03-2015	Nature of goods / services
Ramco Industries Limited	2.93 (0.53)	Nil (Nil)	Purchase of fiber sheets & silicate boards
Ramco Systems Limited	10.84 (22.19)	0.22 (- 0.15)	Purchase of software and availing software related services.
Smt.Lingammal Ramaraju Shastra Prathishta Trust	5.72 (3.33)	(-) 0.72 (-1.44)	Purchase of Diesel & Petrol. Rs.0.72 Crores remain unadjusted advance.
PACR Sethurammam Charity Trust	0.81 (5.81)	(-) 0.50 (-0.70)	Purchase of Diesel, Petrol, Tyres & Lube oil. Rs.0.50 Crores remain unadjusted advance.
Ramco Welfare Trust	3.84 (6.12)	(-) 1.08 (-0.28)	Purchase of Diesel, Petrol & Lube oil. Rs.1.08 Crores remain unadjusted advance.
PACR Sethurammam Charities	0.32 (0.57)	Nil (Nil)	Purchase of Diesel & Petrol.
Ontime Industrial Services Limited	140.25 (105.86)	(-) 1.17 (-4.04)	Services of Transport of cement availed. Rs.1.17 Crores remains unadjusted advance.
	5.44 (3.14)	Nil (Nil)	Manpower supply services.
Shri Harini Media Limited	0.32 (Nil)	Nil (Nil)	Magazine subscription and advertisement

### e) Corporate Guarantee given

Beneficiary	Bank Name	Guarantee Amount
Thanjavur Spinning Mill Limited	Axis Bank Ltd	35.00 (35.00)
	Tamilnadu Mercantile Bank Ltd	33.00 (48.00)
Ramco Systems Limited	ING Vysya Bank Ltd	82.00 (82.00)
	ICICI Bank Ltd	100.00 (100.00)
	Kotak Mahindra Bank Ltd	30.00 (50.00)
	Indusind Bank Ltd	Nil (25.00)
	Karur Vysya Bank Ltd	Nil (25.00)
	Aditya Birla Finance Ltd	18.00 (18.00)
	TATA Capital Financial Services Ltd	20.00 (25.00)
Sandhya Spinning Mill Limited	Indian Bank	34.38 (59.38)
Raja Charity Trust	Indian Overseas Bank	70.00 (70.00)
	Pandyan Grama Bank	30.00 (30.00)
Ramco Windfarms Limited	HDFC Bank Ltd	23.50 (Nil)



f) *Rent Received*

Name of the Related Party	Rent received	Receivable as on 31-03-2015
Ramco Systems Limited	7.97 (7.97)	Nil (Nil)
Raja Charity Trust	0.22 (Nil)	0.14 (Nil)
Ramco Windfarms Limited	0.07 (Nil)	Nil (Nil)

g) *Amount received by virtue of joint ownership of shares of APGPCL*

Name of the Related Party	Amount	Receivable as on 31-03-2015
Rajapalayam Mills Limited	0.02 (0.04)	Nil (Nil)
The Ramaraju Surgical Cotton Mills Limited	0.02 (0.03)	Nil (Nil)
Sri Vishnu Shankar Mill Limited	0.02 (0.04)	Nil (Nil)
Sandhya Spinning Mill Limited	0.02 (0.04)	Nil (Nil)
Sri Harini Textiles Limited	0.02 (0.03)	Nil (Nil)

h) *Sale of fixed assets*

Name of the Related Party	Sale of jointly owned Aircraft	Receivable as on 31-03-2015
Madurai Trans Carrier Limited	Rs.3.04 (Nil)	Rs.3.04 (Nil)

i) *Assets held jointly*

1) *Owned Aircraft*

Name of the Related Party	Share of joint ownership in Aircraft
Ramco Industries Limited	16.67% (16.67%)

*Note: The above asset was sold during the year*

2) *Aircraft on operating lease*

Name of the Related Party	Share of joint interest in Aircraft
Ramco Industries Limited	16.67% (16.67%)

j) *Donations given*

Name of the Related Party	Purpose	Donations given
The Ramco Cements Limited Educational and Charitable Trust	For running of school education	0.90 (0.02)

k) *Investments in Associate Company*

Name of the Related Party	Value	Particulars
Ramco Systems Limited	51.15 (Nil)	Rights issue of 33,00,000 equity shares for Rs.155/- per share.

l) *Advances recoverable*

Name of the Related Party	Receivable as on 31-03-2015	Interest received
The Ramco Cements Limited Educational and Charitable Trust	1.06 (1.04)	0.00 (Nil)

## THE RAMCO CEMENTS LIMITED

### m) Rent Paid

Name of the Related Party	Rent paid	Payable as on 31-3-2015
Raja Charity Trust	0.00 (0.00)	Nil (Nil)

### n) Dividend Received

Name of the Related Party	Cost of investment in Equity shares as on 31-03-2015	Dividend received
Rajapalayam Mills Limited	8.12 (8.12)	0.18 (0.44)
Ramco Industries Limited	20.54 (20.54)	0.33 (0.27)
Sri Vishnu Shankar Mill Limited	0.01 (0.01)	0.00 (0.00)
Ramco Systems Limited	88.06 (36.91)	Nil (Nil)
Ramco Windfarms Limited	0.72 (0.72)	Nil (Nil)

### o) Dividend Paid

Name of the Related Party	Dividend paid
Rajapalayam Mills Limited	3.29 (3.29)
Ramco Industries Limited	4.93 (4.93)
Sri Vishnu Shankar Mill Limited	0.39 (0.39)
The Ramaraju Surgical Cotton Mills Limited	0.36 (0.36)
Sudharsanam Investments Limited	0.30 (0.30)
Ramco Management Private Limited	0.05 (0.05)

### p) Shared office space

Name of the Related Party	Amount paid	Details
Ramco Industries Limited	1.94 (Nil)	One time contribution towards share of capital expenditure for interior and furnishings of office space

# CONSOLIDATED FINANCIAL STATEMENTS

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Information, as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiary / Associate

Name of the Entity	Net Assets i.e., total assets minus total liabilities		Share in Profit/Loss	
	As % of Consolidated net assets	Rs. in Crores	As % Consolidated profit / loss	Rs. in Crores
<b>Parent</b> The Ramco Cements Limited	96.47	2,532.82	98.46	242.35
<b>Subsidiaries</b> <b>Indian</b> Ramco Windfarms Limited	0.06	1.51	0.40	0.97
<b>Minority Interest in Subsidiary</b>	0.02	0.61	0.15	0.38
<b>Associates (Investments as per the Equity Method)</b> <b>Indian</b> Ramco Systems Limited	3.45	90.68	1.14	2.81



# THE RAMCO CEMENTS LIMITED

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## INDEPENDENT AUDITOR'S REPORT

### To The Members of The Ramco Cements Limited

#### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of THE RAMCO CEMENTS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") its associate, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

2. The Holding 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 consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

- 3.1 Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 3.2 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 consolidated financial statements are free from material misstatement.

- 3.3 An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
- 3.4 We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

#### Other Matter Paragraph

- 5.1 The financial statements of the subsidiary company have been audited by one of us. The financial statements / financial information of subsidiary company, reflect total assets of Rs.33.01 crores as at March 31, 2015, total revenues of Rs.10.53 crores and net cash flows amounting to Rs. 0.21 crores for the year ended on that date, as considered in the consolidated financial statements.
- 5.2 The financial statements of the associate company have been audited by one of us. The consolidated financial statements include the Group's share of net profit of Rs. 2.81 crores of the associate for the year ended March 31, 2015.
- 5.3 Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below,



is based on the financial statements/ financial information certified by the Management.

### Emphasis of Matter

6. We draw attention to Note No. 28.13 in standalone financial statements of Holding Company regarding imposing of penalty of Rs.258.63 Crores on the Holding Company by the Competition Commission of India for alleged cartelization with select cement manufacturers. The Holding Company has filed an appeal against the order before Competition Appellate Tribunal. The Holding Company believes that it has got a good case and has not considered any provision as necessary. Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

- 7.1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary company and associate company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 7.2 As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- 7.2.1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- 7.2.2 In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

- 7.2.3 The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- 7.2.4 In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- 7.2.5 On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of the subsidiary company and associate company, none of the directors of the Group and its associate company is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- 7.3 With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- 7.3.1 The details of the pending litigations and its impact on the Financial Statements have been disclosed in the standalone financial statements.

- 7.3.2 The Group and associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- 7.3.3 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate.

For M.S.Jagannathan & N.Krishnaswami  
Chartered Accountants  
Firm Registration No. 001208S  
K.Srinivasan  
Partner  
Membership No. 021510

Chennai  
29-May-2015

For CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.Gangadaran  
Partner  
Membership No. 011205

### ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to item no. 6.1 of paragraph 'Report on Other Legal and Regulatory Requirements' paragraph of Independent Auditors Report on the Consolidated Financial Statements

Our reporting on the Order includes one subsidiary company and one Associate company, to which the Order is applicable, which have been audited by one of us, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

#### 1. Fixed assets

- 1.1. The Group and the Associate Company have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2. The management of the Group and Associate Company, at reasonable intervals have physically verified the fixed assets of the respective companies and no material discrepancies were noticed on such verification.

#### 2. Inventories

- 2.1. The Management of the Group and Associate Company has conducted physical verification of its inventory at reasonable intervals.
- 2.2. The procedure for physical verification of inventory followed by the management of the Group and Associate Company is reasonable and is adequate in relation to the size of the respective companies and the nature of its businesses.
- 2.3. On the basis of our examination of the records of inventory, we are of the opinion that the Group and Associate Company are maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

#### 3. The Holding Company has granted loan aggregating to Rs.7.40 crores (PY: Rs.219.00 crores) during the year to one party listed in the Register maintained under Section 189 of the Act. The maximum outstanding at any time during the year Rs.7.40 crores (PY: Rs. 51.00 crores) and the amount outstanding as on March 31,2015 is Rs.7.40 crores (PY: Nil). The Subsidiary Company and Associate Company have not granted any loan to the parties specified under Section 189 of the Act. In respect of Holding Company:

- 3.1. The receipts of principal amounts and interest have been regular; and
- 3.2. There are no overdue amounts in respect of the loans granted to the parties listed in the register maintained under Section 189 of the Act.

4. There are adequate internal control systems commensurate with the size of the companies and the nature of its businesses with regard to purchase of inventory and fixed assets and for the sale of goods and services of the Group and Associate Company. We have not observed any major weakness in the internal control system during the course of the audit.
5. The Group and Associate Company have not accepted any deposits within the meaning of Companies (Acceptance of Deposits) Rules 2014, from the public during the year. The Deposits accepted by the respective companies before the Commencement of the Act have been repaid as per the provisions of Section 74 of the Act except unclaimed deposits amounting to Rs.0.07 Crores in the case of the Holding Company. No order has been passed by the Company Law Board or the National Company Law Tribunal or by any court or by any other Tribunal against the Company.
6. The Holding Company is maintaining the accounts and records which have been specified by the Central Government under Section 148(1) of the Act. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Government of India under Section 148 of the Act, are not applicable to subsidiary company and associate company for the year under audit.
7. According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues of the Group and its associate company:
  - 7.1. The Group and the Associate Company are regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they become payable.
  - 7.2. Details of dues towards Income Tax, Sales Tax, CST, Value Added Tax, Excise Duty, Custom Duty and Wealth tax that have not been deposited as at March 31, 2015 on account of disputes by the aforesaid entities are as stated below:



Sl. No	Name of the Statute	Forum where dispute is pending	Rs. In Crores
1	Income Tax Act	High Court	13.21
2	Sales Tax Act	Appellate Tribunal	5.52
		High Court	0.02
3	CST Act	High Court	0.07
		Appellate Deputy Commissioner (CT)	0.02
4	VAT Act	Assistant/ Deputy Commissioner, Appeals	5.15
		Assessing Authority	4.47
		Appellate Tribunal	0.45
		High Court	79.40
5	Central Excise Act & Cenvat Credit Rules	Asst./Deputy/Additional Commissioner	295.40
		Commissioner, Appeals	1.03
		Appellate Tribunal	140.52
		High Court	4.85
		Supreme Court	15.50
6	Customs Act	High Court	29.05
7	Wealth Tax Act	Commissioner of Wealth Tax (Appeals)	0.05
	<b>Total</b>		<b>594.71</b>

7.3. The amounts which were required to be transferred by the Group and Associate Company to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder, have been transferred to such fund within time by the aforesaid entities.

8. The Group and its associate company do not have consolidated accumulated losses at the end of the financial year and the Group, its associate company have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
9. The Group and its associate company have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
10. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Holding Company for loans taken by others from banks and financial institutions are not, prejudicial to the interests of the respective companies.
11. The term loans have been applied by the Group and its associate company during the year for the purposes for which they were obtained.
12. No material fraud on or by the Group or Associate Company has been noticed or reported during the course of audit.

For M.S.Jagannathan & N.Krishnaswami  
Chartered Accountants  
Firm Registration No. 001208S  
K.Srinivasan  
Partner  
Membership No. 021510

Chennai  
29-May-2015

For CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.Gangadaran  
Partner  
Membership No. 011205

# THE RAMCO CEMENTS LIMITED

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

			Rs. In Crores
		As at	As at
	Note No.	31-03-2015	31-03-2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	23.81	23.80
Reserves and Surplus	4	2,601.81	2,435.13
		<u>2,625.62</u>	<u>2,458.93</u>
<b>Minority Interest</b>	4 (a)	0.61	0.22
<b>Non Current Liabilities</b>			
Long Term Borrowings	5	1,727.34	1,520.35
Deferred Tax Liabilities (net)	6	827.61	737.26
Other Long Term Liabilities	7	404.89	383.47
Long Term Provisions	8	39.90	40.61
		<u>2,999.74</u>	<u>2,681.69</u>
<b>Current Liabilities</b>			
Short Term Borrowings	9	553.61	723.62
Trade Payables		219.85	175.90
Other Current Liabilities	10	552.59	740.92
Short Term Provisions	11	122.79	64.22
		<u>1,448.84</u>	<u>1,704.66</u>
<b>Total</b>		<u><u>7,074.81</u></u>	<u><u>6,845.50</u></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	12		
Tangible Assets		4,770.85	4,508.83
Intangible Assets		111.61	140.91
Capital Work in Progress		257.58	349.52
Intangible Assets under Development		5.14	4.31
Non Current Investments	13	357.73	282.69
Long term Loans and Advances	14	367.25	338.68
Other Non Current Assets	15	2.06	1.62
		<u>5,872.22</u>	<u>5,626.56</u>
<b>Current Assets</b>			
Inventories	16	521.65	685.53
Trade Receivables	17	380.22	303.96
Cash and Bank Balances	18	62.86	45.40
Short Term Loans and Advances	19	234.54	175.20
Other Current Assets	20	3.32	8.85
		<u>1,202.59</u>	<u>1,218.94</u>
<b>Total</b>		<u><u>7,074.81</u></u>	<u><u>6,845.50</u></u>
See accompanying notes to the financial statements			

As per our report annexed

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.GANGADARAN  
Partner  
Membership No. 011205

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director  
  
S.VAITHIYANATHAN  
Chief Financial Officer  
  
K.SELVANAYAGAM  
Secretary

P.R.VENKETRAMA RAJA  
R.S.AGARWAL  
M.M.VENKATACHALAM  
Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

Chennai  
29-05-2015



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

			Rs. In Crores
	Note No.	2014-15	2013-14
<b>REVENUE</b>			
Revenue from Operations	21	3,655.35	3,683.52
Other Income	22	84.92	63.29
<b>Total Revenue</b>		<b>3,740.27</b>	<b>3,746.81</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	23	677.33	669.86
Changes in Inventories of Finished Goods and Work-in-progress	24	3.21	19.80
Employee Benefits Expense	25	229.29	221.83
Finance Costs	26	195.14	188.13
Depreciation and Amortization Expenses	12,13 & 31	251.24	306.43
Other Expenses	27	2,025.62	2,209.75
<b>Total Expenses</b>		<b>3,381.83</b>	<b>3,615.80</b>
<b>Profit Before Tax</b>		<b>358.44</b>	<b>131.01</b>
<b>Tax Expenses</b>			
Current Tax		75.28	32.30
MAT Credit Recognition for Current year		(60.23)	(22.03)
MAT Credit Recognition for Previous year		(6.28)	(14.64)
Net Current tax expenses / (benefit)		8.77	(4.37)
Deferred Tax		105.97	20.90
<b>Total Tax Expenses</b>		<b>114.74</b>	<b>16.53</b>
<b>Profit for the year before Minority Interest and Share of profit/(loss) of Associate</b>		<b>243.70</b>	<b>114.48</b>
Less: Minority Interest		0.38	(0.07)
Add: Share of Profit/(Loss) of Associate		2.81	—
<b>Profit for the year</b>		<b>246.13</b>	<b>114.55</b>
Earnings per Equity Share of face value of Rs.1 each	39		
Basic and Diluted in Rupees		10	5
See accompanying notes to the financial statements			

As per our report annexed

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.GANGADARAN  
Partner  
Membership No. 011205

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director  
S.VAITHIYANATHAN  
Chief Financial Officer  
K.SELVANAYAGAM  
Secretary

P.R.VENKETRAMA RAJA  
R.S.AGARWAL  
M.M.VENKATACHALAM  
Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

Chennai  
29-05-2015



## THE RAMCO CEMENTS LIMITED

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

Rs. In Crores

	2014-15	2013-14
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit before Tax and Extraordinary Items</b>	<b>358.44</b>	<b>131.01</b>
Adjustments for:		
(Profit)/Loss on sale of Assets	(0.25)	0.57
Bad Debts written off	0.65	0.60
Depreciation & Amortization	251.24	306.43
Impairment Loss on Assets	1.60	0.54
Dividend Received & Re-invested	(0.03)	(0.01)
Provision for Leave Encashment	2.20	2.29
Amortised Premium on Forward Contract	2.09	7.10
Interest & Dividend received	(5.04)	(7.03)
Rent Received	(7.48)	(7.29)
Interest paid	192.98	178.06
Reversal of Provision for diminution in value of investment	(0.03)	(0.03)
Exchange Difference on Forex Transactions	0.07	2.97
Amortisation of Intangible Assets	22.44	9.58
<b>Operating Profit before working capital changes</b>	<b>818.88</b>	<b>624.79</b>
Adjustments for:		
Trade and other receivables	(6.55)	(60.90)
Earmarked Balances with Banks	0.20	(0.93)
Inventories	163.88	(90.78)
Trade payables	15.45	76.22
<b>Cash generated from Operations</b>	<b>991.86</b>	<b>548.40</b>
Direct Taxes paid	(68.67)	(39.82)
<b>Net Cash from Operating Activities</b>	<b>923.19</b>	<b>508.58</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets and Investment Properties (Including Capital work-in-progress and Capital Advances)	(474.29)	(619.52)
Proceeds from sale of Fixed Assets	3.63	32.00
Interest & Dividend received	5.04	7.03
Investment in Equity Shares of Associate	(51.15)	—
Rent Received	7.48	7.29
Proceeds from Sale of Investments	0.70	0.50
Capital Subsidy Received	—	1.50
<b>Net Cash Used in Investing Activities</b>	<b>(508.59)</b>	<b>(571.20)</b>



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

Rs. In Crores

		2014-15	2013-14
<b>Cash flow from financing activities</b>			
Proceeds from issue of Equity Shares		—	0.29
Proceeds from Long Term Borrowings		700.00	841.50
Repayment of Long Term Borrowings		(706.00)	(715.29)
Repayment of Short Term Borrowings (net)		(170.08)	132.57
Payment of dividend and Tax thereon		(27.88)	(27.88)
Interest paid		(192.98)	(178.06)
<b>Net Cash (Used) / Generated from Financing Activities</b>	C	<b>(396.94)</b>	<b>53.13</b>
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	(A+B+C)	<b>17.66</b>	<b>(9.49)</b>
<b>Opening balance of Cash and Cash equivalents</b>	D	<b>40.19</b>	<b>49.68</b>
<b>Closing balance of Cash and Cash equivalents</b>	E	<b>57.85</b>	<b>40.19</b>
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	(E-D)	<b>17.66</b>	<b>(9.49)</b>
<b>Earmarked Balances with Banks (*)</b>	F	<b>5.01</b>	<b>5.21</b>
<b>Closing Cash and Bank Balances</b>	(E+F)	<b>62.86</b>	<b>45.40</b>

(\*) These balances are not available for use by the Company as they represent unpaid dividend liabilities and deposits held as security.

See accompanying notes to the financial statements

As per our report annexed

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

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Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

Chennai  
29-05-2015

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate Information

The Ramco Cements Limited, formerly known as Madras Cements Ltd, is a public limited company domiciled and headquartered in India and incorporated under the provisions of Companies Act. Its shares are listed in BSE Limited, and National Stock Exchange of India Limited. The Company is engaged in manufacture of Cement, Ready-mix concrete, and Dry Mortar products. The company caters mainly to the domestic markets. The company is also engaged in sale of surplus electricity generated from its windmills and thermal power plants after meeting its captive requirements.

### 2. Significant Accounting Policies

#### 2.1 Basis of Preparation and Presentation of Consolidated Financial Statements (CFS)

2.1.1. The CFS have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, and in compliance of the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, as applicable. Pursuant to General Circular No.39/2014 dated 14-10-2014 issued by the Ministry of Corporate Affairs that the disclosures made already under the standalone financial statements are not merely repeated and thus the disclosures that are relevant arising out of consolidation have only been presented.

2.1.2 The CFS comprises the financial statements of The Ramco Cements Limited, its Subsidiary company and Associate Company. The list of Companies which are included in consolidation and the Parent Company's holding and voting rights therein are as under:

Name of the Company	% of Holding		% of Voting rights	
	2014-15	2013-14	2014-15	2013-14
Subsidiary:				
Ramco Windfarms Limited	71.50	71.50	71.50	71.50
Associate:				
Ramco Systems Limited	22.21	13.35	22.21	13.35

The above Companies are incorporated in India and financial statements of the respective companies are drawn up to the same reporting date as that of the parent company (i.e.) 31-03-2015.

2.1.3 The Accounting policies that are adopted in preparation of the CFS are consistently followed as in the previous year except for change in the accounting policy for depreciation, as adopted consistently by the Company.

2.1.4 Pursuant to the notification of Schedule II to the Companies Act, 2013 for computation of Depreciation with effect from 01-04-2014, the Company revised the useful life of its assets to align the useful life specified in Schedule II of the said Act.

2.1.5 The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value. The carrying amount of the asset on 01-04-2014, after retaining the residual value, is adjusted in the Retained earnings, where the remaining useful life of an asset is Nil.

2.1.6 Assets individually costing Rs.5,000/- or less that were fully depreciated earlier in the year of purchase, are now depreciated based on the useful life considered by the Company for the respective category of assets.

2.1.7 The CFS is presented in Indian Rupees rounded to the nearest Crores with two decimals. The amount below the round off norm adopted by the company is denoted as Rs.0.00 Crores

2.1.8 The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2.1.9 The Company has considered its operating cycle as 12 months for the purpose of Current or Non-current classification of Assets and Liabilities.

2.1.10 Previous year figures are regrouped / restated wherever necessary. In respect of Associate Company previous year figures have not been presented since the current financial year being the first year of consolidation.

#### 2.2 Principles of Consolidation

2.2.1 The CFS of the parent company and its subsidiary company have been consolidated on a line-by-line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses, after elimination of intra-group balances and intra-group transactions resulting in unrealized Profits/Losses.

2.2.2 The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and is presented, to the extent possible, in the same manner as the parent company's standalone financial statements.

2.2.3 Minority interest in the net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet separately from Liabilities and Equity of the parent company's shareholders.



Minority interest in the net assets of consolidated subsidiary consists of:

- a) The amount of subscribed equity share capital attributable to minority shareholders during the year.
- b) The minority share of movement in equity since the date the parent subsidiary relationship came into existence.

2.2.4 The CFS include the share of profit / loss of the Associate Company, since the Parent company directly holds more than 20% of equity in the Associate Company, which has been accounted using equity method as per AS-23, Accounting of Investments in Associates in Consolidated Financial Statements. Accordingly, the share of Profit / loss of the associate company (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

2.2.5 The difference between the cost of investment in the associate and the Company's share of net assets at the time of acquisition of share in the associate is identified in the CFS as Goodwill or Capital reserve on Consolidation as the case may be. The Goodwill arising on consolidation is not amortised but tested for impairment.

## 2.3 Use of Estimates

The Preparation of CFS in accordance with the Generally Accepted Accounting Principles requires management to make judgements, 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 upon management's best knowledge of current events and actions, actual results could differ from these estimates in the future periods.

## 2.4 Inventories

2.4.1 Raw-materials, Components, Stores & Spares, Fuel, Packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realizable value whichever is lower. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

2.4.2 Process Stock is valued at weighted average cost, including the cost of conversion with systematic allocation of production and administration overheads.

2.4.3 Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition including excise duty.

## 2.5 Cash Flow Statement

2.5.1 Cash flows are presented using indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

2.5.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into cash.

## 2.6 Depreciation & Amortisation

2.6.1 Depreciation has been provided for Tangible Assets on straight-line basis as per the useful life prescribed in Schedule II to the Companies Act, 2013. Intangible Assets are amortised over their estimated useful life on straight line method. This is included under "Depreciation & Amortisation"

2.6.2 Extraction of mineral reserves is specifically excluded from the purview of AS-26; hitherto amortisation was not done for this intangible asset viz., "Mining rights". However after introduction of Schedule II to the Companies Act, 2013, all assets including intangible assets are to be depreciated / amortised in accordance with its useful life (i.e.) based on remaining period of extraction rights as per the mining lease agreement. Accordingly, amortisation is provided during the year and the same is included under "Depreciation & Amortisation" and to that extent there is a change in accounting policy during the year.

2.6.3 The amortisation of intangible assets relating to development and reclamation of mines are included under "Cost of materials consumed."

2.6.4 The amortisation of intangible assets relating to installation of power transmission lines in connection with sale of power to Tamil Nadu Electricity Board is adjusted against "Profit on Sale of Power from TPP".

2.6.5 The amortisation of intangible assets relating to installation of power transmission lines in connection with purchase of power from Tamil Nadu Electricity Board is included under "Power & Fuel"

2.6.6 The useful life adopted for amortisation for computer software meant for process control is same as applicable to respective plant and equipments. For other software the useful life adopted is six years.

2.6.7 The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year to reflect the changed pattern, if any.

## 2.7 Revenue Recognition

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

## THE RAMCO CEMENTS LIMITED

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### 2.7.2 Revenue from operations:

- a. Sale of products is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. It excludes Excise duty, Education Cess, Secondary and Higher education cess, VAT / CST, trade discounts, rebates and returns.

- b. Industrial Promotion Assistance (IPA) is recognised when the company's right to receive the same is established with reasonable certainty.

- c. Power generated from Windmills:

Power generated from windmills that are covered under power purchase agreement with TANGEDCO are sold to State Electricity Boards at the rate fixed by respective State Electricity Regulatory Commissions and the income is included in Value of power generated from windmills.

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO, KPTCL & BESCOM are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue because it is inter-divisional transfer.

### 2.7.3 Other income:

- a. Interest income and Rental income are recognised on time proportion basis.
- b. Dividend income is recognised when the company's right to receive dividend is established.
- c. Scrap sales does not include Excise duty, Education Cess, Secondary and Higher education cess, VAT / CST.
- d. Profit on sale of Power from TPP, arising out of sale of surplus electricity generated from its thermal power plants after meeting its captive requirements, is recognised net off expenses attributable to it.

## 2.8 Tangible Fixed Assets

- 2.8.1. Tangible Fixed Assets are stated at cost of acquisition (net of CENVAT / VAT wherever applicable) less accumulated depreciation / amortisation and impairment losses if any, except freehold land which is carried at cost. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Machinery spares that are purchased along with the original equipments, machineries which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future

benefits from the asset beyond its previously assessed standard of performance.

All other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

- 2.8.2 Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

- 2.8.3 Gains or losses arising from disposal of fixed assets, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss.

- 2.8.4 Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, including related expenses and attributable interest are recognised as capital work-in-progress.

## 2.9 Foreign currency transactions

- 2.9.1 All transactions in foreign currency are initially recognised at the exchange rates prevailing on that date.

- 2.9.2 Monetary assets and liabilities in foreign currencies outstanding at the year end are translated at the rates prevailing on Balance Sheet date and the resultant gains or losses are recognised during the year.

- 2.9.3 In respect of forward exchange contracts to hedge currency risks, the difference between the forward rate and the exchange rate at the inception of a forward exchange contract is recognised as income or expense amortized over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contract is recognised as income or expense in the period in which such cancellation or renewal is made.

- 2.9.4 The Exchange differences arising on such contracts as on Balance Sheet date are recognised as income or expenses along with the exchange differences of the underlying assets and liabilities

## 2.10 Government Grants

- 2.10.1 Revenue related grants are recognised on accrual basis wherever there is reasonable certainty and are disclosed under other operating income. Receivables of such grants are shown under Loans and Advances.

- 2.10.2 Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under Loans and Advances.





2.10.3 Capital related grant is accounted as “Capital Subsidy” under Reserves and Surplus upon fulfilment of conditions attached thereto and is not adjusted against Fixed Assets.

## **2.11 Investments**

2.11.1 All investments being non-current and non-trade are valued at cost. Costs of investments include acquisition charges such as brokerage, fees and duties.

2.11.2 The carrying amount of long term investments is determined on an individual investment basis.

2.11.3 As at the Balance Sheet date, provision for diminution is made to recognise the decline other than temporary, in the value of investments. The reduction in carrying amount is charged to Statement of Profit and Loss. This reduction amount is reversed when there is a rise in the value of investment other than temporary.

## **2.12 Investment Properties**

2.12.1 An investment in land or buildings, which are not intended to be occupied substantially for use by, or in the operations of the company, are classified as investment properties.

2.12.2 Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

2.12.3 Depreciation on buildings under investment properties are calculated on straight-line based on useful life prescribed in Schedule II to the Companies Act, 2013.

2.12.4 Gains or losses arising from disposal of investment properties, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss.

## **2.13 Employee Benefits**

2.13.1 Short-term Employee Benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

2.13.2 Defined Contribution plan viz., Contributions to Provident fund and Superannuation fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.

2.13.3 The company contributes monthly to Employees’ Provident Fund & Employees’ Pension Fund administered by the Employees’ Provident Fund Organisation, Government of India, at 12% of employee’s basic salary.

2.13.4 The company also contributes for superannuation a sum equivalent to 15% of the officer’s eligible annual basic salary. Out of the said 15% contribution, a sum upto Rs.1 Lac per annum is remitted to “The Ramco Cements Limited

Officer’s Superannuation Fund” administered by trustees and managed by LIC of India. The balance amount, if any, is either remitted to National Pension System (NPS) subject to applicable ceiling or paid as salary at the option of employees. There are no other obligations other than the above defined contribution plans.

2.13.5 The Company has its own Defined Benefit Plan viz., an approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 day’s basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The company makes annual contributions to “The Ramco Cements Limited Employees’ Gratuity Fund” administered by trustees and managed by LIC of India, based on the Actuarial Valuation by an independent external actuary as at the Balance Sheet date using the Projected Unit Credit Method.

2.13.6 The company has a policy of providing encashment of unavailed leave to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external Actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

## **2.14 Borrowing costs**

2.14.1 Borrowing cost include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss.

2.14.2 Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of those assets upto the date of capitalisation of such asset.

## **2.15 Segment Reporting**

2.15.1 The company prepares its segment information in conformity with accounting policies adopted for preparing and presenting the CFS of the company as a whole.

2.15.2 The company identifies business segment as the primary segment. Under the primary segment, there are two reportable segments viz., Cement and Power generation from Windmills.

2.15.3 Segments were identified considering the nature of the products, the differing risks and returns. The inter-segment transfers of units of power from windmills are recognised at the applicable tariff rates of the electricity boards for the purpose of segment reporting as per the relevant accounting standard.



## THE RAMCO CEMENTS LIMITED

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2.15.4 The company caters mainly to the needs of the domestic market and thus there are no reportable geographical segments.

2.15.5 Costs are allocated to the respective segment based upon the actual incidence of respective cost. Unallocated items include general corporate income and expenses which are not allocated to any business segment.

### 2.16 Leases

2.16.1 Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease.

2.16.2 Operating lease receipts and payments are recognised in the Statement of Profit and Loss on accrual basis as per the lease terms.

### 2.17 Earnings per share

Net profit after tax is divided by the weighted average number of equity shares including unallotted Bonus shares outstanding during the year.

### 2.18 Income-tax

2.18.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961 and other applicable tax laws.

2.18.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability is recognised as an asset to the extent there is convincing evidence that the company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the company during the specified period. The said asset is recognised as "MAT Credit Entitlement", and the same is created by way of credit to the Statement of Profit and loss and shown as "MAT Credit Recognition". The company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the company will pay normal Income tax during the specified period.

2.18.3 Deferred tax is recognised on timing difference between taxable income and the accounting income that originates in one period and is capable of reversal in one or more subsequent periods. It is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

2.18.4 Deferred tax liability is recognised based on the accumulated timing difference using the tax rate that have been enacted or substantively enacted by the Balance Sheet date.

2.18.5 The deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation

and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. This is reviewed for realisability at each Balance Sheet date.

2.18.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the company has legally enforceable right for such set off.

2.18.7 Deferred tax relating to items directly recognised in reserves is recognised in reserves and not in the Statement of Profit and Loss.

### 2.19 Intangible Assets

2.19.1 The cost of land acquired under lease securing right to use of land for a term in connection with installation of plants is capitalised.

2.19.2 The cost incurred in connection with securing right to extract mineral reserves on lease are capitalised.

2.19.3 Costs incurred for development and reclamation of mines are capitalised and amortised over the expected beneficial period, not exceeding five years.

2.19.4 The costs of computer software that are installed including process control software are accounted at cost of acquisition of such software and its subsequent improvements thereon are carried at cost less accumulated amortisation and impairment, if any. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

2.19.5 Costs incurred for establishing power transmission system in connection with evacuation of power to Tamil Nadu Electricity Board from its Thermal Power Plants to sell its surplus power which are expected to yield enduring benefits are capitalised and amortised over the expected beneficial period, not exceeding five years.

2.19.6 Costs incurred for establishing power transmission system in connection with evacuation of power from Tamil Nadu Electricity Board to its Cement Grinding plant which are expected to yield enduring benefits are capitalised and amortised over the expected beneficial period, not exceeding five years.

### 2.20 Joint Ventures

The Accounts of the company reflect its share of jointly controlled asset which is accounted on the basis of Joint Venture Agreement.

### 2.21 Impairment of Assets

2.21.1 The carrying values of tangible assets, cash generating units and intangible assets at each Balance Sheet date are reviewed for impairment if any indication of impairment exists.



2.20.2 Tangible Asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. The intangible assets are treated as impaired when the asset is not available for use.

2.21.3 An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

## **2.22 Provisions, Contingent Liabilities and Contingent Assets**

2.22.1 Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made. Such provisions are not discounted to their present value except relating to retirement benefits. These

provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

2.22.2 Unprovided contingent liabilities are disclosed in the CFS. Contingent Assets are not recognised.

2.22.3 Insurance claims are accounted for on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

## **2.23 Research & Development expenditure**

Expenditure on Research & Development of revenue nature incurred by the Company is charged to Statement of Profit & Loss under the respective revenue heads, while those of capital nature are treated as fixed assets, under the respective asset heads and depreciated in accordance with the policies stated for Tangible Fixed Assets.

## THE RAMCO CEMENTS LIMITED

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

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 3</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
25,00,00,000 Equity Shares of Rs.1/- each	<b>25.00</b>	25.00
(PY: 25,00,00,000 Equity Shares of Rs.1/- each)		
<b>Issued, Subscribed and Fully paid-up</b>		
23,80,76,780 Equity Shares of Rs.1/- each	<b>23.81</b>	23.80
(PY: 23,79,69,380 Equity Shares of Rs.1/- each)		

Note:

2,33,600 bonus shares of Rs.1/- each (PY:3,41,000 bonus shares of Rs.1/- each) remain unallotted pending completion of required formalities.

#### (i) Reconciliation of the number of shares outstanding

Number of equity shares outstanding at the beginning of the year	<b>23,79,69,380</b>	23,79,69,380
Fresh Issue of Equity Shares	—	—
Bonus Issue allotted during the year	<b>1,07,400</b>	—
Equity shares bought back during the year	—	—
Number of Equity shares outstanding at the end of the year	<b>23,80,76,780</b>	23,79,69,380

Note:

1,07,400 Equity shares of Rs.1/- each allotted as fully paid Bonus Shares by capitalization of General Reserve, after completion of required formalities

#### (ii) Term/Rights attached to Equity Shares

The Company has one class of equity shares having a face value of Rs.1/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

#### (iii) Details of Shareholders holding more than 5 percent in the Company

	No. of Shares	% of holding	No. of Shares	% of holding
Ramco Industries Limited	<b>4,93,12,420</b>	<b>20.71</b>	4,93,12,420	20.72
Rajapalayam Mills Limited	<b>3,29,05,000</b>	<b>13.82</b>	3,29,05,000	13.83
Aberdeen Global-Asian Smaller Companies Fund	<b>93,93,613</b>	<b>3.95</b>	1,42,94,113	6.01

Aggregate number of equity shares of Rs.1 each allotted as fully paid up by way of Bonus Shares during the period of five years immediately preceding the reporting date:

**1,07,400**



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

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 4</b>		
<b>RESERVES AND SURPLUS</b>		
Capital Redemption Reserve	1.38	1.38
Capital Subsidy	1.50	1.50
General Reserve:		
Balance as per last financial statement	2,355.40	2,255.27
Less : Unallotted Bonus Shares Allotted during the year	0.01	—
Add: Balance transferred from surplus balance in the Statement of Profit and Loss	163.11	100.13
<b>Closing Balance</b>	<b>2,518.50</b>	<b>2,355.40</b>
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		
Balance as per last financial statement	76.85	90.31
Less: Depreciation Adjustment on transition to Schedule II of the Companies Act, 2013 on fixed assets net of deferred tax (Note 31)	36.42	—
Add: Profit for the year	246.13	114.55
<b>Balance available for appropriations</b>	<b>286.56</b>	<b>204.86</b>
Less: Appropriations:		
Proposed Equity Dividend (Rs.1.50 per share; PY: Rs.1/- per share)	35.75	23.83
Tax on proposed Equity Dividend	7.27	4.05
Transfer to General reserve	163.11	100.13
<b>Total Appropriations</b>	<b>206.13</b>	<b>128.01</b>
<b>Net surplus in the Statement of Profit and Loss</b>	<b>80.43</b>	<b>76.85</b>
<b>Total</b>	<b>2,601.81</b>	<b>2,435.13</b>
<b>NOTE 4 (a)</b>		
<b>MINORITY INTEREST</b>		
Minority share of Capital in Subsidiary	0.29	0.29
Minority share of Profit/ (Loss) in Subsidiary	0.32	(0.07)
<b>Total</b>	<b>0.61</b>	<b>0.22</b>
<b>NOTE 5</b>		
<b>LONG TERM BORROWINGS</b>		
<b>Secured</b>		
Term Loan from Banks	1,217.83	1,001.89
Soft Loan from Government	110.77	80.75
<b>Sub Total</b>	<b>1,328.60</b>	<b>1,082.64</b>
<b>Unsecured</b>		
Interest Free Sales Tax Loan	398.74	437.71
<b>Sub Total</b>	<b>398.74</b>	<b>437.71</b>
<b>Total</b>	<b>1,727.34</b>	<b>1,520.35</b>

1. Term Loan from Banks and Soft Loan from Government are secured by pari-passu charges on fixed assets.
2. Maturity Profiles of Term Loan from Banks is furnished in Disclosures forming part of Consolidated Financial Statements vide Note 30

## THE RAMCO CEMENTS LIMITED

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

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 6</b>		
DEFERRED TAX LIABILITIES (NET)		
<b>Deferred Tax Asset</b>		
Tax effect of provision for leave encashment	(6.48)	(5.36)
Tax effect of provision for bad and doubtful debts	(3.55)	(3.33)
Tax impact on Carry forward loss / Unabsorbed Depreciation	(1.17)	(0.79)
	<u>(11.20)</u>	<u>(9.48)</u>
<b>Deferred Tax Liability</b>		
Tax impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	836.43	743.66
Tax impact on amortization of intangible assets	2.38	3.08
	<u>838.81</u>	<u>746.74</u>
<b>Total</b>	<u>827.61</u>	<u>737.26</u>
<b>NOTE 7</b>		
OTHER LONG TERM LIABILITIES		
Trade Payables	33.69	39.01
Payables for Capital Goods Suppliers	2.24	3.74
Security deposits from related parties	0.60	0.60
Security deposits from customers	368.36	340.12
<b>Total</b>	<u>404.89</u>	<u>383.47</u>
<b>NOTE 8</b>		
LONG TERM PROVISIONS		
Provision for leave encashment	14.23	12.48
Provision for taxation	25.67	28.13
<b>Total</b>	<u>39.90</u>	<u>40.61</u>
<b>NOTE 9</b>		
SHORT TERM BORROWINGS		
<b>Secured</b>		
Term Loans from Banks	75.00	175.00
Foreign Currency Loans from Banks (Buyers Credit)	38.13	157.87
Rupee loans from banks	204.68	234.81
<b>Sub Total (#)</b>	<u>317.81</u>	<u>567.68</u>
<b>Unsecured</b>		
<b>Loans Repayable on Demand</b>		
Loan from Directors	0.33	8.84
Fixed Deposits	—	1.74
<b>Other Loans and Advances</b>		
Foreign currency Loans from Banks (Buyers Credit)	26.88	116.21
Loan from Banks	208.59	29.15
<b>Sub Total</b>	<u>235.80</u>	<u>155.94</u>
<b>Total</b>	<u>553.61</u>	<u>723.62</u>

(#) Secured by hypothecation of current assets



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

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 10</b>		
OTHER CURRENT LIABILITIES		
Current maturities of Long Term loan (*)	453.21	666.20
Premium payable on forward contract	2.07	18.63
Interest accrued but not due	3.96	4.26
Unclaimed dividends	4.33	4.23
Disputed Dividend	0.46	0.46
Unclaimed Matured Deposits	0.07	—
Customers' balance	15.50	29.79
Payables for Related Parties	0.22	—
Payables for Capital Goods Suppliers	23.73	11.74
Statutory duties and taxes recovery payable	47.89	5.29
Recovery from employees payable	1.15	0.32
<b>Total</b>	<b>552.59</b>	<b>740.92</b>
(*) Include maturities of Interest Free Sales Tax loan of Rs.38.97 Crores (PY: Rs.46.48 Crores)		
<b>NOTE 11</b>		
SHORT TERM PROVISIONS		
Provision for leave encashment	4.49	4.04
Provision for taxation	75.28	32.30
Proposed Dividend	43.02	27.88
<b>Total</b>	<b>122.79</b>	<b>64.22</b>



# THE RAMCO CEMENTS LIMITED

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

### NOTE 12 - FIXED ASSETS

Rs. In Crores

Particulars	Gross Block					Depreciation / Amortisation						Net Block	
	As at the beginning of the year	Additions	Deductions on Disposal/ Adjustments	Deductions on Impairment	As at the end of the year	As at the beginning of the year	Adjustments to Retained Earnings	For the year	Deductions on Disposal/ Adjustments	Deductions on Impairment	As at the end of the year	As at the end of the year	As at the end of the year
<b>TANGIBLE ASSETS</b>													
<b>Own assets</b>													
Land	2014-15	397.19	34.81	2.50	–	429.50	–	–	–	–	–	–	429.50
	2013-14	342.30	54.89	–	–	397.19	–	–	–	–	–	–	397.19
Buildings	2014-15	504.56	165.06	4.95	0.82	663.85	64.75	26.30	37.76	0.56	0.78	127.47	536.38
	2013-14	420.54	84.02	–	–	504.56	52.10	–	12.65	–	–	64.75	439.81
Plant & Equipments	2014-15	5,307.10	336.91	29.07	2.26	5,612.68	1,789.20	4.26	173.53	24.12	0.88	1,941.99	3,670.69
	2013-14	5,271.36	150.95	115.21	–	5,307.10	1,632.56	–	264.71	108.07	–	1,789.20	3,517.90
Railway Siding	2014-15	67.86	1.03	–	–	68.89	20.51	–	5.00	–	–	25.51	43.38
	2013-14	56.91	10.95	–	–	67.86	17.93	–	2.58	–	–	20.51	47.35
Workshop, Quarry Equipments etc.	2014-15	47.13	0.09	0.59	–	46.63	26.42	0.27	4.21	0.47	–	30.43	16.20
	2013-14	44.94	3.00	0.81	–	47.13	23.12	–	3.88	0.58	–	26.42	20.71
Research & Development Equipments	2014-15	70.85	–	–	–	70.85	51.18	0.26	3.43	–	–	54.87	15.98
	2013-14	70.85	–	–	–	70.85	46.59	–	4.59	–	–	51.18	19.67
Furniture & Fixtures	2014-15	34.94	6.51	0.55	1.18	39.72	11.70	0.54	3.99	0.33	1.14	14.76	24.96
	2013-14	25.97	9.52	0.55	–	34.94	10.16	–	1.84	0.30	–	11.70	23.24
Office Equipments	2014-15	41.89	6.38	0.76	2.68	44.83	19.56	2.98	6.74	0.67	2.56	26.05	18.78
	2013-14	34.62	7.76	0.49	–	41.89	17.16	–	2.77	0.37	–	19.56	22.33
Vehicles	2014-15	22.30	0.86	1.38	0.06	21.72	8.70	0.09	2.71	0.82	0.05	10.63	11.09
	2013-14	19.59	3.64	0.93	–	22.30	7.19	–	1.93	0.42	–	8.70	13.60
Aircraft in Joint Venture (a)	2014-15	3.61	–	3.61	–	–	0.67	–	0.16	0.83	–	–	–
	2013-14	3.61	–	–	–	3.61	0.47	–	0.20	–	–	0.67	2.94
<b>Leased assets</b>													
Land	2014-15	4.75	–	0.06	–	4.69	0.66	–	0.14	–	–	0.80	3.89
	2013-14	6.17	–	1.42	–	4.75	0.53	–	0.16	0.03	–	0.66	4.09
<b>Total - Tangible Assets</b>	2014-15	<b>6,502.18</b>	<b>551.65</b>	<b>43.47</b>	<b>7.00</b>	<b>7,003.36</b>	<b>1,993.35</b>	<b>34.70</b>	<b>237.67</b>	<b>27.80</b>	<b>5.41</b>	<b>2,232.51</b>	<b>4,770.85</b>
	2013-14	<b>6,296.86</b>	<b>324.73</b>	<b>119.41</b>	<b>–</b>	<b>6,502.18</b>	<b>1,807.81</b>	<b>–</b>	<b>295.31</b>	<b>109.77</b>	<b>–</b>	<b>1,993.35</b>	<b>4,508.83</b>
<b>INTANGIBLE ASSETS</b>													
Mining rights	2014-15	27.83	5.55	–	–	33.38	–	16.98	1.18	–	–	18.16	15.22
	2013-14	27.83	–	–	–	27.83	–	–	–	–	–	–	27.83
Mine development & reclamation (b)	2014-15	67.97	14.36	–	–	82.33	19.93	–	19.85	–	–	39.78	42.55
	2013-14	28.22	39.75	–	–	67.97	7.34	–	12.59	–	–	19.93	48.04
Computer software	2014-15	76.95	2.17	–	2.20	76.92	21.40	0.16	10.61	–	2.19	29.98	46.94
	2013-14	70.97	16.78	–	10.80	76.95	21.38	–	10.27	–	10.25	21.40	55.55
Power Transmission system (c)	2014-15	12.96	–	–	–	12.96	3.47	–	2.59	–	–	6.06	6.90
	2013-14	6.44	6.52	–	–	12.96	1.29	–	2.18	–	–	3.47	9.49
<b>Total - Intangible Assets</b>	2014-15	<b>185.71</b>	<b>22.08</b>	<b>–</b>	<b>2.20</b>	<b>205.59</b>	<b>44.80</b>	<b>17.14</b>	<b>34.23</b>	<b>–</b>	<b>2.19</b>	<b>93.98</b>	<b>111.61</b>
	2013-14	<b>133.46</b>	<b>63.05</b>	<b>–</b>	<b>10.80</b>	<b>185.71</b>	<b>30.01</b>	<b>–</b>	<b>25.04</b>	<b>–</b>	<b>10.25</b>	<b>44.80</b>	<b>140.91</b>
<b>INTANGIBLE ASSETS UNDER DEVELOPMENT</b>													
Mine development	2014-15	4.31	1.09	0.26	–	5.14	–	–	–	–	–	–	5.14
	2013-14	8.63	2.28	6.60	–	4.31	–	–	–	–	–	–	4.31
<b>Total - Intangible Assets under Development</b>	2014-15	<b>4.31</b>	<b>1.09</b>	<b>0.26</b>	<b>–</b>	<b>5.14</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5.14</b>
	2013-14	<b>8.63</b>	<b>2.28</b>	<b>6.60</b>	<b>–</b>	<b>4.31</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4.31</b>
<b>CAPITAL WORK IN PROGRESS</b>	2014-15	<b>349.52</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>257.58</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>257.58</b>
	2013-14	<b>147.96</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>349.52</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>349.52</b>

(a) The company owned 1/6<sup>th</sup> share in the jointly owned Aircraft was sold during the year.

(b) Amortization of Mine development & reclamation is included in "Cost of materials consumed"

(c) Amortization of Power transmission system is adjusted in "Profit on sale of power from TPP" for Rs.1.97 Crores (PY: Rs.1.97 Crores) and in "Power & Fuel" for Rs.0.62 Crores (PY: Rs.0.21 Crores)

(d) The difference between Gross Block and Depreciation/Amortization pertaining to deductions on impairment is recognized as an Impairment Loss of Rs.1.60 Crores (PY: Rs.0.54 Crores) in the Statement of Profit and Loss.

(e) The Depreciation amortisation amount of Rs.251.24 Crores (PY: Rs.306.43 Crores) as per Statement of Profit and Loss consist of the following:

Tangible Fixed Assets: Rs.237.67 Crores (PY: Rs.295.31 Crores); Mining Rights: Rs.1.18 Crores (PY: Nil); Computer Software: Rs.10.61 Crores (PY: Rs.10.27 Crores); Investment Property (Note 13): Rs.1.78 Crores (PY: Rs.0.85 Crores)

(f) Pursuant to implementation of depreciation methodology as per Companies Act 2013, the value of assets whose life is exhausted as on 01-04-2014 has been adjusted to Retained earnings.

(g) Adjustments include reclassification of Gross Block of Land (Cost: Rs.2.49 Crores) and Buildings (Cost: Rs.4.92 Crores), Accumulated Depreciation (Rs.0.52 Crores) into Investment Property.

(h) The impact of change in accounting policy consequent to implementation of Depreciation methodology based on useful life of Asset is disclosed in Note 31.

(i) Previous years figures have been re-classified/regrouped wherever necessary.



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

		Rs. In Crores	
	Face value	As at 31-03-2015	As at 31-03-2014
<b>NOTE 13</b>			
<b>NON-CURRENT INVESTMENTS</b>			
<b>Investment property</b>			
<b>Trade Investments</b>			
<b>Building</b>			
As at the beginning of the year		0.66	0.66
Less: Sale of Building		0.66	—
As at the end of the year	(1)	—	0.66
<b>Other Investments</b>			
<b>Land</b>			
As at the beginning of the year		137.57	137.57
Add: Reclassification from Tangible Fixed Assets		2.49	—
As at the end of the year	(2)	140.06	137.57
<b>Building</b>			
As at the beginning of the year		—	—
Add: Reclassification from Tangible Fixed Assets		4.92	—
As at the end of the year		4.92	—
<b>Building given on operating lease</b>			
As at the beginning of the year		60.76	42.52
Additions during the year		16.48	18.24
As at the end of the year		77.24	60.76
<b>Gross Block</b>		82.16	60.76
Less: Accumulated depreciation as at the beginning of the year		4.58	3.73
Accumulated Depreciation for Reclassified Asset		0.52	—
Depreciation for the year		1.78	0.85
Disposals		0.28	—
<b>Accumulated Depreciation as at the end of the year</b>		6.60	4.58
<b>Net Block</b>	(3)	75.56	56.18
<b>Total Investment property (A)</b>	(1)+(2)+(3)	215.62	194.41
<b>Investments in Equity Instruments</b>			
<b>Non Trade Investments (valued at cost)</b>			
<b>Unquoted Equity Instruments</b>			
<b>Other Companies</b>			
AP Gas Power Corporation Limited (CY: 16,08,000 shares; PY: 16,08,000 shares of Rs.10/- each fully paid up)	1.61	22.12	22.12
Sri Vishnu Shankar Mill Limited (CY: 2,100 shares; PY: 2,100 shares of Rs.10/- each fully paid up)	0.00	0.01	0.01
Chettinad Cement Corporation Limited (CY: 100 shares; PY: 100 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00

## THE RAMCO CEMENTS LIMITED

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

		Rs. In Crores	
	Face value	As at 31-03-2015	As at 31-03-2014
<b>Other Investments</b>			
The Madras Cements Employees' Co-operative Stores Ltd. (CY: 250 shares; PY: 250 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
<b>Total Unquoted Instruments (B)</b>	<b>1.61</b>	<b>22.13</b>	<b>22.13</b>
<b>Quoted Equity Instruments</b>			
<b>Associate Company</b>			
Ramco Systems Limited (CY: 54,17,810 shares; PY: 21,17,810 shares of Rs.10/-each fully paid up) (Note 35)	5.42	90.68	36.91
<b>Other Companies</b>			
Ramco Industries Limited (CY: 1,33,72,500 shares; PY: 1,33,72,500 shares of Rs.1/- each fully paid up)	1.34	20.54	20.54
ACC Limited (CY: 103 shares; PY: 103 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
India Cements Limited (CY: 58 shares PY: 58 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
Andhra Cements Limited (CY: 27 Shares; PY: 27 Shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
Heidelberg Cement India Limited (CY: 170 shares; PY: 170 shares of Rs.10/- each fully paid up)	0.00	0.00	0.00
Rajapalayam Mills Limited (7,25,600 shares; PY: 7,25,600 shares of Rs.10/- each fully paid up)	0.73	8.12	8.12
Housing Development Finance Corporation Limited (CY: 17,400 shares; PY: 17,400 Shares of Rs.2/- each fully paid up)	0.00	0.00	0.00
HDFC Bank Limited (CY: 2,500 shares; PY: 2,500 shares of Rs.2/- each fully paid up)	0.00	0.00	0.00
Indbank Merchant Banking Services Limited (CY: 50,000 shares; PY: 50,000 shares of Rs.10/- each fully paid up)	0.05	0.20	0.20
Tamil Nadu News Print & Papers Limited (CY: 22,700 shares; PY: 22,700 shares of Rs.10/- each fully paid up)	0.02	0.25	0.25
Indian Bank (CY: 2,792 shares; PY: 2,792 shares of Rs.10/- each fully paid up)	0.00	0.02	0.02
Industrial Development Bank of India Limited (CY: 14,240 shares; PY: 14,240 shares of Rs.10/- each fully paid up)	0.01	0.11	0.11
<b>Sub Total</b>	<b>7.57</b>	<b>119.92</b>	<b>66.15</b>
Provision for "other than temporary diminution" in the value		0.15	0.18
<b>Total</b>	<b>7.57</b>	<b>119.77</b>	<b>65.97</b>
<b>Investments in Mutual Funds</b>			
HDFC Balance Fund (CY: 1,37,197 units; PY: 1,27,843 units of Rs.10/- each)	0.13	0.21	0.18
<b>Total Quoted Instruments (C)</b>	<b>7.70</b>	<b>119.98</b>	<b>66.15</b>
<b>Aggregate Market Value of Quoted Investments</b>		<b>467.16</b>	<b>111.89</b>
<b>Aggregate Value of Investments (A+B+C)</b>		<b>357.73</b>	<b>282.69</b>



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

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 14</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>Secured and Considered Good</b>		
Capital advances	12.07	31.88
Loans and Advances to employees	20.04	17.95
<b>Sub Total</b>	<b>32.11</b>	<b>49.83</b>
<b>Unsecured and Considered Good</b>		
Deposits and Balance with Govt. Departments	21.94	18.20
Deposits under protest, in Appeals	62.62	62.04
Deposit with suppliers	11.15	10.88
Advance to suppliers	11.48	12.00
Advance recoverable in cash or kind	11.22	14.86
MAT Credit Entitlement	115.73	49.58
IPA Receivable	101.00	121.29
<b>Sub Total</b>	<b>335.14</b>	<b>288.85</b>
<b>Total</b>	<b>367.25</b>	<b>338.68</b>
<b>NOTE 15</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
<b>Long term Trade Receivables</b>		
Secured and Considered Good (*)	1.55	1.20
Unsecured and Considered Good	0.51	0.42
Considered Doubtful	7.25	7.25
Provision for Doubtful debts	(7.25)	(7.25)
<b>Total</b>	<b>2.06</b>	<b>1.62</b>
(*) Includes receivables from TANGEDCO towards sale of power for Rs.0.87 Crores (PY: Nil)		
(*) Includes receivables from TANCEM towards sale of cement for Rs.0.34 Crores (PY: Nil)		
<b>NOTE 16</b>		
<b>INVENTORIES</b>		
Raw materials	156.15	178.12
Stores, Spares, Fuel and Packing Materials	255.03	393.95
Work-in-progress	60.38	53.39
Finished goods (*)	50.09	60.07
<b>Total</b>	<b>521.65</b>	<b>685.53</b>

(\*) Includes finished goods in transit of Rs.2.91 Crores (PY: Rs.3.15 Crores)

## THE RAMCO CEMENTS LIMITED

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

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 17</b>		
<b>TRADE RECEIVABLES</b>		
<b>Secured and Considered Good</b>		
Trade receivables less than 6 months (a)	214.89	175.62
Trade receivables more than 6 months (b)	2.26	1.86
<b>Unsecured and Considered Good</b>		
Trade receivables less than 6 months (a)	144.66	125.22
Trade receivables more than 6 months (b)	18.41	1.26
<b>Considered Doubtful</b>		
Trade receivables - unsecured	3.00	3.00
Provision for Doubtful debts	(3.00)	(3.00)
<b>Total</b>	<b>380.22</b>	<b>303.96</b>
(a) (i) Includes receivables from TANGEDCO towards sale of power for Rs.97.13 Crores (PY: Rs.64.19 Crores)		
(ii) Includes receivables from TANCEM towards sale of cement for Rs.17.89 Crores (PY: Rs.19.28 Crores)		
(iii) Includes receivables from APTRANSCO towards sale of power for Rs.0.36 Crores (PY: Nil)		
(iv) Includes receivables from related party towards sale of cement for Rs.0.25 Crores (PY: Rs.0.18 Crores)		
(b) (i) Includes receivables from TANGEDCO towards sale of power for Rs.19.98 Crores (PY: Rs.1.02 Crores)		
(ii) Includes receivables from TANCEM towards sale of cement for Rs.0.01 Crores (PY: Rs.0.02 Crores)		
(iii) Includes receivables from APTRANSCO towards sale of power for Rs.0.68 Crores (PY: Nil)		

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 18</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	0.13	0.12
Stamp paper and imprest	0.03	0.04
Balance in current account	57.69	40.03
<b>Other Bank Balances</b>		
Term Deposits (*)	0.68	0.98
Dividend Warrant account	4.33	4.23
<b>Total</b>	<b>62.86</b>	<b>45.40</b>
(*) Deposits with banks held towards security to various Government Departments.		

	As at 31-03-2015	Rs. In Crores As at 31-03-2014
<b>NOTE 19</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured and Considered Good</b>		
Loans and Advances to related parties	7.71	7.65
Loans and Advances to employees	5.92	6.55
Deposits and Balance with Govt. Departments	60.11	2.63
Advances to suppliers	17.90	37.23
Advance income tax paid, TDS and refund receivable	83.01	48.76
Advance recoverable in cash or kind	10.36	6.73
Tax Credits - Indirect Taxes	42.65	55.06
MAT Credit Entitlement	0.37	—
Prepaid Expenses	6.51	10.59
<b>Total</b>	<b>234.54</b>	<b>175.20</b>
<b>NOTE 20</b>		
<b>OTHER CURRENT ASSETS</b>		
Unamortised Premium on Forward Contracts	1.00	5.68
Unbilled Revenue	2.32	3.17
<b>Total</b>	<b>3.32</b>	<b>8.85</b>



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

	2014-15	Rs. In Crores 2013-14
<b>NOTE 21</b>		
REVENUE FROM OPERATIONS		
<b>Sale of Products</b>		
Domestic Sales - Cement	3,947.22	3,973.79
Exports - Cement	72.94	82.45
Ready Mix Concrete	13.48	16.70
Domestic Sales - Dry Mortar Mix	30.10	25.10
Exports - Dry Mortar Mix	0.30	—
Self consumption - Cement	13.32	20.03
Self consumption - Dry Mortar Mix	0.08	0.48
	<u>13.40</u>	<u>20.51</u>
Power generated from Wind Mills (Note 34)	63.90	68.25
<b>Other Operating Revenue</b>		
Industrial Promotion Assistance	51.02	51.39
<b>Gross Revenue from Operations</b>	<u>4,192.36</u>	<u>4,238.19</u>
Less:		
Excise Duty and Cess	537.01	554.67
<b>Total</b>	<u><u>3,655.35</u></u>	<u><u>3,683.52</u></u>
<b>NOTE 22</b>		
OTHER INCOME		
Interest income	4.48	6.28
Dividend income	0.59	0.76
Sundry Receipts	2.19	0.51
Scrap sales (Net)	9.61	11.75
Rent receipts	7.48	7.29
Carbon Credit sales	—	0.78
Profit on sale of Power from Thermal Power Plant (*)	59.44	35.89
Gain on Exchange Difference (net)	0.85	—
Reversal of reduction in carrying amount of Investment	0.03	0.03
Profit on sale of assets (net)	0.25	—
<b>Total</b>	<u><u>84.92</u></u>	<u><u>63.29</u></u>

(\*) After netting off directly attributable expenses of Rs.158.79 Crores (Rs.110.69 Crores)



## THE RAMCO CEMENTS LIMITED

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

	2014-15		Rs. In Crores 2013-14	
<b>NOTE 23</b>				
<b>COST OF MATERIALS CONSUMED</b>				
<b>Cement</b>				
Lime stone	255.65		274.44	
Pozzolona Material	145.33		159.00	
Gypsum	51.63		59.34	
Laterite	23.35		23.03	
Iron Ore	4.75		4.21	
Other Additives	15.47		13.83	
Freight & Handling - Inter unit clinker Transfer	150.62		107.03	
Material handling expenses	10.71		7.50	
		<b>657.51</b>		<b>648.38</b>
<b>Ready Mix Concrete</b>				
Cement	2.94		4.03	
Aggregates	3.80		4.80	
Others	0.24		0.22	
		<b>6.98</b>		<b>9.05</b>
<b>Dry Mortar Mix</b>				
Cement	5.20		4.94	
White Cement	0.67		0.87	
Additives	6.97		6.62	
		<b>12.84</b>		<b>12.43</b>
<b>Total</b>		<b>677.33</b>		<b>669.86</b>
<b>Imported and indigenous Raw materials consumed</b>				
Imported	43.64	6.44%	70.06	10.46%
Indigenous	633.69	93.56%	599.80	89.54%
<b>Total</b>	<b>677.33</b>	<b>100.00%</b>	<b>669.86</b>	<b>100.00%</b>



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

	2014-15	Rs. In Crores 2013-14
<b>NOTE 24</b>		
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
<b>Closing Stock</b>		
Finished Goods	50.09	60.07
Work-in-progress	60.38	53.39
	<u>110.47</u>	<u>113.46</u>
<b>Opening stock</b>		
Finished Goods	60.07	72.35
Work-in-progress	53.39	60.60
	<u>113.46</u>	<u>132.95</u>
(Increase)/Decrease in stock	2.99	19.49
ED on stock variance	0.22	0.31
<b>Total</b>	<u>3.21</u>	<u>19.80</u>
<b>NOTE 25</b>		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	188.36	184.89
Workmen and Staff welfare	19.97	18.29
Contribution to Provident Fund	11.47	10.78
Contribution to Gratuity Fund	3.57	2.17
Contribution to National Pension System (NPS)	0.92	0.88
Contribution to Superannuation Fund	5.00	4.82
<b>Total</b>	<u>229.29</u>	<u>221.83</u>
<b>NOTE 26</b>		
FINANCE COSTS		
Interest on term loans	190.60	182.92
Interest on fixed deposits	0.20	0.16
Applicable loss on foreign currency transactions and translation	0.07	2.97
Other borrowing costs	4.27	2.08
<b>Total</b>	<u>195.14</u>	<u>188.13</u>

## THE RAMCO CEMENTS LIMITED

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

	2014-15	Rs. In Crores 2013-14
<b>NOTE 27</b>		
<b>OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Power & Fuel	704.00	832.40
Packing Materials consumption	163.16	176.05
Stores and Spares consumption	71.48	72.92
Repairs to plant and equipments	45.92	48.04
Repairs to buildings	13.81	16.23
Repairs to vehicles and locomotives	7.42	9.33
General repairs	2.22	1.96
	<b>1,008.01</b>	<b>1,156.93</b>
<b>Establishment Expenses</b>		
Managing Director Remuneration	18.75	8.12
IT & Communication expenses	15.60	16.21
Corporate Social Responsibility expenses	7.80	4.71
Insurance	6.80	7.52
Exchange Difference (Net)	—	2.64
General Administration expenses	2.94	3.22
Travelling expenses	13.55	14.06
Training & Development expenses	0.91	3.90
Filing & Registration Fees	0.11	0.41
Rates and taxes	12.15	8.29
Rent	10.60	9.93
Input tax credit reversal	6.72	5.65
Miscellaneous expenses	10.24	9.47
Donations	2.17	12.13
Legal and Consultancy expenses	2.39	2.49
Bank Charges	0.73	0.82
Cement Cess	0.57	0.64
Audit Fees and expenses (Note 32)	0.33	0.26
Security Charges	9.87	9.03
Board Meeting expenses	0.06	0.05
Directors Sitting fees	0.15	0.06
Loss on sale of investments	—	0.01
Impairment Loss on assets	1.60	0.54
Loss on sale of assets	—	0.56
	<b>124.04</b>	<b>120.72</b>
<b>Selling and Distribution Expenses</b>		
Transportation and Handling Expenses	795.76	825.67
Advertisement expenses	34.62	53.62
Other Selling expenses	2.29	2.43
Sales Promotion expenses	52.91	41.07
Agency commission	7.34	8.71
Bad debts	0.65	0.60
	<b>893.57</b>	<b>932.10</b>
<b>Total</b>	<b>2,025.62</b>	<b>2,209.75</b>



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

	2014-15		Rs. In Crores 2013-14	
<b>Imported and indigenous Stores and Spare Parts consumed</b>				
Imported	4.21	5.89%	7.04	9.65%
Indigenous	67.27	94.11%	65.88	90.35%
Total	<u>71.48</u>	<u>100.00%</u>	<u>72.92</u>	<u>100.00%</u>
<b>Value of imports calculated on C.I.F basis in respect of:</b>				
Raw Materials	23.64		45.35	
Stores and spare parts	10.42		12.69	
Fuel (Coal and Petcoke)	293.38		429.99	
Packing Materials	3.64		31.10	
Capital Goods	7.22		21.62	
	<u>338.30</u>		<u>540.75</u>	
<b>Expenditure in Foreign Currency on account of:</b>				
Interest	2.35		2.96	
Supervision Charges for Foreign Technician	0.52		2.55	
Foreign Travel	0.46		0.41	
Advertisement, Sales promotion outside India	0.35		0.65	
Leadership Training programme	0.65		1.75	
Subscription and Periodicals	0.11		0.50	
Quality Certification Fees	0.07		0.07	
	<u>4.51</u>		<u>8.89</u>	
<b>Earnings in Foreign Currency</b>				
Export of Cement calculated on FOB Basis	63.86		80.98	
Export of Dry mix products calculated on FOB Basis	0.28		—	
	<u>64.14</u>		<u>80.98</u>	

As per our report annexed

For M.S JAGANNATHAN &  
N.KRISHNASWAMI  
Chartered Accountants  
Firm Registration No. 001208S  
K.SRINIVASAN  
Partner  
Membership No. 021510

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 004915S  
C.N.GANGADARAN  
Partner  
Membership No. 011205

P.R.RAMASUBRAHMANEYA RAJHA  
Chairman & Managing Director

S.VAITHIYANATHAN  
Chief Financial Officer

K.SELVANAYAGAM  
Secretary

P.R.VENKETRAMA RAJA  
R.S.AGARWAL  
M.M.VENKATACHALAM  
Smt. Justice CHITRA VENKATARAMAN (Retd.)  
Directors

Chennai  
29-05-2015

## THE RAMCO CEMENTS LIMITED

### DISCLOSURES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2015

Rs. in Crores				Rs. in Crores			
		As at 31-03-2015	As at 31-03-2014			As at 31-03-2015	As at 31-03-2014
<b>28. Contingent Liabilities</b>				<b>29. Commitments</b>			
28.1 Unexpired Letters of credit for purchase of:				Estimated amount of contracts remaining to be executed on capital account and not provided for			
– Spares & Fuel		<b>98.56</b>	1.74			<b>111.26</b>	191.93
– Capital Goods		<b>10.52</b>	33.31				
28.2 Guarantees given by the bankers on behalf of company		<b>55.29</b>	53.86				
28.3 Guarantees given to banks to avail loan facilities by Related parties:							
– Thanjavur Spinning Mill Limited		<b>68.00</b>	83.00				
– Sandhya Spinning Mill Limited		<b>34.38</b>	59.38				
– Ramco Systems Limited		<b>250.00</b>	325.00				
– Raja Charity Trust		<b>100.00</b>	100.00				

30. The Maturity profile of the Long Term Borrowings as on 31-03-2015 is as follows:

#### Term Loans from Banks:

Rate of interest in %	2019-20		2018-19		2017-18		2016-17		Total
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
9.45	4	12.50	4	12.50	4	12.50	4	12.50	50.00
9.65	–	–	–	–	1	100.00	–	–	100.00
10.00	7	35.42	11	48.42	20	68.67	13	33.25	185.76
10.05	–	–	3	16.33	4	20.00	4	20.00	56.33
10.10	–	–	1	5.00	4	20.00	4	20.00	45.00
10.25	–	–	–	–	–	–	2	33.33	33.33
10.30	2	2.47	4	4.95	4	4.95	4	4.95	17.32
10.40	–	–	–	–	–	–	2	13.33	13.33
10.45	–	–	–	–	4	40.00	4	40.00	80.00
10.50	–	–	4	18.75	13	251.12	27	366.89	636.76
	<b>13</b>	<b>50.39</b>	<b>27</b>	<b>105.95</b>	<b>54</b>	<b>517.24</b>	<b>64</b>	<b>544.25</b>	<b>1,217.83</b>



31. Pursuant to the notification of Schedule II to the Companies Act, 2013 for computation of Depreciation with effect from 01-04-2014, the Company revised the useful life of its assets to align with Schedule II of the Act. Accordingly the carrying values of the fixed assets which have completed their useful life as on 01-04-2014 have been charged off against the Retained Earnings amounting to Rs.36.22 Crores after netting off deferred tax of Rs.15.62 Crores. Apart from that a sum of Rs.0.20 Crores has also been charged off against the Retained Earnings towards share of depreciation adjustment of Associate Company. Due to this change in accounting policy, the depreciation for the year ended 31-03-2015 is lower by Rs.56.66 Crores when compared to the calculation of depreciation under the Companies Act, 1956.

Audit Fees & expenses	2014-15	2013-14
<b>Statutory Auditors:</b>		
For Statutory Audit	0.20	0.15
For Tax Audit	0.02	0.02
For Certification work	0.01	0.03
For reimbursement of expenses	0.04	0.04
<b>Cost Auditor:</b>		
For Cost Audit	0.03	0.02
For reimbursement of expenses	0.00	0.00
<b>Secretarial Auditor:</b>		
For Secretarial Audit	0.03	—
For reimbursement of expenses	0.00	—
<b>Total</b>	<b>0.33</b>	<b>0.26</b>

33. There are no dues to Micro and Small Enterprises as at 31-03-2015 (PY: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

34. Out of units of 23.85 Crores units (PY: 26.67 Crores units) generated net of wheeling and banking at wind farms.

a) Out of 20.60 Crores units (PY: 22.96 Crores units) sold during the current year, 17.81 Crores units (PY: 22.96

Crores units) were sold to TANGEDCO for Rs.53.44 Crores (PY: Rs. 68.25 Crores) and 2.79 Crores units (PY: 0.00 Crores units) were sold to related parties for Rs.10.46 Crores (PY: Rs.0.00 Crores) shown under “Power generated from windmills”.

b) 3.16 Crores units (PY: 3.53 Crores units) were consumed at the cement plants. The monetary value of such units was not recognised as it is inter-divisional transfer.

c) 0.07 Crores units (PY: 0.16 Crores units) were adjusted towards transmission loss.

d) Unadjusted units as on 31-03-2015 eligible for adjustment in subsequent periods is 0.02 Crores (PY: 0.02 Crores) units. The monetary value of such units is Rs.0.12 Crores (PY: Rs.0.15 Crores) and the same is included in “Other Current Assets”.

35. The Equity shareholding in Ramco Systems Limited has increased from 13.35% to 22.21% during the current year consequent to the participation in their Rights issue making it an Associate company. Hence the investments in the said company upon consolidation have been accounted using equity method as per AS-23. Accordingly, the carrying value of investments in the Associate Company comprises of the following:

Value of Investments equivalent to Net Assets Value	51.22
Goodwill	36.85
Share of profit of Associate	2.81
Depreciation on transition to Schedule II of the Companies Act, 2013 on fixed assets	(-) 0.20
<b>Carrying value of Investments as on 31-03-2015</b>	<b>90.68</b>

Subsequently in the month of April 2015, the Associate Company had further increased its share capital through Qualified Institutional Placement. Due to that the parent company's share of investment in Equity has decreased from 22.21% to 18.34%. By virtue of that, Ramco Systems Limited has ceased to be an Associate Company with effect from 29-04-2015 in accordance with Section 2(76) of Companies Act, 2013.



## THE RAMCO CEMENTS LIMITED

36. As per AS-15, the disclosures pertaining to "Employee Benefits" are given below:

Rs. In Crores

### Defined Contribution Plan

Particulars	2014-15	2013-14
Employer's Contribution to Provident Fund	11.47	10.78
Employer's Contribution to National Pension System (NPS)	0.92	0.88
Employer's Contribution to Superannuation Fund	5.00	4.82

### Defined Benefit Plans

Particulars	Post Retirement Gratuity Plan (Funded)		Leave Encashment Plan (Un-funded)	
	2014-15	2013-14	2014-15	2013-14

### Reconciliation of Opening and Closing balances of Obligation

Defined Benefit Obligation as at the beginning of the year	30.09	27.27	16.52	14.23
Current Service Cost	1.99	1.94	0.81	0.77
Interest Cost	2.60	2.11	1.41	1.09
Actuarial Loss	1.39	0.65	1.64	1.62
Benefits paid	(-) 2.28	(-) 1.88	(-) 1.66	(-) 1.19
Defined Benefit Obligation as at the end of the year	33.79	30.09	18.72	16.52

### Reconciliation of Opening and Closing balances of Fair Value of Plan Assets

Fair value of Plan Assets as at the beginning of the year	30.09	27.27	Nil	Nil
Expected Return on Plan Assets	1.91	1.71	Nil	Nil
Actuarial Gain	0.50	0.82	Nil	Nil
Employer contribution	3.57	2.17	1.66	1.19
Benefits paid	(-) 2.28	(-) 1.88	(-) 1.66	(-) 1.19
Fair Value of Plan Assets as at the end of the year	33.79	30.09	Nil	Nil

### Actual Return on Plan Assets

Expected Return on Plan Assets	1.91	1.71	Nil	Nil
Actuarial Gain on Plan Assets	0.50	0.82	Nil	Nil
Actual Return on Plan Assets	2.41	2.53	Nil	Nil

### Reconciliation of Fair Value of Assets and Obligations

Fair Value of Plan Assets	33.79	30.09	Nil	Nil
Present value of Obligation	33.79	30.09	18.72	16.52
Difference	Nil	Nil	18.72	16.52
Unrecognized past service cost – non-vested benefits	Nil	Nil	Nil	Nil
Amount recognized in Balance Sheet	Nil	Nil	18.72	16.52

### Expense recognized during the year

Current Service Cost	1.99	1.94	0.81	0.77
Interest Cost	2.60	2.11	1.41	1.09
Expected return on plan assets	(-) 1.91	(-) 1.71	Nil	Nil
Actuarial Loss / (Gain)	0.89	(-) 0.17	1.64	1.62
Past service cost - non-vested benefits	Nil	Nil	Nil	Nil
Past service cost - vested benefits	Nil	Nil	Nil	Nil
Net Cost	3.57	2.17	3.86	3.48



Rs. in Crores

Particulars	Post Retirement Gratuity Plan (Funded)		Leave Encashment Plan (Un-funded)	
	2014-15	2013-14	2014-15	2013-14

**Investment Details as on 31-03-2015**

GOI Securities	-	0.07	Nil	Nil
High Quality Corporate Bonds	0.05	0.05	Nil	Nil
Funds with LIC	31.07	27.41	Nil	Nil
Bank balance	0.02	0.03	Nil	Nil
Interest & IT refund receivable	2.65	2.53	Nil	Nil
Total	33.79	30.09	Nil	Nil

**Actuarial assumptions**

LIC 1996-98 Ultimate Table applied for service mortality rate	Yes	Yes	Yes	Yes
Discount rate p.a	7.70%	9.00%	7.70%	9.00%
Expected rate of Return on Plan Assets p.a	6.22%	6.22%	Nil	Nil
Rate of escalation in salary p.a	3.00%	3.50%	3.00%	3.50%

37. a) The lease rentals recognised on non-cancellable operating lease of aircraft on Joint venture basis in the Statement of Profit and Loss grouped under the head Travelling expenses is as detailed below:

Lease Payments

Contingent rent (Usage Charges)

- b) Operating Lease obligations payable for future periods from the Balance Sheet date:

Not Later than one year

Later than one year and not later than five years

Later than five years

2014-15	2013-14
1.38	1.42
1.56	1.20
2.11	1.21
2.65	2.76
1.21	1.27

## THE RAMCO CEMENTS LIMITED

38. The Segment Information for the year ended 31<sup>st</sup> March, 2015 is detailed below:

	Cement		Power from Windmills		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>REVENUE:</b>						
Total Sales	3,591.45	3,615.27	82.87	83.83	3,674.32	3,699.10
Less : Inter Segment Sale			18.97	15.58	18.97	15.58
External Sales (Net)	3,591.45	3,615.27	63.90	68.25	3,655.35	3,683.52
Other income	72.33	48.12	0.00	1.33	72.33	49.45
Total Revenue	3,663.78	3,663.39	63.90	69.58	3,727.68	3,732.97
<b>RESULT:</b>						
Segment Result	664.01	420.67	9.94	17.89	673.95	438.56
Unallocated Income					8.11	7.56
Unallocated Expenses					132.96	133.26
<b>Operating Profit</b>					<b>549.10</b>	<b>312.86</b>
Interest Expense					195.14	188.13
Interest Income					4.48	6.28
Income tax - Current					8.77	(4.37)
- Deferred					105.97	20.90
<b>Profit before Minority Interest &amp; Share of Profit of Associate</b>					<b>243.70</b>	<b>114.48</b>
Less: Minority Interest					0.38	(0.07)
Add: Share of Profit of Associate					2.81	—
Net Profit					246.13	114.55
<b>OTHER INFORMATION:</b>						
Segment Assets	5,783.51	5,580.45	516.31	585.64	6,299.82	6,166.09
Unallocated Assets					774.99	679.41
Total Assets					7,074.81	6,845.50
Segment Liabilities	1,105.65	1,081.03	28.47	4.12	1,134.12	1,085.15
Unallocated Liabilities					3,315.07	3,301.42
Total Liabilities					4,449.19	4,386.57
Capital Expenditure	448.05	532.57	0.27	1.28	448.32	533.85
Unallocated Capital Expenditure					29.35	60.95
Depreciation	202.83	251.19	31.06	41.29	233.89	292.48
Unallocated Depreciation					17.35	13.95
Non-Cash expenses other than Depreciation	24.51	10.18	—	—	24.51	10.18
Unallocated Non-Cash expenses other than Depreciation					4.51	12.90

### 39. Earnings per Share

Particulars	2014-15	2013-14
Net profit after tax (A) (Rs. in Crores)	246.13	114.55
Adjusted Weighted average number of Equity shares including unallotted Bonus shares (B) (in Crores)	23.83	23.83
Nominal value per equity share (in Rs.)	1	1
Basic & Diluted Earnings per share (A)/(B) (in Rs.)	10	5



40. The previous year figures were re-grouped / re-stated based on comparable criteria.

41. Disclosure of Related party transactions as per AS-18 for the year & previous year figures in bracket are as below:

Key Managerial personnel

P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director

P.R.Venketrama Raja, Director

A.V.Dharmakrishnan, Chief Executive Officer

Relative of Key Managerial personnel

P.R.Venketrama Raja, Director, Son of P.R.Ramasubrahmaneya Rajha

R.Nalina Ramalakshmi, Daughter of P.R.Ramasubrahmaneya Rajha

S.Sharada Deepa, Daughter of P.R.Ramasubrahmaneya Rajha

B.Sri Sandhya Raju, Daughter of P.R.Venketrama Raja

Amounts paid to Key Managerial Personnel/Relative of KMP

Name of the Related Party	Amount	Nature of payment
P.R.Ramasubrahmaneya Rajha	18.75 (8.12)	Managerial Remuneration
	0.07 (0.73)	Interest
	0.38 (0.38)	Dividend
P.R.Venketrama Raja	0.04 (0.02)	Sitting fees
	0.00 (0.01)	Rent
	0.01 (0.01)	Dividend
A.V. Dharmakrishnan	0.00 (Nil)	Sitting fees
A.V. Dharmakrishnan (HUF)	0.07 (0.07)	Rent

Enterprises over which the above persons exercise significant influence and with which the company had transactions during the year

Rajapalayam Mills Limited

Thanjavur Spinning Mill Limited

Sudharsanam Investments Limited

The Ramaraju Surgical Cotton Mills Limited

Sri Harini Textiles Limited

Ramco Management Private Limited

Ramco Industries Limited

Madurai Trans Carrier Limited

Rajapalayam Textile Limited

Sri Vishnu Shankar Mill Limited

Ontime Industrial Services Limited

JKR Enterprise Limited

Sandhya Spinning Mill Limited

Shri Harini Media Limited

#### Associate Company

Ramco Systems Limited

#### Public Trusts

Smt.Lingammal Ramaraju Shastra Prathishta Trust

PACR Sethurammam Charity Trust

Ramco Welfare Trust

PACR Sethurammam Charities

Raja Charity Trust

PAC Ramasamy Raja Education Charity Trust

The Ramco Cements Limited Educational and Charitable Trust

## THE RAMCO CEMENTS LIMITED

Transactions with the Relative of Key Managerial personnel and the Enterprises over which the above persons exercise significant influence and with which the company had transactions during the year are detailed below:

a) *Investments held jointly in APGPCL for which deposits received*

Name of the Related Party	Number of shares	% of holding	Interest free Security Deposit Received
Rajapalayam Mills Limited	3,48,400	21.68	0.130 (0.130)
The Ramaraju Surgical Cotton Mills Limited	3,08,200	19.16	0.115 (0.115)
Sri Vishnu Shankar Mill Limited	3,21,600	20.00	0.120 (0.120)
Sandhya Spinning Mill Limited	3,21,600	20.00	0.120 (0.120)
Sri Harini Textiles Limited	3,08,200	19.16	0.115 (0.115)

b) *Goods Sold*

i) *Sale of Cement*

Name of the Related Party	Value	Receivable as on 31-03-2015
Rajapalayam Mills Limited	0.20 (0.15)	Nil (Nil)
Ramco Industries Limited	29.07 (30.14)	0.02 (Nil)
Sandhya Spinning Mill Limited	0.02 (0.01)	Nil (Nil)
Sri Vishnu Shankar Mill Limited	0.02 (0.02)	Nil (Nil)
Thanjavur Spinning Mill Limited	0.02 (0.06)	Nil (Nil)
Sri Harini Textiles Limited	0.00 (0.00)	Nil (Nil)
The Ramaraju Surgical Cotton Mills Limited	0.08 (0.23)	0.00 (Nil)
Raja Charity Trust	0.44 (1.36)	0.02 (0.18)
PAC Ramasamy Raja Education Charity Trust	0.15 (0.08)	Nil (Nil)
Rajapalayam Textile Limited	0.00 (Nil)	Nil (Nil)
JKR Enterprise Limited	1.38 (Nil)	0.21 (Nil)
B.Sri Sandhya Raju	0.01 (Nil)	Nil (Nil)

ii) *Sale of Electrical energy*

Name of the Related Party	Value	Receivable as on 31-03-2015
Thanjavur Spinning Mill Limited	0.91 (2.85)	Nil (Nil)
The Ramaraju Surgical Cotton Mills Limited	1.15 (0.98)	Nil (Nil)
Sri Vishnu Shankar Mill Limited	2.33 (2.89)	Nil (Nil)
Rajapalayam Mills Limited	6.70 (5.73)	Nil (Nil)
Sandhya Spinning Mill Limited	2.71 (2.46)	Nil (Nil)
Ramco Industries Limited	2.19 (1.20)	Nil (Nil)
Rajapalayam Textile Limited	0.27 (Nil)	Nil (Nil)

iii) *Sale of Fly ash*

Name of the Related Party	Value	Receivable as on 31-03-2015
Ramco Industries Limited	0.21 (0.21)	Nil (Nil)

iv) *Sale of Dry Mortar Mix*

Name of the Related Party	Value	Receivable as on 31-03-2015
Rajapalayam Mills Limited	0.00 (Nil)	Nil (Nil)



c) *Goods & services purchased /availed*

Name of the Related Party	Value of Goods / Services	Payable as on 31-03-2015	Nature of goods / services
Ramco Industries Limited	2.93 (0.53)	Nil (Nil)	Purchase of fiber sheets & silicate boards
Ramco Systems Limited	10.84 (22.19)	0.22 (- 0.15)	Purchase of software and availing software related services.
Smt.Lingammal Ramaraju Shastra Prathishta Trust	5.72 (3.33)	(-) 0.72 (-1.44)	Purchase of Diesel & Petrol. Rs.0.72 Crores remain unadjusted advance.
PACR Sethurammam Charity Trust	0.81 (5.81)	(-) 0.50 (-0.70)	Purchase of Diesel, Petrol, Tyres & Lube oil. Rs.0.50 Crores remain unadjusted advance.
Ramco Welfare Trust	3.84 (6.12)	(-) 1.08 (-0.28)	Purchase of Diesel, Petrol & Lube oil. Rs.1.08 Crores remain unadjusted advance.
PACR Sethurammam Charities	0.32 (0.57)	Nil (Nil)	Purchase of Diesel & Petrol.
Ontime Industrial Services Limited	140.25 (105.86)	(-) 1.17 (-4.04)	Services of Transport of cement availed. Rs.1.17 Crores remains unadjusted advance.
	5.44 (3.14)	Nil (Nil)	Manpower supply services.
Shri Harini Media Limited	0.32 (Nil)	Nil (Nil)	Magazine subscription and advertisement

d) *Corporate Guarantee given*

Beneficiary	Bank Name	Guarantee Amount
Thanjavur Spinning Mill Limited	Axis Bank Ltd	35.00 (35.00)
	Tamilnad Mercantile Bank Ltd	33.00 (48.00)
Ramco Systems Limited	ING Vysya Bank Ltd	82.00 (82.00)
	ICICI Bank Ltd	100.00 (100.00)
	Kotak Mahindra Bank Ltd	30.00 (50.00)
	Indusind Bank Ltd	Nil (25.00)
	Karur Vysya Bank Ltd	Nil (25.00)
	Aditya Birla Finance Ltd	18.00 (18.00)
	TATA Capital Financial Services Ltd	20.00 (25.00)
Sandhya Spinning Mill Limited	Indian Bank	34.38 (59.38)
Raja Charity Trust	Indian Overseas Bank	70.00 (70.00)
	Pandyan Grama Bank	30.00 (30.00)

e) *Rent Received*

Name of the Related Party	Rent received	Receivable as on 31-03-2015
Ramco Systems Limited	7.97 (7.97)	Nil (Nil)
Raja Charity Trust	0.22 (Nil)	0.14 (Nil)

f) *Sale of fixed assets*

Name of the Related Party	Sale of jointly owned Aircraft	Receivable as on 31-03-2015
Madurai Trans Carrier Limited	Rs.3.04 (Nil)	Rs.3.04 (Nil)



## THE RAMCO CEMENTS LIMITED

g) Amount received by virtue of joint ownership of shares of APGPCL

Name of the Related Party	Amount	Receivable as on 31-03-2015
Rajapalayam Mills Limited	0.02 (0.04)	Nil (Nil)
The Ramaraju Surgical Cotton Mills Limited	0.02 (0.03)	Nil (Nil)
Sri Vishnu Shankar Mill Limited	0.02 (0.04)	Nil (Nil)
Sandhya Spinning Mill Limited	0.02 (0.04)	Nil (Nil)
Sri Harini Textiles Limited	0.02 (0.03)	Nil (Nil)

h) Assets held jointly

1) Owned Aircraft

Name of the Related Party	Share of joint ownership in Aircraft
Ramco Industries Limited	16.67% (16.67%)

*Note: The above asset was sold during the year*

2) Aircraft on operating lease

Name of the Related Party	Share of joint interest in Aircraft
Ramco Industries Limited	16.67% (16.67%)

i) Donations given

Name of the Related Party	Purpose	Donations given
The Ramco Cements Limited Educational and Charitable Trust	For running of school education	0.90 (0.02)

j) Investments in Associate Company

Name of the Related Party	Value	Particulars
Ramco Systems Limited	51.15 (Nil)	Rights issue of 33,00,000 equity shares for Rs.155/- per share.

k) Advances recoverable

Name of the Related Party	Receivable as on 31-03-2015	Interest received
The Ramco Cements Limited Educational and Charitable Trust	1.06 (1.04)	0.00 (Nil)

l) Rent Paid

Name of the Related Party	Rent paid	Payable as on 31-03-2015
Raja Charity Trust	0.00 (0.00)	Nil (Nil)

m) Dividend Received

Name of the Related Party	Cost of investment in Equity shares as on 31-03-2015	Dividend received
Rajapalayam Mills Limited	8.12 (8.12)	0.18 (0.44)
Ramco Industries Limited	20.54 (20.54)	0.33 (0.27)
Sri Vishnu Shankar Mill Limited	0.01 (0.01)	0.00 (0.00)
Ramco Systems Limited	90.68 (36.91)	Nil (Nil)



n) *Dividend Paid*

Name of the Related Party	Dividend paid
Rajapalayam Mills Limited	3.29 (3.29)
Ramco Industries Limited	4.93 (4.93)
Sri Vishnu Shankar Mill Limited	0.39 (0.39)
The Ramaraju Surgical Cotton Mills Limited	0.36 (0.36)
Sudharsanam Investments Limited	0.30 (0.30)
Ramco Management Private Limited	0.05 (0.05)

o) *Shared office space*

Name of the Related Party	Amount paid	Details
Ramco Industries Limited	1.94 (Nil)	One time contribution towards share of capital expenditure for interior and furnishings of office space

p) *Sale of wind power*

Name of the Related Party	No. of Units sold (in Crores)	Value	Receivable as on 31-3-2015
Rajapalayam Textile Limited	0.63	2.36	Nil
Sandhya Spinning Mills Limited	0.30	1.11	Nil
Ramco Industries Limited	0.33	1.24	Nil
Sri Vishnu Shankar Mill Limited	0.56	2.10	Nil
Sudharsanam Spinning Mills Limited	0.51	1.92	Nil
Thanjavur Spinning Mill Limited	0.23	0.88	Nil
The Ramaraju Surgical Cotton Mills Limited	0.21	0.78	Nil



## PROXY FORM

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

### THE RAMCO CEMENTS LIMITED

(CIN:L26941TN1957PLC003566)

Regd. Office: "Ramamandiram", Rajapalayam – 626 117, Tamil Nadu.

Name of the Member(s) : .....

Registered address : .....

E-mail ID : .....

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

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

1. Name : ..... Address : .....

E-mail Id : ..... Signature : ....., or failing him

2. Name : ..... Address : .....

E-mail Id : ..... Signature : ....., or failing him

3. Name : ..... Address : .....

E-mail Id : ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 57<sup>th</sup> Annual general meeting of the company, to be held on the Thursday, the 6<sup>th</sup> August 2015 at 10.15 AM at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam – 626 108, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
Ordinary Business	
1	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March 2015
2	Declaration of Dividend for the year 2014-15
3	Appointment of Shri.P.R.Venketrama Raja as Director, who retires by rotation
4	Ratification of appointment of M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants and M/s.CNGSN & Associates LLP, Chartered Accountants, as Auditors
Special Business	
5	Appointment of Smt. Justice Chitra Venkataraman (Retd.) as an Independent Director
6	Ratification of fee payable to M/s.Geeyes & Co., Cost Accountants, appointed as Cost Auditors of the Company for the financial years 2014-15, 2015-16 and 2016-17
7	Creation of charge by way mortgage, hypothecation, etc. on the movable / immovable properties of the Company
8	Approval for making offer or invitation to subscribe to Secured Non-Convertible Debentures

Signed this ..... day of ..... 2015

Signature of Shareholder .....

Signature of Proxy holder(s) .....

Affix  
Revenue  
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





*Shri.P.R.Ramasubrahmaneya Rajha, Chairman & Managing Director, being facilitated by Confederation of Indian Industry for his exemplary contribution in promoting growth and sustainability in the Indian Cement Industry on 14.5.2015.*

*Ramasamy Raja Nagar unit being awarded Energy Efficient Unit for the year 2014 by Confederation of Indian Industry at the 15<sup>th</sup> National Award for Excellence in Energy Management on 30.10.2014.*



*An overview of Vizag Grinding Unit*



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YOU SURE HAVE A HEART,  
SO YOU MUST HAVE SOME BLOOD TO DONATE

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LET YOUR BLOOD RUSH IN  
WHEN SOMEONE'S LIFE IS RUNNING OUT

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National Stock Exchange Of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400 051.

Scrip Code:RAMCOCEM

Bombay Stock Exchange Ltd.  
Floor 25, "P.J.Towers",  
Dalal Street, Mumbai – 400 001.


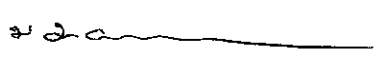
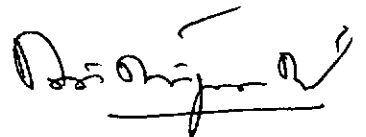

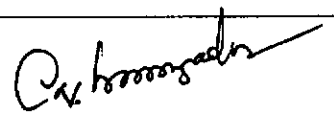
Scrip Code:500260

Dear Sir,

Sub: Compliance of Clause 31 of the Listing Agreement

Ref: SEBI Circular CIR/CFD/DIL/7/2012 dt.13.08.2012

**FORM A**

1	Name of the Company	The Ramco Cements Limited
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2015
3	Type of Audit Observation	Matter of Emphasis
4	Frequency of Observation	Repetitive since 2013-14
5	NAME	SIGNATURE
	1. P.R.RAMASUBRAHMANEYA RAJHA CHAIRMAN & MANAGING DIRECTOR	
	2. A.V.DHARMAKRISHNAN CHIEF EXECUTIVE OFFICER	
	3. S.VAITHIYANATHAN CHIEF FINANCIAL OFFICER	
	4. K.SRINIVASAN M.S.JAGANNATHAN & N .KRISHNASWAMI CHARTERED ACCOUNTANTS	
	5. C.N.GANGADARAN CNGSN & ASSOCIATES CHARTERED ACCOUNTANTS	
	6. R.S.AGARWAL AUDIT COMMITTEE CHAIRMAN	