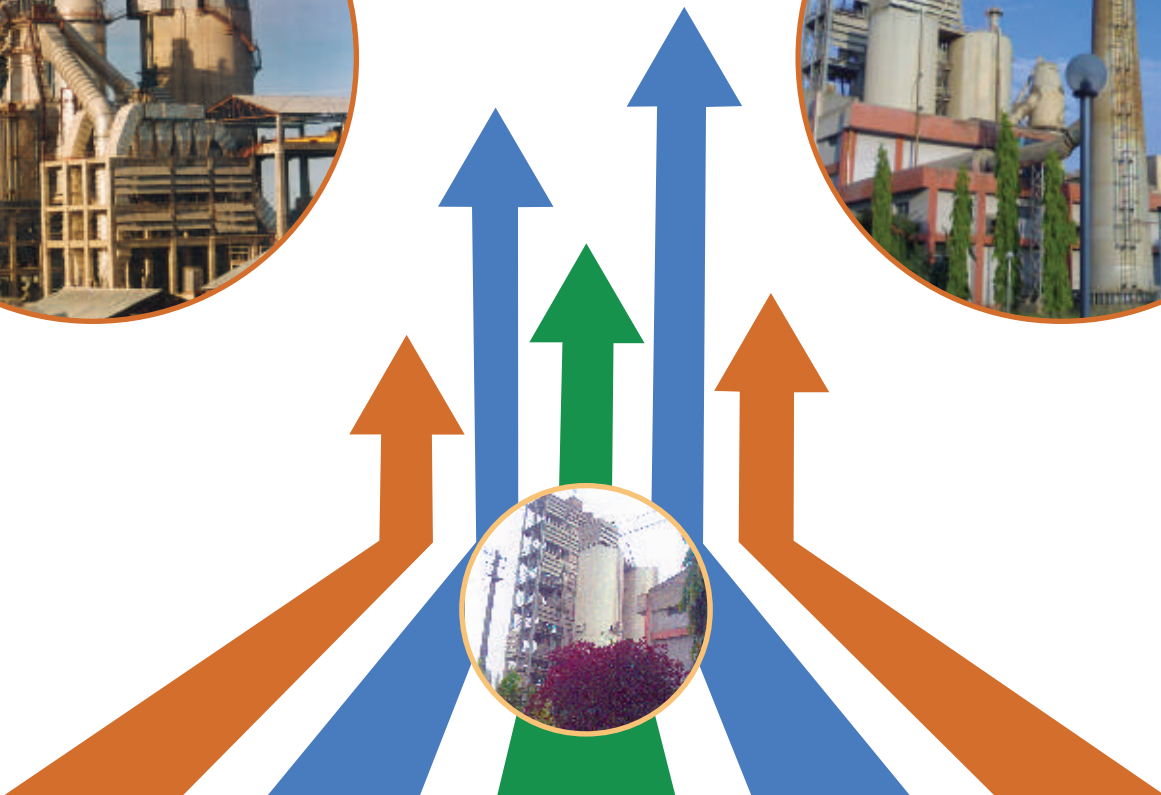


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CCI

वार्षिक रिपोर्ट Annual Report 2016-17



सीमेंट कार्पोरेशन ऑफ इण्डिया लिमिटेड
(भारत सरकार का उद्यम)
नई दिल्ली

Cement Corporation of India Ltd.
(A Govt. of India Enterprise)
New Delhi

Celebration of 53rd Foundation Day



53rd Annual Report 2016-17

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Cement Corporation of India Limited
(A Govt. of India Enterprise)
New Delhi

Audit Committee

Shri Mahender Gupta (Chairman)
Shri A.M. Manichan (Member)
Shri B.V. N. Prasad (Member)

Remuneration Committee

Shri Mahender Gupta (Chairman)
Shri A.M. Manichan (Member)
Shri B.V. N. Prasad (Member)

Registered Office

Cement Corporation of India Ltd.
Core 5, Scope Complex
7, Lodhi Road
New Delhi-110003
CIN No. U74899DL1965GOI004322

Bankers

State Bank of India
ICICI Bank
Corporation Bank
Punjab National Bank
Dena Bank
Central Bank of India

Statutory Auditors**Principal Auditor**

M/s. Kapoor Bhushan & Company
Chartered Accountants
DP-55, Maurya Enclave, Pitampura
Delhi-110034

Branch Auditors

M/s N Samba Shiv & Co.
Chartered Accountants,
Adilabad-504001

M/s. DCG & Co.
Chartered Accountants,
New Delhi-110002

M/s. P.P. Bansal & Co.
Chartered Accountants,
Rohtak-124001

M/s. Satyanaryana & Co.
Chartered Accountants,
Secunderabad-500003

M/s. Jhanwar & Co.
Chartered Accountants,
Raipur-492004

M/s. P Gaggar & Associates
Chartered Accountants,
Guwahati-781001

M/s. Gopal & Rajan
Chartered Accountants,
Cuddapah-516001

M/s. S.K. Tanwani & Co.
Chartered Accountants,
Raipur-492001

Cost Auditors

M/s. Jugal K. Puri and Associates
Cost Accountants
K-19 (G.F.), South Extension Part-II
New Delhi-110049

M/s S.P. Kumar & Associates
Cost Accountants
6-40, Plot No. 101, Suprabhat Township
Venture 2, Kachavani, Singram,
Hyderabad-500088

M/s S. Dhal & Co.
Cost Accountants
Plot No. 458, 1st Floor
Madhusudan, Nayagar Nayapally
Bhubneshwar-751012

BOARD OF DIRECTORS



Shri Manoj Misra
Chairman & Managing Director



Smt. Ritu Pandey
Director (w.e.f. 27.02.17)



Shri A.M. Manichan
Director



Shri Pravin Kumar
Director (16.09.16 to 27.02.17)



Shri Mahender Gupta
Independent Director
(w.e.f. 29.06.16)



Shri B.V.N. Prasad
Director (HR)



Shri S. Sakthimani
Director (Finance)/CFO



Shri Ajay Kumar Sharma
Company Secretary

HEAD OF DEPARTMENT (CORPORATE OFFICE)



Dr. R.S. Swarankar-IPS
Chief Vigilance Officer
(w.e.f. 31.03.17)



Shri Saju.S. Dominic
GM (HR)/Admn.



Ms. Saraswati Devi
Addl. GM (Ops.)



Shri A.K. Srivastava
Addl. GM (MM)



Shri Alok Shukla
Addl. GM (Mktg.)



Shri Manoj Kumar Patra
Addl. GM (Fin.)



Shri Chaman Jaggi
DGM (HR)



Shri Chandu Sharma
Sr. Manager (M&CS)

GENERAL MANAGERS - OPERATING PLANTS



Shri V.K. Pandey
GM-Tandur

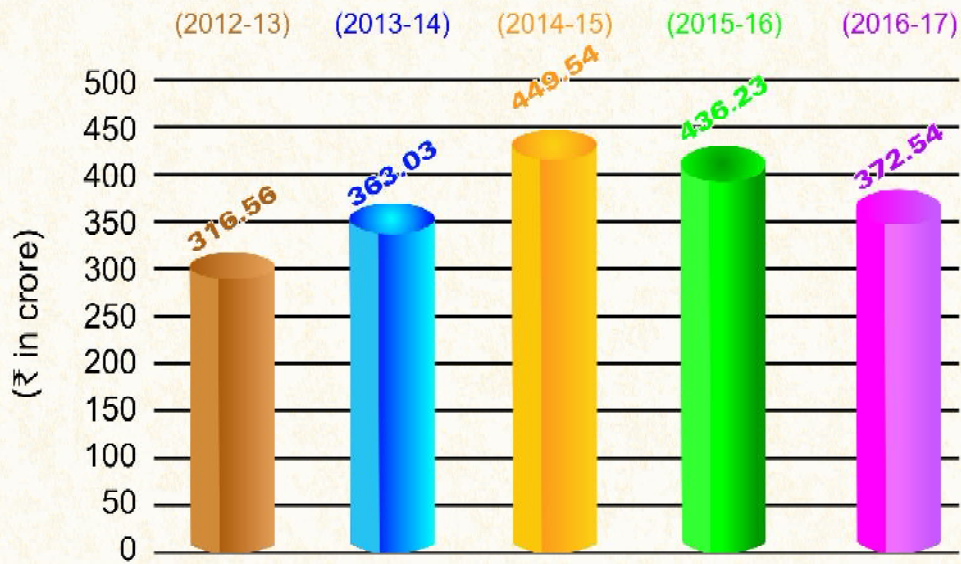


Shri S.K. Sahu
GM- Bokajan

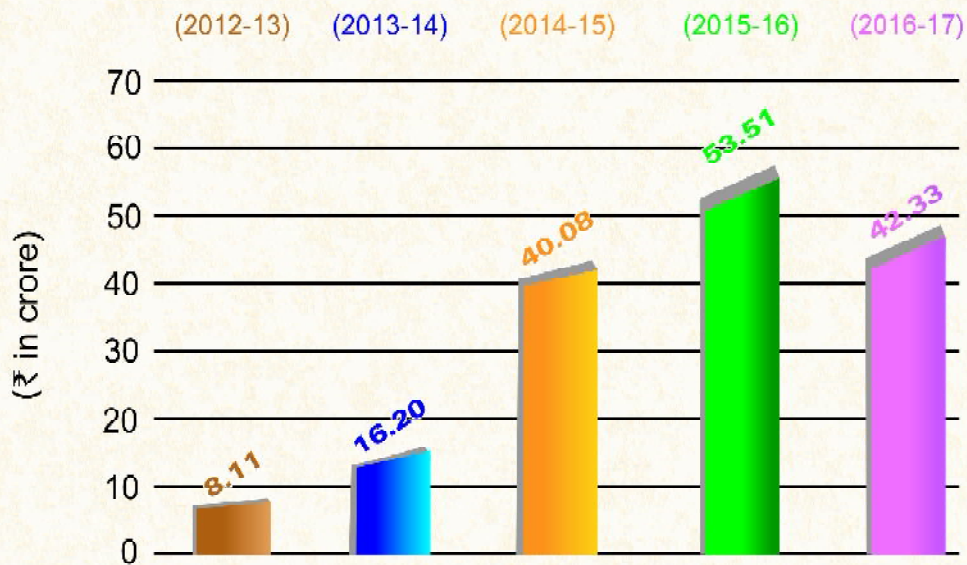


Shri Vivek Kumar
GM- Rajban

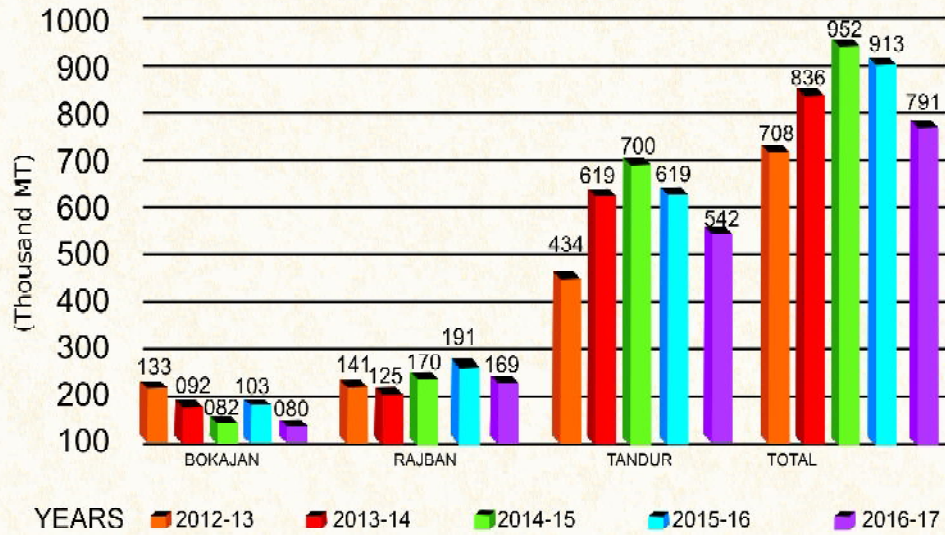
TURNOVER



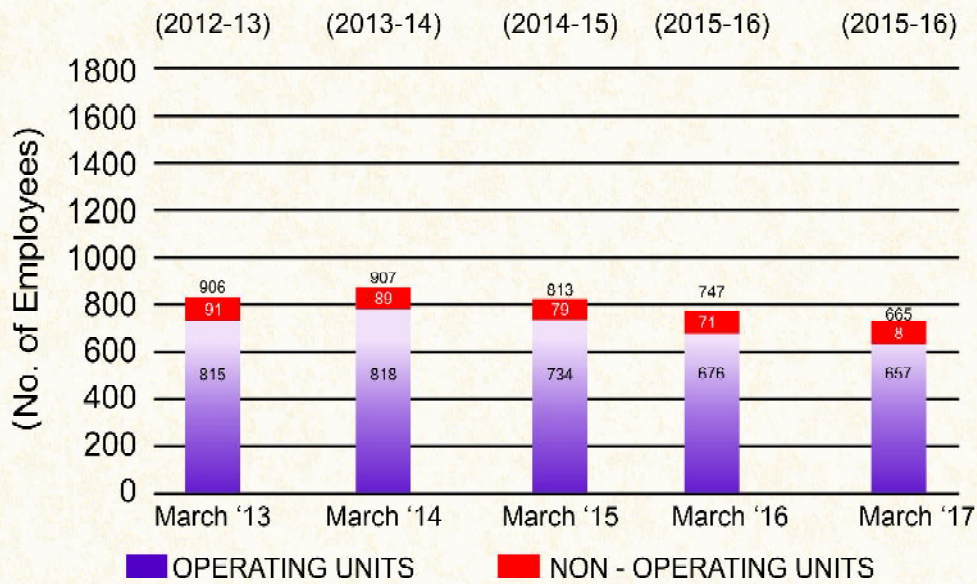
NET PROFIT



CEMENT PRODUCTION



MANPOWER



AWARDS GALORE

1. Recipient of prestigious “The CEO with HR Orientation” Award at the forum of World HRD Congress 25th Silver Jubilee Year 2017, held on 15th February, 2017 at Mumbai.

2 A XIV North East Metelliterus mines safety week 2016-17 was celebrated and following prizes have been awarded to our Mines on the Final Day Function on 09.04.17 for the year 2016-17 at Shillong (Bokajan Unit):

- | | |
|--------------------------------|-----------|
| 1. “Explosive Handling” | 1st Prize |
| 2. “Conditions of Machineries” | 3rd Prize |



B Second prize have been awarded to our Mines of the Final Day Function of 7th MEMC week 2016-17 on 30.04.2017 at Shillong (Bokajan Unit) :

- | | |
|--|-----------|
| 1. “Waste Dump management & Reclamation” | 2nd Prize |
|--|-----------|



3. Second prizes have been awarded to our Mines of Tandur cement factory by DGMS (Tandur Unit):

- | | |
|--|-----------|
| 1. “Environmental Health and Skill Management” | 2nd Prize |
|--|-----------|

Speech of the Chairman at the 53rd Annual General Meeting



Dear Shareholders,

It gives me immense pleasure and privilege to welcome you all on behalf of the Board of Directors to the 53rd Annual General Meeting of your Company, Cement Corporation of India Ltd. (CCI). Your presence in this meeting is a testimony of your support and interest in the Company's endeavour for which I am thankful to everyone. The Company's Accounts for the year ended 31st March, 2017 together with Directors' Report and the Auditors' Report have already been circulated. With your permission, I would like to take them as read.

Performance Highlights

- The sales turnover during the year 2016-17 inclusive of excise duty was ₹ 372.54 crores as against ₹ 436.23 crores in the previous year.

- The year under review ended with net profit of ₹ 42.33 crores as against net profit of ₹ 53.51 crores during the previous year. The cement production during the year is 7.91 lakh MT of cement as against 9.13 lakh MT during the previous year.

Quality Management

Your Company has quality management system in place and the operating plants at Tandur, Rajban and Bokajan have received ISO 9001 certification. Regular trainings are being imparted to employees to inculcate a culture of quality orientation across the Company.

Human Resource Development

Your company has given utmost importance to the skill

development of all level of employees. During the year 2016-17, total 2987 mandays of in-house training was imparted to the employees to enhance their skill. Your company has also nominated employees for external training on various subjects during the year. A cross section of employees were also nominated for several seminars and conferences on in their functional areas of working at different locations.

Senior officers of the company at all the operating units were exposed to training on the concept and implementation of Risk management techniques. Besides above, your company has also conducted competency mapping of supervisory level employees at the operating units so as to bridge the skill gap.

Corporate Social Responsibility

The CSR Policy was approved by the Board in its 332nd Board Meeting held on 7th December, 2016. The policy has been implemented in the Corporation. In line with its Corporate Social Responsibility, your company has created basket of activities and taken up various initiatives at its plants level.

Corporate Governance

The Company's philosophy on Corporate Governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors and employees. Good governance is a continuing exercise and the Company reiterates its commitment to pursue the same in all aspects of its operations in the overall interest of all its

stakeholders. A separate section under Corporate Governance has also been annexed with the Directors' Report.

Acknowledgement

Your continued support and confidence inspired us in all our endeavours for excellence and on behalf of Board of Directors of your Company, I wish to convey our sincere thanks to you and Government of India particularly to the Department of Heavy Industry, Department of Public Enterprises, for their guidance and support in all our pursuits.

We would not have reached the position with renewed focus and enhanced performance without the support received from all our shareholders and members of the Board.

I also extend my gratitude to our esteemed customers both in Government sector and private sector for their continued overwhelming support to the products of CCI.

I acknowledge overwhelmed support of Government of India, State Governments, CAG and all other Authorities and Agencies, Bankers, Statutory Auditors, Principal Director & Member, Audit Board-II.

Last but not the least, I would like to place on record my sincere appreciation for the commitment, involvement and dedication exhibited by the employees in the overall development and growth of the Corporation.

Thanking you,

Jai Hind.

PLACE : NEW DELHI
DATE : 20TH SEPTEMBER, 2017

Sd/-
(MANOJ MISRA)
CHAIRMAN & MANGING DIRECTOR

BOARD REPORT

To the Members,

On behalf of the Board of Directors of your company, I am delighted to present the 53rd Annual Report of your Company along with the audited accounts for the year ended 31st March, 2017, the Auditor's Report and the Report of the Comptroller & Auditor General of India.

1. FINANCIAL PERFORMANCE

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

CORPORATION AS A WHOLE (₹ in crore)

Sl. No.	Particulars	For the year 2016-17	For the year 2015-16
1	Net Sales	337.44	393.02
2	Other Income (including exceptional income)	106.91	63.11
3	PBDIT	51.23	63.64
4	Less: Interest	2.25	2.23
5	Profit before Depreciation	48.98	61.41
6	Less: Depreciation	6.65	7.90
7	Profit after depreciation and Interest	42.33	53.51
8	Less: Current Income Tax	0.00	0.00
9	Less: Previous year adjustment of Income Tax	0.00	0.00
10	Less: Deferred Tax	0.00	0.00
11	Net Profit after Tax	42.33	53.51
12	Balance Transferred to Balance sheet	42.33	53.51

- The year under review ended with a net profit of ₹ 42.33 crores as against net profit of ₹ 53.51 crores during the previous year. The cement production during the year is 7.91 lakh MT of cement as against 9.13 lakh MT during the previous year. Decrease as compared to previous year is mainly due to reduction in production and sales realization.
- One Time Settlement were carried out with M/s ONGC and M/s Goa Shipyard Limited during 2016-17 of ₹ 64.63 crores has been written back and shown as Exceptional income.

2. DIVIDEND

As per the provisions of the Companies Act, 2013, no dividend will be declared for the financial year 2016-17.

3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

Operations

Performance of Units

The capacity utilization of Cement (%), Clinker Production (MT), Cement Production (MT) and Dispatch of Cement (MT) of the operating unit individually and collectively are stated as under :-

A. Production (operating plants)

Year	BOKAJAN		RAJBAN		TANDUR		FOR OPERATING PLANTS ONLY	
	15-16	16-17	15-16	16-17	15-16	16-17	15-16	16-17
CAPACITY UTILISATION OF CEMENT (%)	52.03	40.20	77.14	67.90	61.86	54.20	63.13	55.60
CLINKER PRODUCTION (MT)	80070	80240	153030	150135	632210	525920	865310	756295
CEMENT PRODUCTION (MT)	103015	79545	191300	168500	618555	542486	912870	790531
DESPATCH (MT)	106088	77972	189209	170685	619021	549522	914318	798179

Status of Sale of Non-Operating Units:-

As per the order of Ministry of Labour & Employment, GOI, the following Non -Operating units i.e. Mandhar, Kurkunta, Nayagaon, Akaltara, CharkhiDadri and Delhi Grinding unit has been closed on 31.10.2008. The Adilabad Unit has also stand closed vide order dated 20.02.2017 of Hon'ble High Court of Andhra Pradesh and Telangana.

As per the directive of NITI Aayog, the disinvestment process has been initiated for the following units.

- Mandhar
- Kurkunta
- Nayagaon
- CharkhiDadri
- Bathinda Grinding Unit

Bokajan Expansion Project

As per Sanctioned Scheme, the installed capacity of Bokajan Unit is to be enhanced to 1200 tpd of clinker, which inter alia envisages enhancement in the cement grinding capacity to 750 tpd at Bokajan and Setting up of Silchar Grinding Unit with 50 tph capacity.

The Work Order for capacity Expansion of Bokajan Cement Factory has been awarded to M/s Promac Engineering Industries Ltd. Bangalore on turnkey basis at a total cost of ₹ 142.40 crore.

The work order for setting up of Silchar Grinding Unit of 50 TPH has also been awarded to M/s Promac Engineering Industries Ltd Bangalore on turnkey basis at a total cost of ₹ 39.68 cr. No progress have been made in the project implementation.

The work of laying of BG line at Bokajan has been taken up by Railways on depositary basis for catering to the transportation requirements of the plant.

Technological Up-Gradation at Tandur

As envisaged in the Sanctioned Scheme, technological up-gradation scheme at Tandur has been taken up for implementation. Twenty two schemes have been completed. Balance schemes are under various stages of implementation.



View of Tandur Plant

Ministry of New and Renewable Energy vide letter No. 30/11/2014-15/NSM dated 17th February, 2016 allotted 6 MW grid connected solar PV plant with VGF support @ ₹ 1 crore /MW for CCI Tandur through M/s SECI under CPSE scheme. In this regard MOU was signed between CCI & NTPC Vidyut Vyapar Nigam Limited (NVVN) on 26.12.2016 for setting up of 6 MW Solar Power Plant.

Upgradation of Railway siding of Tandur Plant is under progress.

B. PROFITABILITY

The company has earned a net profit of ₹ 42.33 Crores in the year 2016-17 as against net profit of ₹ 53.51 crores during the previous year. The Cement Production during the year is 7.91 lakh MT of cement as against 9.13 lakh MT during the previous year

C. SALES

The sales turnover during the year 2016-17 inclusive of excise duty was ₹ 372.54 crores as against ₹ 436.23 crores in the previous year.

D. INDUSTRY HIGHLIGHTS AND OUTLOOK

The cement capacity in India is estimated to be at 420 Million Tonnes as of March 2017 with production growing at 5-6 per cent per year. The country's per capita consumption stands at around 225 kg.

Cement production volume in 2016-17 witnessed a year-on-year decline for the first time in 15 years as demand was hit in the later part of the year. Cement production was reduced by 1.23% to 279.98 million tonnes during Financial Year 2016-17 from 283.46 million tonnes during Financial Year 2015-16.

Despite cement demand in 2016-17 being the weakest in 10 years, average prices have increased 5% as they are more of a function of input cost increases .

E. MARKETING AND MARKET ENVIRONMENT

The total cement Sale during the year was 7.98 lakh MT against 9.16 lakh MT in the previous year showing a negative growth of 12.9% in terms of total sale mainly due to demand hit during later part of the year.

The additional efforts made in January onwards like enhancement of discounts for dealers and gradual increase of market demand coupled with higher sales in Govt sector and other institutional customers saw a push in sales during February and March'17 which helped in partly offsetting the sales losses of the previous period.



At Bokajan Unit production related issues during IInd quarter and demand hit during IIIrd quarter as well as road blockade of Manipur affected the sales during that period. However increased marketing activities led to a surge in sales volume during January – March '17 surpassing the previous year's sales figure of the same period.

The company is planning to start the production of PPC at Tandur from the next year to increase the profitability and boost sales. The new set of marketing guidelines in the form of revised Marketing Manual and Standard Operating Procedures has been introduced which shall help in improving of sales and marketing activities besides enhancement of brand image and network development.

F. QUALITY

Quality aspects are given most importance in all the three operating units of CCI. Regular quality monitoring and control activities from raw material stage to product stage are being done at well equipped laboratories by well qualified and trained personnel. Besides, cement samples are tested for complete physical & chemical parameters in reputed govt. laboratories such as NTH, NCB etc.

4. CAPITAL STRUCTURE

The Corporation has not received any amount as equity from Govt. of India during the year under review and company' share capital at the year-end stood at ₹ 811.41 crores.

5. REMUNERATION POLICY

In CCI, pay and other benefits for executives are based on the Presidential Directives issued by the Ministry of Heavy Industry and Public Enterprises, Government of India vide letter No. F.No.1(6)2009-PE.XII dated 30th April, 2009. The last pay revision effective from 01/01/2007 was done in accordance with Ministry's OM No.2(70)/08-DPE(WC)-GL-XVI/08 dated 26th November, 2008, No. 2(70)/08-DPE(WC)-GL-IV/09 dated 9th February 2009 & No. 2(70)/08-DPE(WC)-GL-IV/09 dated 2nd April, 2009 The PRP is based on the Performance / profitability of the Company as well as individual performance rating which is aligned to the organization's objectives.

6. IMPLEMENTATION OF ERP

- Tally ERP9 consisting of the modules such as Financial, MM, Marketing has been implemented in all three operating units and Corporate office w.e.f. 01.04.2017. The implementation of Payroll module is being done with some customization

work is underway. Also, production module has been implemented in Rajban and Tandur unit.

- Tally ERP9 has been enabled by vendor for generating GST invoices at all the places where invoice is generated.
- GST upgradation in Tally software in on-line environment is underway with the help of vendor.
- All the concerned staff dealing with Tally have been provided training.

7. HUMAN RESOURCE MANAGEMENT & INDUSTRIAL RELATIONS:

Your Company lays utmost importance on the human resources as employees are the most valued asset of any organization. Manning your company there are 665 employees possessing a variety of skills, qualifications and competence. Your Corporation is committed to develop human resources and provide them with greater opportunities linked to their contribution to the organization's objectives. The Corporation has been making all efforts to ensure development of human competencies and welfare of its most important and valuable asset i.e. its employees.

The Industrial Relations remained peaceful throughout the year in all the units of the Corporation. Fruitful discussions and interactions are being conducted with the trade unions and employees at various forums which have significantly contributed towards governing redressal, resolving differences and improving industrial relations resulting into no mandays lost during the year.

8. HUMAN RESOURCE DEVELOPMENT:

Human Resource Development has made efforts and given thrust towards development and optimum utilization of human resources to put up a healthy work culture and to achieve higher goal and productivity as well as to meet the challenges of the future. In order to have an extensive study of manpower restructuring, the company had appointed M/s Administrative Staff College of India (ASCI) Hyderabad for conducting the study of manpower in the Corporation. The Final report in this regard has been submitted by the ASCI to the Management and the same has been sent to the Government for approval. After receiving the approval, suitable manpower restructuring will be taken up.

9. TRAINING AND DEVELOPMENT:

As part of Human Resource development, your company has given utmost importance to the skill development of

all level of employees. During the year 2016-17, total 2987 mandays of in-house training was imparted to the employees to enhance their skill. Your company has also nominated employees for external training on various subjects during the year. A cross section of employees were also nominated for several seminars and conferences on in their functional areas of working at different locations. Senior officers of the company at all the operating units were exposed to training on the concept and implementation of Risk management techniques.



GST Training at Rajban

Besides above, your company has also conducted competency mapping of supervisory level employees at the operating units so as to bridge the skill gap.

10. GRIEVANCE REDRESSAL MECHANISM:

Effective internal machinery for grievances redressal has been evolved and established in Cement Corporation of India Ltd., for its employees. CCI is maintaining grievance handling system very effectively and employees are given an opportunity at every stage to raise grievances relating to wage matters, working conditions leave, work assignments and welfare amenities etc. Majority of grievances are redressed informally in view of the participative nature of environment existing in the units. The system is comprehensive, simple and flexible and has proved effective in promoting harmonious relationship between employees and management.

11. WELFARE OF WOMEN:

Your Company is fully sensitive and conscious of its social responsibility for welfare of women. All statutory and other benefits are being extended to the women employees working at various Units/Offices of the Corporation.

In order to promote the welfare of the women, the units of CCI are having Ladies Club where various social and recreation activities are being carried out for the women.

The vocational programmes on computer literacy, mother & child health care etc. are being undertaken at these various clubs. The Corporation provides infrastructural and other financial assistance from time to time to undertake such activities for welfare of women. So far as Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is concerned, the committee established to inquire any such issues, has not received any complaint during 2016-17.

12. OFFICIAL LANGUAGE IMPLEMENTATION:

The Corporation continued its efforts for progressive use of official language in line with the Official Language Policy of the Govt. The Official Language Implementation Committee meeting takes place regularly and the Corporation also taken active part in the activities of Official Language Implementation Committee. Hindi Week / Fortnight is being celebrated to encourage and motivate the employees for more and more use of Hindi in their day-to-day official work. Daily one liner made in Hindi to propagate the use of Hindi.

13. CORPORATE SOCIAL RESPONSIBILITY

Your Company has always discharged its social responsibility as a part of its CSR philosophy that business and society can become partners for development. Since the net worth of the Corporation is still negative and accumulated losses of the Company as on 31.3.2017 is ₹ 806.90 crores. Company did not spend amount on specific CSR Activities, However, the various welfare activities are being carried out around the operating units of the company. In the current year, the Company envisages to spend towards CSR activities in and around the operating units of CCI.



Medical Camp in Kando village Camp by CCI Rajban

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure and is attached to this report.

15. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The risk management system is an integrated and aligned system with the corporate and operational objectives. Risk management is undertaken as part of normal business practice and not as a separate task at set time.

16. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Board in its 329th Meeting held on 14th July, 2016 re-constituted Corporate Social Responsibility and Sustainability Committee of Board. Based on the guidelines, a revised CSR Policy was submitted before CSR Committee of the Board. Further on recommendations of CSR Committee, The CSR Policy was approved by the Board in the 332nd Board Meeting held on 7th December, 2016. The policy has been implemented in the Corporation.

17. ACTIVITIES AND ACHIEVEMENTS OF THE VIGILANCE DEPARTMENT.

1. The vigilance Department of Corporation is headed by Chief Vigilance Officer(CVO).The Vigilance has different roles to play viz. proactive preventive, detective and punitive. As a part of Preventive vigilance, various rules, procedures and practices which afford scope for malpractices were examined. Further, speedy disposal of complaints and disciplinary proceedings was ensured including consultation with CVC and DHI. Regular/Surprise checks are conducted in sensitive areas,. During the year 2016, twenty four complaints were disposed off. List of officers of doubtful integrity' and agreed list' prepared and follow-up action taken thereof. The rotation/transfer of officials working on sensitive posts are being done as per CVC guidelines and CCI rules.

2. The system of maintaining online data of vigilance status of Board Level and below Board Level officials as

per DOPT directions has been made operational in CCI.

3. Half Yearly Review of Vigilance activities is undertaken by the Board of Directors of CCI covering all the activities, including complaints received/disposed off, major/minor penalty action taken, brief regarding important cases, training and manpower in vigilance as well as the areas of concern. Complaints received from CVC, DHI and other sources are examined in terms of Government of India guidelines and disciplinary action initiated against the erring officials found guilty during disciplinary proceedings. Timely action was taken to safeguard the interest of the Corporation in legal cases emanating from Vigilance cases. Annual Property Returns are being obtained from employees.



Vigilance Awareness week at Tandur Unit

4. All prescribed Monthly, Quarterly and Annual Returns pertaining to Vigilance activities are being sent to CVC, DHI, etc. in time.

5. CVO, CCI and C&MD, CCI attended CVC's Annual Sectoral Review Meeting with Secretaries/Chief Executives and CVO's of the Ministries Departments Organizations held on 06.10.2016 at Kolkata.

6. Vigilance Awareness Week was celebrated from 31st October (Monday), 2016 to 5th November, 2016 in CCI's Corporate Office, Units, Regions, etc. As a part of celebration of VAW in CCI, Corporate Vigilance Department brought out a "Special News Letter" containing various system improvements suggested by Vigilance as a result of preventive checks conducted by them in different areas. A handout on Preventive Vigilance/Whistle Blower Mechanism/other Anti-corruption measures was prepared by the Corporate Vigilance and distributed at Corporate Office/Units/Marketing Offices and in Gram Sabhas.

18. E-PROCUREMENT / INTEGRITY PACT

The e-procurement has been implemented in the Organization. An Agreement has been signed with M/s MSTC, New Delhi for using their portal for e-procurement services.

A format of vendors registration has been uploaded on CCI website with a publication in well circulated newspapers inviting the registration of vendors.

Accordingly, the vendors are registered both at units as well as at Corporate Office, as and when they apply.

The Integrity Pact implementation is under process.

19. INTERNAL FINANCIAL CONTROL

The Company has adequate internal financial controls system for ensuring orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets and prevention of frauds accurate and prompt financial reporting, for compliances and improve the effectiveness of risk management towards good corporate governance.

Internal auditors are appointed by Audit Committee duly approved by Board of Directors of the company. The reports containing significant audit findings are periodically submitted to management and Audit Committee of the company. Based on report of Internal Auditor corrective action in respective areas are undertaken and thereby strengthen the control.

The company has adequate internal control measures in the form of various codes, manuals and procedures issued by the management covering all important activities i.e. Marketing Manual, Purchase and Works manual, Material, Stores, Accounts and Personal Manual etc. The marketing manual has been updated, however management has taken steps to update all other manuals time to time for better check and control.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No govt. loans, guarantees or investments are made under section 186 of the Companies Act, 2013 during the year 2016-17.

21. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

Management's reply to the Statutory Audit Report and Secretarial Audit Report are part of Directors' Report.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

23. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

CCI is a CPSE where policy relating to appointment, remuneration and allowances payable to Directors is determined by the Government of India.

24. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached to this Report.

25. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted seven (7) Board Meetings during the financial year under review.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is attached with this report and forms part of Annual Report of the Company.

27. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors 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

Statement of profit and loss of the company for that period;

- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

29. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

30. DIRECTORS

The following directors were appointed/ resigned during the year 2016-17.

- Shri Mahender Gupta, Independent Director joined the Board w.e.f. 29.06.2016.
- Shri Vishwajit Sahay ceased to be Director of the Company w.e.f. 16.09.2016. The company places on record, its appreciation for his guidance and

contribution during his association with the Company.

- Shri Pravin Kumar, Director, Department of Heavy Industry joined as part time official Director (Govt. nominee) the Board w.e.f. 16.09.2016.
- Shri Pravin Kumar ceased to be part time official Director (Govt. nominee) of the Company w.e.f. 27.02.2017. The company places on record, its appreciation for his guidance and contribution during his association with the Company.
- Smt. Ritu Pande, Director, Department of Heavy Industry joined the Board as part time official Director (Govt. nominee) w.e.f. 27.02.2017.

31. DECLARATION OF INDEPENDENT DIRECTORS

Shri Mahender Gupta joined the Board as Independent Director w.e.f. 29.06.2016 and has given Declaration of Independence under Section 149 (7) of the Companies Act, 2013.

32. LINKS TO COMPANY WEBSITE

Annual Reports as well as various policies of the Company are posted on the Company's website www.cciltd.in

33. IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

Your Company has always been endeavored in implementation of Right to Information (RTI) Act, 2005 in letter and spirit. The Company has designated Public Information Officers (PIO) Officers and Appellate Authorities and Transparency Officer under Section 5 and Section 19(1) of the RTI Act. The provisions under the Act are being complied with by all the Plants and Units of the Company.

An exclusive RTI Corner has been developed with link being available on website of the Company. Details of Authorities, PIO, First Appellate Authority & Transparency Officer have also been made available on the website of the Company.

34. FOREIGN EXCHANGE EARNING AND OUTGO:

From time to time we are receiving export enquiries from different parties. Due to locational disadvantage for our plants, which are far away from sea ports, out inland freight from plants to the nearest sea ports works out to be on higher side. Due to this reason our FOB prices do not work out competitive. Close monitoring is being done on

export front, to avail the opportunity, as and when arises. However, entire production of cement is being sold in the domestic market.

35. AUDITORS:

STATUTORY AUDITORS

M/s. Kapoor Bhushan & Co., Chartered Accountant Delhi were appointed as Principal Statutory Auditors for the year 2016-17 and M/s. S.K. Tanwani & Co., M/s. Jhanwar & Co, M/s. Gopal & Rajan, M/s. P Gaggar & Associates, M/s Satyanarayan & Co., M/s P P Bansal & Co., M/s DCG & Co., M/s. N. Sambashiv & Co. were appointed as Branch Auditors. The report of the statutory auditors and reply thereto, and comments of the Comptroller & Auditor General of India are annexed to this report.

COST AUDITORS

M/s. Jugal K Puri & Associates, Cost Accountants, Delhi were appointed as Lead Cost Auditor of the Corporation and also Cost Auditor of Rajban, M/s S. Dhal & Co., Cost Accountant for Bokajan and M/s S. P. Kumar & Associates, Cost Accountants for Tandur Unit for the year 2016-17.

SECRETARIAL AUDITORS

In terms of the provision of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Amit Aggarwal & Associates, Company Secretaries, New Delhi as Secretarial Auditor for conducting Secretarial Audit of your Company for the financial year ended 31st March, 2017. The report of the Secretarial Auditors is attached as Annexure. In respect of the comments made by the Secretarial Auditors in their report, your Directors have clarified as under :

“ The Composition of Board of Directors/ Audit committee could not be duly constituted as per the provisions of the Companies Act, 2013 and as per DPE guidelines due to lack of required Independent Director on the Board. Request to fill the vacancies were sent to Administrative Ministry. However the

Date : 12th September, 2017
Place: New Delhi

Administrative Ministry has appointed one Part-time non-official director (Independent Director) on the Board of CCI w.e.f. 29.06.2016.”

36. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following Directors:

- a. Shri Mahender Gupta (Independent Director), Chairman.
- b. Shri A.M. Manichan, Member.
- c. Shri. B.V.N. Prasad, Member

The Company has Whistle Blower Policy as approved by Board of Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairperson of the Audit Committee, who are competent authority under the Whistle Blower Policy of the company on reporting issues concerning the interests of employees and the Company. The Whistle Blower Policy is hosted on the official website of the Company www.cciitd.in.

37. ACKNOWLEDGEMENTS

Board acknowledges the support and guidance your Corporation received from Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, Govt. of India and also the support and cooperation of the Ministry of Railways, DGS&D, PESB, , BIFR, Financial Institutions, Bankers and other Central and State Government Departments. We extend our gratitude to our esteemed customers both in Govt. and private sector for their continued overwhelming support to the products of CCI.

The Directors are thankful to M/s Kapoor Bhushan & Co., Chartered Accountants, Comptroller & Auditor General of India and Principal Director of Commercial Audit and Ex-officio Member, Audit Board-II. The Directors wish to place on record their deep appreciation for the dedication of employees of the Corporation.

FOR AND ON BEHALF OF THE BOARD

Sd/-
(MANOJ MISRA)
CHAIRMAN & MANAGING DIRECTOR

CSR ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy:

CCI's CSR & Sustainability Policy is envisaged as **"A commitment to meet its social obligations by playing an active role to improve the quality of life of the communities and stakeholders on a sustainable basis, preferably in the project areas where it is operating"**.

CCI integrates and align its CSR & Sustainability policies and activities with its goals, plans and strategies keeping in view the suggested activities as per schedule VII of the Companies Act, 2013 and Guidelines issued by Department of Public Enterprises, Govt. of India. The CSR & Sustainability activities will be imbibed by the employees at all levels and it should permeate into all activities, processes, operations and transactions of CCI.

Web-link address to the CSR Policy is: <http://ccilttd.in/page.php?id=194>

2. The Composition of the CSR Committee.

The Corporate Social Responsibility committee at the Board level consists of the following directors:

- a) Shri Mahender Gupta, Chairman
- b) Shri A. M. Manichan (Govt. Nominee)
- c) Shri B.V.N.Prasad, Director(HR)

3. Average net profits of the company for the last three financial years: ₹ 3660 lakhs

4. Prescribed CSR expenditure (2% of the amount as in item 3 above): ₹ 73 lakhs

5. Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year: NIL
- (b) Amount unspent, if any: ₹ 73 lakhs
- (c) Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)
S. No	CSR project or activity identified	Projects or programs (1) Local area or other	Amount outlay (budget) project	Amount spent	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
	Nil	Nil	Nil	Nil	Nil	Nil

(S. Sakthimani)
Dir. (Fin.)/CFO

(Manoj Misra)
C&MD

Particulars are required under Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988.

A. Conservation of Energy (2016-17)

BOKAJAN

- Power Consumption is being monitored on daily basis.
- Idle Running of Equipments has been controlled and minimized.
- High Wattage old Luminaries are being replaced with LED bulbs & fixtures

RAJBAN

- Compressor for raw mill F.K. pump 22102, the existing motor of 214 H.P. has been replaced with 200 H.P.
- Compression House Blending Aeration compressor 200/250 H.P. motor has been replaced with 150 H.P. motor
- Cement Mill Exhaust Fan motor of 10 H.P. has been replaced with energy efficient 10 H.P. motor.
- Installation of L.E.D. lights at colony, Guest house, Admin. Building, Main gate, Time office, M & S Deptt. MM Deptt. Production Deptt. Auto Section and up to Mech. Workshop have been completed.
- Plant Road lights lamps have been replaced with LED lights.
- For providing solar lights at CCI Rajban colony & Nadi Colony feasibility has been assessed by M/s Relyan Power, Delhi Report is awaited.

TANDUR

1. Replacement of 40 watt TL fittings with 20 watt LED tubes. 400 nos & conventional MV/SV street light with 40 W LED fittings – 100 nos.
2. Installation & commissioning of cooler ESP in place of MCDC.
3. Various energy conservation projects have been undertaken such as:-
 - Insulation of various ducts and ESP
 - Installing multi channel burner in place of conventional burner.
 - Installation of High efficiency fans
 - Replacement of top stage twin cyclone by high efficiency low pressure cyclone
 - Dynamic separator in coal mill

(A) All the three Operating units are ISO 9001 certified. Tandur unit is SA 8000 certified also.

B. Total Energy consumption and energy consumption per unit of production

1. <u>Electricity</u>	(2016-2017)	(2015-2016)
	(Operating Units only)	(Operating Units only)
(a) <u>Purchased</u>		
(i) Units (in lakhs)	1081.49	1148.02
(ii) Total Amount (in lakhs)	6417*	6640
(iii) Rate per Unit	5.93	5.78

(b) Own Generation

(i) Through Diesel Generations Unit (KWH)	126932	96253
(ii) Unit/liter of diesel oil (KWH/liter)	2.56	2.24
(iii) Cost per Unit (₹/KWH)	18.66	20.08

2. Coal

i) Qty. Consumed (tonne)	170208	196331
ii) Total cost (₹ in lakhs)	9170	10038
iii) Average rate (₹/MT)	5387.65	5112.78

3. Consumption per unit of Production

i) Electricity (KWH/Tonne of Packed Cement incl. township)	136.81	125.76
ii) Booked coal (Kg/Kg of clinker/Production)	0.2251	0.23
iii) Coal quality (UHV) (K.Cal/kg. of coal)	4462.47	4366

*Excluding arrear in power bill of ₹12.31 Crore of Bokajan Unit.

(C) Technology absorption**1. Research and development (R&D)**

- (i) Specific Areas in which R&D was carried out by the company – Quality control/improvement activities as mentioned in point no. 2 are undertaken.
- (ii) Benefits derived as a result of the R&D. Proper maintenance of quality of cement.
- (iii) Further plan of action.

2. Technology Absorption, Adoption & innovation: As no technology was imported in the year, the information on absorption, adoption and innovation is Nil.

Expenditure on R&D (2016-17)**(₹ in crores)**

a) Capital	-	—
b) Revenue	-	0.00
c) Total	-	0.00
d) Total R&D Exp. as a % of total turnover	-	0.00

C. Foreign Exchange Earning and Outgo:

From time to time we are receiving export enquiries from different parties. Due to locational disadvantage for our plants, which are far away from sea ports, out inland freight from plants to the nearest sea ports works out to be on higher side. Due to this reason our FOB prices do not work out competitive. Close monitoring is being done on export front, to avail the opportunity, as and when arises. However, entire production of cement is being sold in the domestic market.

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31 March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1. REGISTRATION AND OTHER DETAILS :

- i) **CIN:-** U74899DL1965GOI004322
- ii) **Registration Date:-** 18/01/1965
- iii) **Name of the Company:** - CEMENT CORPORATION OF INDIA LIMITED
- iv) **Category/ Sub-Category of the Company:-** MANUFACTURING SECTOR
- v) **Address of the Registered office and contacts details:-**
CORE-5, SCOPE COMPLEX, 7 LODHI ROAD NEW DELHI-110003
- vi) **Whether listed company Yes / No:-** No
- vii) **Name, Address and Contact details of Registrar and Transfer Agent, If any:-** N.A.

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl . No.	Name and Description of the main products/ services	NIC Code of the Product/ services	% to total turnover of the company
1	Cement	2394	100%
2	Clinker	2394	

3. PARTICULARS OF HOLDING , SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
	NIL				

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

- i) Category – wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
(a) Individual/ HUF	0	0	0	0	0	0	0	0	0

(b) Central Govt Equity Shares Preference Shares	- -	45,59,749 35,54,325	45,59,749 35,54,325	100% 100%	- -	45,59,749 35,54,325	45,59,749 35,54,325	100% 100%	NL
(c) State Govt.	0	0	0	0	0	0	0	0	
(d) Bodies Corp.	0	0	0	0	0	0	0	0	
(e) Banks/FI	0	0	0	0	0	0	0	0	
(f) Any Other	0	0	0	0	0	0	0	0	
Sub- total(A) (1):-	0	81,14,074	81,14,074	100%		81,14,074	81,14,074	100%	
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	
c) Bodies Corp.	0	0	0	0	0	0	0	0	
d) Bank/FI	0	0	0	0					
e) Any other....	0	0	0	0	0	0	0	0	
Sub- total (A) (2):-	0	0	0	0	0	0	0	0	
Total shareholding of Promoter (A)=(A)(1)+ (A)(2)	0		0	0	0	0	0	0	
A. Public share holding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	
b) Banks/FI	0	0	0	0	0	0	0	0	
c) Central Govt. /State	0	0	0	0	0	0	0	0	
d) Venture Capital Funds	0	0	0	0	0	0	0	0	
e) Insurance Companies	0	0	0	0	0	0	0	0	
f) FIIs	0	0	0	0	0	0	0	0	
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
h) Others (specify	0	0	0	0	0	0	0	0	
Stressed Asset	0	0	0	0	0	0	0	0	
Sub-total (B) (1):-	0	0	0	0	0	0	0	0	
2. Non-Institutions									

a) Bodies Corp. (Indian & Overseas)	0	0	0	0	0	0	0	0	
b) Individuals									
(i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	
c) others (Specify)									
Trusts	0	0	0	0	0	0	0	0	
NRI & Foreign Corporate Bodies	0	0	0	0	0	0	0	0	
c-ii) Clearing Members	0	0	0	0	0	0	0	0	
HUF	0	0	0	0	0	0	0	0	
Sub-total (B) (2):-	0	0	0	0	0	0	0	0	
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	
B. Shares held by Custodian for GDR&ADRs	0	0	0	0	0	0	0	0	
Grand Total (A+B+C)	0	81,14,074	81,14,074	100%		81,14,074	81,14,074	100%	NIL

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change 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 Pledged/ encumbered to total shares	
1.	Central Govt.	81,14,074	100%	-	81,14,074	100%	-	NIL
	Total	81,14,074	100%	-	81,14,074	100%	-	NIL

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

Sl. No.		Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. Of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NO CHANGE			
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	At the end of the year				

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year	NIL			
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of the year	NIL			
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer/ bonus/sweat equity etc):				
	At the End of the year				

5. INDEBTNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the financial year				
i) Principal Amount	—	18790	—	18790
ii) Interest due but not paid	—	18548	—	18548
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)		37338		37338
Change in Indebtness during the financial year				
· Addition				
· Reduction	—	7738	—	7738
Net Change	—	7738	—	7738
Indebtness at the end of the financial year				
i) Principal Amount	—	17215	—	17215
ii) Interest due but not paid	—	12385	—	12385
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)		29600		29600

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

SI No.	Particulars of Remuneration	NAME OF MD/WTD/Manager			Total Amount
		Sh. Manoj Misra	Sh. B.V.N. Prasad	Sh. S. Sakthimani	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17 (1) of the Income tax Act, 1961	28.96	26.39	22.84	78.19
	(b) Value of perquisites u/s 17 (2) Income –tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission				
	- As % of profit	NIL	NIL	NIL	NIL
	- Others, specify....				
5.	Others , please specify				
	(i) Contribution to PF	2.51	2.35	2.03	6.89
	(ii) Medical Reimbursement	1.19	0.24	0.10	1.53
	Total (A)	32.66	28.98	24.97	86.61
	Ceiling as per the Act				

B. Remuneration to other directors:

(₹ in Lakhs)

SI No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri Mahender Gupta (w.e.f. 29.06.16)	—	—	
	3. Independent Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	0.72			0.72
	Total (1)	0.72	-	-	0.72
	4. Other Non-Executive Directors(BIFR Nominee) <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 				
	Total (2)	0.00	-	-	0.00
	Total (b)=(1+2)	0.72			0.72
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

(₹ in Lakhs)

S.N.	Particulars of Remuneration	Key Managerial Personnel		
		CEO/ C&MD	COMPANY SECRETARY	Dir.(Fin.) /CFO
		Sh. Manoj Misra	Sh. Ajay Kumar Sharma	Sh. S. Sakthimani (w.e.f. 26.04.2016)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28.96	11.97	22.84
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option		-	-
3.	Sweat Equity		-	-
4.	Commission			
	- As % of profit			
	- Others, specify		-	-
5.	Others, please specify			
	(i) Contribution to PF	2.51	1.16	2.03
	(ii) Medical Reimbursement	1.19	1.09	0.10
	Total	32.66	14.22	24.97

7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

CS

Amit Agrawal & Associates Company Secretaries

Office : H-63, Vijay Chowk, Laxmi Nagar, Delhi-110092, INDIA
Ph. : +91 - 11 - 22024525, 43019279, Mob. : + 91 - 9811272307
E-mail : amitagcs@gmail.com, amit2kas@yahoo.com

53rd Annual Report 2016-17

To

The Members of
Cement Corporation of India Limited,
Core-5, Scope Complex
7-Lodhi Road, New Delhi - 110003

Sir/Madam

Our report in form no. MR-3 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
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. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit Agrawal & Associates
(Company Secretaries)

Sd/-
(CS Amit Agrawal)
Practicing Company Secretary
Membership No. 5311
CP No. 3647

Place: Delhi
Date : 04.07.2017

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

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

To,
 The Members,
 Cement Corporation of India Limited
 Core -5, Scope Complex
 7- Lodhi Road
 New Delhi-110003

We have conducted the Secretarial Audit of the compliance of applicable Statutory provisions and the adherence to good corporate practices by M/s. Cement Corporation of India Limited (hereinafter called the Company) having its registered office at Core -5, Scope Complex. 7, Lodhi Road, New Delhi-110003 Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the M/s. Cement Corporation of India Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during, the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the Audit period covering the financial year ended on 31st March, 2017 complied with the Statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Cement Corporation of India Limited for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;

- (ii) The Secretarial Standards issued by The Institute of Company Secretaries of India.
- (iii) Other laws applicable specifically to the Company namely:
 - a) Payment of Wages Act and Minimum wages Acts
 - b) Payment of Gratuity Act;
 - c) Equal Remuneration Act 1976;
 - d) National & Festival Holidays Act;
 - e) Contract Labour (Regulation and Abolition) Act, 1970;
 - f) Maternity Benefit Act 1961;
 - g) Employees Provident Fund Act 1952;
 - h) Employee State Insurance Act;
 - i) Air (Prevention and Control of Pollution) Act;
 - j) Water (Prevention and Control of Pollution) Act 1974;
 - k) Environment (Protection) Act 1986;
 - l) Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to our below observation.

- a. *As per the DPE guidelines the Audit Committee shall have minimum three Directors as members and two-thirds of the members of audit committee shall be Independent Directors. But the company have only one Independent Director;*

However, during the period under review, provisions of the following regulations were not applicable to

the Company. Hence, comments are not required to be made in respect of these clauses:

- I. The Rules, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEB1 Act') as no issue of bond has been made during the year under scrutiny.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and Rules made there under as no issue of bond has been made during the year;
- III. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iv. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- v. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- vi. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2009;
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director except Independent Directors given in observation below :

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda

Place: Delhi

Date : 04.07.2017

were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

Our Observations:

- a. *As per the DPE guidelines the Audit Committee shall have minimum three Directors as members and Two-thirds of the members of audit committee shall be Independent Directors. But the company have only one Independent Director;*

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period, the company has provide details of specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

For Amit Agrawal & Associates
(Company Secretaries)

Sd/-
(CS Amit Agrawal)
Practicing Company Secretary
Membership No. 5311
CP No. 3647

In respect of the comments made by the Secretarial Auditors in their report, your Directors have clarified as under :

"The composition of the Board of Directors/ Audit Committee could not be duly constituted as per provisions of the Companies Act, 2013 and as per DPE Guidelines due to lack of required Independent Directors/Woman Director on the Board. Requests to fill the vacancies were

sent to Administrative Ministry. However, the Administrative Ministry has appointed one Part-time non-official (Independent Director) on the Board of CCI w.e.f. 29.06.2016.

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Governance:

The Board firmly believes that good Corporate Governance is fundamental in ensuring that the company is well managed in the interest of all of its stakeholders. The philosophy of the Company in relation to Corporate Governance is that Cement Corporation of India Ltd (CCI) believes in financial prudence, customers' satisfaction, transparency, accountability and commitment to stakeholders. CCI practices based on its stated belief and the guidelines that Government of India issues from time to time should go a long way to enhance the value for all stakeholders i.e. shareholders, customers, suppliers, creditors, Government of India, State Governments, Government Agencies/Departments and the society at large.

The Corporation believes that its operations and actions must serve the underlying goal of enhancing the interests of its stakeholders over a sustained period of time, in a socially responsible way.

The Company is committed to conforming to the highest standards of Corporate Governance.

2. Board of Directors:

i. Constitution of the Board:

Cement Corporation of India Limited is a Government company within the meaning of section 2(45) of the Companies Act, 2013. As per the Articles of Association of the company, the power to appoint directors rests with the President of India. The strength of the Board shall not be less than 3 Directors and not more than 12. The number of independent directors shall not be less than one third of the actual strength of the Board.

ii. Composition of Board:

As on 31st March 2017, the Board of CCI comprised of six (6) Directors out of which three are functional directors including the Chairman & Managing Director and two Part-time official Directors, who are nominees of the Administrative Ministry, Government of India and one Independent Director.

The name and categories of Directors, their attendance in Board Meeting held during the year and at the last Annual General Meeting as well as the number of Directorship and Committee (Audit Committee) positions are given in Table 1.

Table 1: Categories of Directors and the Directorship and Committee positions held by them

Sl. No.	Name of Directors	Board Meeting held during the tenure of Directors	No. of Board Meeting Attended	Attendance in AGM (held on 27.09.2016)	No. of Directorship held as on 31.03.2017	No. of Committee membership held in other companies as on 31.03.2017
Functional Directors:						
1.	Shri Manoj Misra, Chairman & Managing Director	7	7	Yes	NIL	NIL
2.	Shri B. V. N. Prasad, Director (Human Resources)	7	7	Yes	NIL	NIL
3.	Shri S. Sakthimani Director (Finance)	7	7	Yes	NIL	NIL

Government Nominee Directors:						
4.	Shri Vishvajit Sahay (upto 16.09.2016)	3	3	N.A	N.A	NIL
5.	Shri A. M. Manichan	7	6	Yes	4	NIL
6.	Shri. Pravin Kumar (w.e.f 16.09.2016 and upto 27.02.2017)	4	3	N.A	NIL	NIL
7.	Smt. Ritu Pande (w.e.f 27.02.2017)	1	1	N.A	4	NIL
Independent Director						
8.	Shri. Mahender Gupta (w.e.f 29.06.2016)	6	5	Yes	NIL	NIL

The company held seven Board Meetings i.e. on 26.04.2016, 14.07.2016, 05.08.2016, 23.09.2016, 07.12.2016, 23.01.2017 and 22.02.2017 during the year under report and time gap between two Board Meetings was not more than three months.

iii. Scheduling and selection of agenda items for Board/Committee meetings:

- The meetings are convened by giving appropriate notice after obtaining the approval of the Chairman of the Board/Committee. Detailed agenda notes, management reports, and other explanatory statements are circulated in advance among the members to facilitate meaningful, informed, and focused decisions during the meeting. When urgent issues need to be addressed, meetings are called at shorter notice or resolutions are passed by circulation in due compliance with applicable provisions whether enunciated in the Act or its Articles.
- Wherever it is not practical to attach any document to the agenda notes due to its confidential nature, or in special and exceptional circumstances, additional or supplemental items, such papers are placed on the table in the meeting.
- The agenda papers are circulated after obtaining the approval of the functional director/CMD.
- Presentations are made in the Board/Committees meetings on matters related to Finance, Operations, Human Resources, etc. to enable members to take informed decisions.
- The members of the Board have complete access to all information of the Company. The Board is also free to recommend any issue that it may consider important for inclusion in the agenda. Senior management officials are called to provide additional inputs to the items being discussed by the Board, as and when necessary.

iv. Recording of minutes of the Board/Committee meetings:

Minutes of the proceedings of each Board/Committee meeting are duly recorded in the Minutes Book. The minutes of each Board meeting are circulated among Board members in the next Board meeting for their confirmation. The minutes of committee of the Board are also placed before the Board for its information.

v. Follow-up mechanism:

An action-taken report on the important decisions of the Board/Committee members is presented in subsequent meetings. This acts as an effective follow-up, review and report process.

vi. Compliance:

It is our endeavor to ensure that all applicable provisions of law, rules, and guidelines are adhered to while preparing the agenda notes. The Company ensures compliance of all the applicable provisions of the Companies Act and various other statutory requirements under different laws. The requisite information is regularly provided to the Board as detailed below:-

- Capital budgets, Annual Plan, MOU
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Show cause, demand, prosecution notices, and penalty notices, if any, which are materially important.
- Fatal or serious accidents, dangerous occurrences.
- Major investments, formation of subsidiaries, joint ventures, and strategic Alliances.
- Disclosure of interest by Directors about directorships and committee positions occupied by them in other companies/firms, etc.
- Award of large contracts.
- Other items in accordance with the law and DPE Guidelines.
- Quarterly Compliance certificate of statutory provisions.
- Other matters desired by the Board from time to time.

vii. Non-Executive Directors' compensation and disclosures:

The Company did not pay sitting fee to Government Nominee Directors. However, the independent Directors were paid sitting fees at the rate of ₹ 6000/- (₹ Six thousand only) per meeting and out of pocket expenses for attending the meeting of Board of Directors and Committees thereof respectively during the financial year 2016-17.

viii. Directorship and Membership in Committee of Board of Directors of other Companies held

Sl. No.	Name of Directors	Category	Directorship in other companies / Disclosures (2016-17)
Functional Directors:			
1.	Shri Manoj Misra, Chairman & Managing Director	Chairman cum Managing Director	NIL
2.	Shri B. V. N. Prasad, Director (Human Resources)	Director (HR)	NIL
3.	Shri S. Sakthimani (Director (Finance))	Director (Fin)	NIL
Government Nominee Directors			
4.	Shri Vishvajit Sahay (upto 16.09.2016)	Govt. Nominee Director	1. Heavy Engineering Corporation Limited 2. H.M.T. Limited. 3. H.M.T.(International) Limited. 4. HMT Machine Tools Limited 5. Engineering Projects (India) Limited 6. Tumakuru Machine Tool Park
5.	Shri A.M. Manichan	Govt. Nominee Director	1. Instrumentation Limited 2. Scooter India Ltd. 3. Hindustan Cables Ltd 4. The Braithwaite Burn And Jessop Construction Company Limited
6.	Shri. Pravin Kumar (w.e.f 16.09.2016 and upto 27.02.2017)	Govt. Nominee Director	NIL
7.	Smt. Ritu Pande (w.e.f 27.02.2017)	Govt. Nominee Director	1. Instrumentation Limited 2. Rajasthan Electronics And Instruments Ltd 3. Tungabhadra Steel Products Limited 4. BHEL Electrical Machines Limited
Independent Director			
8.	Shri. Mahender Gupta (w.e.f. 29.06.2016)	Independent Director	Continental Hygiene Concepts (Partner)

ix. Training of Board Members

CCI takes initiatives to train its Board members about CCI's profile, business, etc. All the relevant issues and significant developments related to the working of CCI are imparted to part-time Directors on the Board of CCI {(official) and (non-official)}, as the case may be} by the management of CCI from time to time.

x. Code of Conduct

The company is committed to conduct its business in accordance with the highest standards of business ethics and comply with all applicable laws, rules and regulations. It is confirmed that the Board members and Sr. Management Personnel have affirmed compliance with Code of Conduct during the year 2016-17.

xi. Policies for Risk Assessment & Minimization

The risk management system is an integrated part and aligned with the corporate and operational objectives. Risk management is undertaken as part of normal business practice and not as a separate task at set time.

3. Audit Committee

As per the provisions of Section 177 of the Companies Act, 2013, the Company is having an Audit Committee consisting of the following Directors:-

- 1) **Shri. Mahender Gupta (Independent Director) as Chairman**
- 2) **Shri B.V.N. Prasad, Director (HR) as Member**
- 3) **Shri A.M. Manichan (Govt. nominee) as Member**

The above Audit Committee was reconstituted on 14.07.2016 consisting of Shri. Mahender Gupta as Chairman, Shri A.M. Manichan and Shri . B.V.N. Prasad as Members.

The Audit Committee has the powers, role and terms of reference in accordance with the Companies Act, 2013 and the Guidelines on Corporate Governance as issued by Department of Public Enterprises.

During the year 2016-17, four Audit Committee Meetings were held on 14.07.2016, 23.09.2016, 07.12.2016 and 23.01.2017 and attended by following members:-

Name	No. of meetings held during the tenure of the Directors	Meetings attended
1. Shri. Mahender Gupta**	4	4
2. Shri B.V.N. Prasad	4	4
3. Shri A.M. Manichan	4	3

* Independent Director Shri Mahender Gupta was appointed on the Board of Directors of CCI as on 29.06.2016.

** Audit Committee was reconstituted on 14.07.2016 consisting of Shri. Mahender Gupta as Chairman, Shri A.M. Manichan and Shri . B.V.N. Prasad as Members.

4. Remuneration Committee

Being a Government Company, Remuneration and allowances payable to Directors is determined by the Government and as per the terms and conditions of their appointment / contract. However, Department of Public Enterprises has directed that each CPSE shall constitute a Remuneration Committee headed by a Part-time Non-official Director which will decide the Annual Bonus/Variable pay policy for its distribution across the Employees.

The Remuneration Committee was reconstituted on 14.07.2016 as follows :

- 1) **Shri Mahender Gupta (Independent Director) as Chairman**
- 2) **Shri A.M. Manichan (Govt. nominee Director) as Member**
- 3) **Shri B. V. N. Prasad (Director, HR) as Member**

Detail of Remuneration paid to Functional Directors:

Details of remuneration paid to functional Directors of the Company for the year 2016-17 are given below:-

(₹ In lakhs)

Sl. No.	Name	Salary including DA & HRA	Other Benefits	Performance incentives	Value of Perquisites	Medical Reimbursement	Contribution to PF & Other Funds	Total
1.	Shri Manoj Misra	23.76	5.20	0.00	0.00	1.19	2.51	32.66
2.	Shri B.V.N. Prasad	22.35	4.04	0.00	0.00	0.24	2.35	28.98
3.	Shri S. Sakthimani	19.32	3.52	0.00	0.00	0.10	2.03	24.97
	Total	65.43	12.76	0.00	0.00	1.53	6.89	86.61

5. Stakeholders Relationship Committee

Cement Corporation of India Limited is an Unlisted Government Company and the entire share capital is held by Hon'ble President of India and his nominees. Hence, no such committee is required to be constituted.

6. Meeting of Independent Directors

Since there is the only one independent director on the board of the Company , the meeting of Independent Directors could not be held.

7. Subsidiary Companies

The Company has no Subsidiary Company.

8. Annual General Meeting

Details of Annual General Meetings for the last three years are given hereunder:-

AGM	50 th AGM	51 st AGM	52 nd AGM
Date & Time	16 th September, 2014 at 12.45 PM	30 th September, 2015 at 12.30 PM	27 th September, 2016 at 12.15 PM
Location	Scope Complex, Lodhi Road, New Delhi-110003	Scope Complex, Lodhi Road, New Delhi-110003	Scope Complex, Lodhi Road, New Delhi-110003
Special Resolution(s) passed	No	No	No

9. Disclosures

I. Related Party Transactions:

The Company has not entered into any significant related party transactions with the Directors or their relatives (Disclosure made by directors individually pursuant to Section 188 of the Companies Act, 2013) having potential interest with the Company at large.

II. Compliance of Laws:

The Company has taken steps to comply with the guidelines on Corporate Governance issued by Department of Public Enterprises (DPE) in May 2010.

The Company has not been imposed penalty by any statutory authority owing to non-compliance under laws, during the last three years.

There are no personal expenses incurred for the Board of Directors except which are as per terms of appointment as contractual obligations.

III. Accounting Treatment:

The company followed the accounting standards as prescribed by the Institute of Chartered Accountants of India subject to the comments & observations as given by the Statutory Auditors in its Report for the financial Statement prepared for the financial year ended as on 31st March, 2017.

IV. President Directives:

The company has not received any Presidential directives during the financial year 2016-17 and last three years.

10. Vigilance

CCI, being a PSU, the records of the Company are open to Audit by Comptroller and Auditor General of India and open to inspection by Vigilance, CCI has a Vigilance Department, headed by CVO.

11. Means of communication

Annual financial performance is posted on the Company's website. www.ccilttd.in The Company also hosts official news on significant corporate decisions and activities on the website of CCI from time to time.

12. Whistle Blower Policy:

The company has established a mechanism for employees to report concern about unethical behavior, actual or suspected fraud or violation of policy. The employees have direct access to the CMD & Chairperson, Audit Committee who are the competent Authority under the Whistle Blower Policy of the company. The whistle Blower Policy is hosted on the official website of the Company www.ccilttd.in

13. Compliance Certificate:

Certificate from M/s Amit Agrawal & Associates, Company Secretaries in Whole Time Practice confirming the compliance subject to their remarks and observation thereon with the Conditions of Corporate Governance as stipulated under the guidelines issued by Department of Public Enterprises forms part of the Annual Report for the financial year 2016-17 which is **Annexed** herewith.

for and on behalf of the Board of Directors

Place: New Delhi
Date: 12th September, 2017

Sd/-
(Manoj Misra)
(Chairman & Managing Director)

CS

Amit Agrawal & Associates Company Secretaries

Office : H-63, Vijay Chowk, Laxmi Nagar, Delhi-110092, INDIA
Ph. : +91 - 11 - 22024525, 43019279, Mob. : + 91 - 9811272307
E-mail : amitagcs@gmail.com, amit2kas@yahoo.com

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Cement Corporation of India Limited,
New Delhi - 110003

1. We have examined the compliance of conditions of Corporate Governance by Cement Corporation of India Limited, having its registered office at Core -5, Scope Complex, 7 Lodhi Road, New Delhi-110003, for the financial year ended on 31.03.2017, as stipulated in guidelines issued by the Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, Govt of India, May,2010 (as amended from time to time).
2. The compliance of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate. It is neither an audit nor an expression of opinion on the financial statement of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE guidelines except the following :
 - a. There was one Independent Director on the Board of Company during the financial year 2016-17.
 - b. As per the DPE guidelines, the Audit Committee shall have minimum three Directors as members and Two-thirds of the members of audit committee shall be Independent Directors. But the company has only one Independent Director.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or the effectiveness with which the management has conducted the affairs of the company.

For Amit Agrawal & Associates
(Company Secretaries)

Sd/-
FCS Amit Agrawal
(Proprietor)
CP No. 3647

Place: Delhi
Date : 04.07.2017

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overview and Outlook

India continued to be a bright spot with annual GDP growth rate of 7.1%, primarily with improved performance of agricultural sector backed by good monsoons and Government's public spending programs, wherein, Global economy continued to be sluggish during F/Y 16-17, thereby reducing world economic growth to 3.1% from 3.4% of last year. The foreign exchange reserves stood at USD 370 million at Mar 17' end. India's GDP growth rate is expected to be stable during F/Y 17-18 also. Investors are bullish and markets are buoyant with stock index attaining new peaks. India's global ranking has also improved in competitiveness and innovation index.

The various initiatives and reforms of the present government have built the platform for quantum leap ahead. The Union budget has brightened prospects for the national economy and result in macroeconomic growth, boost investor confidence and provide fillip to the rural economy. This shall accelerate investment in infrastructure development and housing sector. If 2017 witnesses a normal monsoon, GDP growth is likely to rebound in second half of the F/Y 17-18. Many state governments have also launched ambitious low cost housing plans to meet the dream of "Housing for All" by 2022. The year also witnessed major economic reforms through demonetization which shall usher in greater transparency in financial transactions and a transition towards a cash less economy.

Indian cement industry is the second largest after the china. The cement industry in India registered the lowest volume growth during the last 15 years, While the year started on a positive note for first six months, the second half witnessed sluggish cement demand from the housing segment which accounts for about two thirds of the overall cement consumption. A total of 12 MTPA capacity addition took place during F/Y 16-17, with total cement industry capacity increasing to 420 Million Tonnes. The industry average capacity utilisation dropped from 67% of F/Y 15-16 to 65% during the current financial year. While cement plants in northern, central and eastern regions were able to produce at better capacity utilization, excess capacity in south dragged down industry's average capacity utilisation. Cement prices have not shown any perceptible improvement over the last year and fuel price escalation resulted in higher operating costs.

Going forward the cement demand is expected to respond gradually, with the government sponsored affordable housing schemes, housing loan interest rates reduction, continuing infrastructure spending and revival in rural housing demand. However overall the cement industry shall continue to be challenged by excess capacity during F/Y 17-18 also leading to intense competition. The Company is also looking at launching the eco -friendly Portland Pozzolona Cement from its Tandur, Telangana unit.

2. Financial Review and Analysis

Cement Corporation of India continued to be a profitable CPSU, despite a challenging scenario, though the net profit of the Corporation slipped to ₹42.33 crores from the net profit of ₹53.51 crores for F/Y 15-16. The cement production during the year stood at 7.91 lac MT against 9.13 lac MT for the last Financial year with capacity utilization of 55%.

3. Risks and Concerns

The risk management has to take into account business environment, operational controls and compliance procedures. The major risks are assessed through a systemic procedure of risk identification and classification. The risk assessment is not limited to limited to threat analysis but also identifies potential opportunities. The company has identified the following risks for your organization:

- a. **Primary Raw Material and Energy Cost.** Limestone is the primary raw material required for cement production. All the three operating units of CCI are having their captive mines for limestone shall etc. However coal availability at economic prices affects the energy cost as cement is an energy intensive industry. The fuel prices have continued to rise during the year driven by global demand scenario. We are also in the process of using a mix of pet coke to ease the pressure of coal price increases.

CCI is also the process of installing energy saving equipments to reduce power consumptions. The other measures undertaken for energy conservation include replacements of energy inefficient motors with energy efficient ones, installation of demand

controllers for effective control of maximum demand and arresting leakages in pre-heater tower to maintain oxygen percentage at optimal level. Conventional lights are being replaced by energy efficient LED lights and solar plants are also in the pipeline to reduce energy cost and reduce carbon footprint of the organization.

- b. **Low Demand and Overcapacity:** The cement industry continues to be plagued with overcapacity particularly in Southern markets. This is likely to maintain pressure on cement prices thereby impacting bottom lines.
- c. **Competition :** With the entry of new players in the cement market and capacity expansion by the existing players, competition in Indian cement market which is the world's second largest continues to be a reality. The increased competition may create pressures on margins and market shares. CCI continues to enhance its brand equity through enhanced marketing activities and also endeavours to maintain high standards of quality, delivery schedules and customer satisfaction.
- d. **Project Execution:** Your Company has undertaken expansion of Bokajan unit in the cement deficit North Eastern Region of the country. This expansion project is exposed to the risk of time overruns. Any time over run may affect revenue and lost profits for the delayed period.
- e. **Human Resources:** With continuous superannuation of employees, company's value to deliver value and enhance profitability in a competitive environment, depends on its ability to attract, retain and nurture talent. Conversely attrition and non-availability of suitable talent can affect performance of CCI. We are continuously benchmarking the past HR practices across the industry and making necessary improvements to attract and retain best talent.
- f. **Regulatory and Compliance :** With the ever evolving regulatory framework in the country, the risk of non-compliance and penalties looms large and carries reputational risks also. The company is regularly reviewing the

changes being brought about in the regulatory framework and necessary action is taken accordingly.

4. Internal Control system

The internal audit team monitors the effectiveness of the internal control systems and reports to the Audit Committee. The recommendations of the internal audit team on improvements in the operating procedures and control systems are also presented to the Audit Committee and the business use these as tools for strengthening the operating procedures.

5. CSR Policy

The company has a Corporate Social Responsibility & Sustainability policy as approved by the Board of Directors.

6. Other disclosures

Chapter-7 of Guidelines on Corporate Governance for Central Public Enterprises (CPSEs) provides that as a part of Directors' Report or as an addition thereto, a Management Discussion and Analysis Report should form part of the Annual Report which includes discussion on various matters within the limits set by the company's competitive position. As regards segment wise and product wise performance, the company deals only in one segment i.e. cement. The topics such as Human Resources, Industrial Relation front and Environmental Protection and conservation, Technological conservation, Foreign Exchange conservation etc. have already been covered in Directors' Report.

Conclusion

The growth prospects of the cement industry are linked to the growth of the economy. The outlook in the short-term remains challenging. However, the long-term driver for cement industry remains intact. Importantly, the government's focus on infrastructure development and housing augur well for the industry.

Cautionary Statement

Statements in this "Management Discussions & Analysis" describing Company's objectives, projections and estimates are forward looking statements and progressive within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied depending upon economic conditions, Govt. policies and other factors.

What We Earned and How we Spent

(₹ in lakhs)

PARTICULARS	2016-17	2015-16	2014-15
1. What we earned			
Sales and despatches & clinker transfer	3,36,30	3,92,89	4,02,92
Misc. Income including exceptional Income	1,08,05	63,24	58,46
Accretion/(Decretion) to Semi-finished goods and finished goods	(3,13)	(5,78)	(11,51)
TOTAL	4,41,22	4,50,35	4,49,87
2. How we Spent			
Raw Materials	41,85	50,37	47,79
Stores & packing Materials	15,71	18,65	20,37
Emp. Remuneration & Benefits	76,90	63,65	65,62
Power	77,16	66,83	74,26
Coal & fuel	91,87	1,00,54	1,04,36
Repairs & Maintenance	18,31	18,79	18,23
Selling Expenses	33,50	34,36	41,28
Interest	2,25	2,23	2,97
Depreciation	6,65	7,90	6,36
Other Expenses	34,69	33,52	28,55
SUB-TOTAL	3,98,89	3,96,84	4,09,79
Profit/(Loss)	42,33	53,51	40,08
TOTAL	4,41,22	4,50,35	4,49,87

Contribution to Exchequer

(₹ in lakhs)

PARTICULARS	2016-17	2015-16	2014-15
Excise Duty	33,96	31,90	34,28
Sales Tax	48,44	55,39	49,54
Royalty & Cess	11,53	11,47	9,88
TOTAL	93,93	98,76	93,70

Sources & Application of Funds

(₹ in lakhs)

PARTICULARS	2016-17		2015-16		2014-15	
	Sources	Uses	Sources	Uses	Sources	Uses
A. Internal Generation :						
Additions to Reserves & Surplus	42,33	0	53,51	0	40,08	0
Depreciation	6,65	0	7,90	0	6,36	83
TOTAL	48,98	0	61,41	0	46,44	83
B. Long term sources & uses						
Share Capital	0	0	0	0	0	0
Long term loans	0	15,75	0	0	0	0
Investments	0	0	0	0	0	0
Additions to Fixed Assets	0	12,76	0	4,01	0	7,81
TOTAL	0	28,51	0	4,01	0	7,81
C. Short Term Sources & uses						
Increase/(Decrease) in working capital	0	20,25	0	56,03	0	37,71
Deferred Revenue Expn. written off	0	22	0	1,37	0	9
TOTAL	0	20,47	0	57,40	0	37,80
Summary						
Internal Generation	48,98	0	61,41	0	46,44	83
Long term sources & uses	0	28,51	0	4,01	0	7,81
Short term sources & uses	0	20,47	0	57,40	0	37,80
TOTAL	48,98	48,98	61,41	61,41	46,44	46,44

Value Added Statement

(₹ in lakhs)

PARTICULARS	2016-17	2015-16	2014-15
Value of Production, Sales & Services	3,33,17	3,87,11	3,91,41
Less : Direct Materials consumed	1,44,01	1,63,06	1,67,91
Value Added	1,89,16	2,24,05	2,23,50
Other Misc. Income incldg. Exceptional Income	1,08,05	63,24	58,46
Distributed as follows :			
Employees :			
Salaries, Wages and other benefits	76,90	63,65	65,62
Suppliers of Materials & Services:			
Stores & Spares	14,69	15,38	13,54
Power	77,16	66,83	74,26
Repairs & Maintenance	9,04	9,91	9,30
Other production expenses	9,13	8,32	8,03
Selling Expenses	33,50	34,36	41,28
Others	25,56	25,20	20,52
TOTAL	1,69,08	1,60,00	1,66,93
Suppliers of Capital:			
Interest on Govt. Loans	0	0	0
Interest on Other Loans	2,25	2,23	2,97
TOTAL	2,25	2,23	2,97
Retained in Business:			
Depreciation for Replacement of Assets	6,65	7,90	6,36
Profit/(Loss)	42,33	53,51	40,08
TOTAL	48,98	61,41	46,44
Average Number of Employees	6,65	7,47	8,13
Value Added per Employee (₹ in lakhs)	28,45	29,99	27,49

Ten Year Digest

(₹ in lakhs)

PARTICULARS	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
STATEMENT OF PROFIT & LOSS										
Sales & despatches and Accretion/ (Decretion) to stock	33317	38711	39141	31360	30218	35613	30286	33426	32356	29209
Other Income inclgd. Exceptional Income	10805	6324	5846	7737	4694	4070	5893	3462	4402	2325
Raw Materials consumed	4185	5037	4779	4116	5137	4899	3969	3630	3412	2883
Stores & packing material consumed	1571	1865	2037	1880	1534	1690	1703	1640	1670	1368
Employees Remuneration & Benefits	7690	6365	6562	6096	5650	6045	4997	4597	5724	3689
Interest	225	223	297	295	446	911	3683	3752	3738	3465
Depreciation	665	790	636	906	811	744	774	899	1107	1150
Other Manufacturing Expenses	25553	25404	26668	24184	20523	23451	18340	17095	15852	14890
Profit (+)/Loss (-)	4233	5351	4008	1620	811	1943	2713	5275	5255	4089
BALANCE SHEET										
Paidup Share Capital*	81141	81141	81141	81141	81141	81140	81140	81140	81140	81140
Reserves & Surplus	(80690)	(84923)	(90274)	(93736)	(95356)	(96167)	(98110)	(100823)	(106098)	(111353)
Loans	29600	37338	37338	37338	37338	37338	37172	46875	44083	44519
Net Fixed Assets	11449	11919	12169	12741	12911	9863	10224	10734	11474	10982
Current Assets	43316	44525	40394	38412	40710	42486	39269	49033	41763	37285
Current Liabilities & Provisions	33481	30552	32026	33813	37033	35737	33137	36059	37404	38116
Capital W.I.P.	6706	5625	5766	5512	4713	3973	2051	1577	1329	2224
Other Assets (Including DRE)	2061	2039	1902	1891	1821	1726	1795	1907	1963	1931
Capital Employed	21284	25890	20535	17338	16588	16612	16356	27533	19499	13179
No. of Employees (Nos.)	665	747	813	907	906	907	988	1078	1159	1460

* Includes Equity Shares of ₹ 45,598 Lakhs and Redeemable Pref. Share of ₹ 35,543 Lakhs.

BALANCE SHEET AS AT 31st MARCH 2017

(₹ in lakhs)

PARTICULARS	NOTE NO	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUNDS			
a) Share Capital	1	8,11,41	8,11,41
b) Reserves & Surplus	2	(8,06,90)	(8,49,23)
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT			
		0	0
		451	(3782)
(3) NON CURRENT LIABILITIES			
a) Long Term Borrowing	3	1,72,15	1,87,90
b) Other Long Term Liabilities	4	2,66,88	3,28,34
c) Long Term Provisions	5	80,43	75,79
		5,19,46	5,92,03
(4) CURRENT LIABILITIES			
a) Short Term Borrowings	6	0	0
b) Trade Payables	7	15,59	11,58
c) Other Current Liabilities	8	63,76	49,82
d) Short Term Provisions	9	32,00	25,47
		1,11,35	86,87
TOTAL		6,35,32	6,41,08
II. ASSETS			
(1) NONCURRENT ASSETS			
a) Fixed Assets			
i) Tangible Assets	10	1,14,49	1,19,19
ii) Capital work in Progress	11	67,06	56,25
iii) Intangible Assets-Under Development	11A	0	0
b) Non-Current Investments	12	2,28	2,28
c) Long term loans and Advances	13	27,52	32,61
d) Other non-current Assets	14	41	88
e) Unamortised expenses	15	18,33	18,11
TOTAL NONCURRENT ASSETS		2,30,09	2,29,32
(2) CURRENT ASSETS			
a) Current Investments	16	0	0
b) Inventories	17	1,33,52	1,34,95
c) Trade Receivables	18	12,25	11,39
d) Cash and Bank Balances	19	2,16,95	2,31,44
e) Short Term loans and Advances	20	34,15	24,28
f) Other Current Assets	21	8,36	9,70
TOTAL CURRENT ASSETS		4,05,23	4,11,76
TOTAL		6,35,32	6,41,08

Significant Accounting Policies, (Notes No. 32) and the accompanying notes no. 1 to 31 forming part of the Financial Statements

Sd/-

Manish Mehta
Head of Finance

Sd/-

S. Sakthimani
Director (Fin)/CFO

Sd/-

Manoj Misra
Chairman & Managing Director

As per our report of even date attached
For Kapoor Bhushan & Co.
Chartered Accountants
FRN No. NO-001676N

Sd/-

(CA.P.B. KAPOOR)

Partner

Membership No. 010858

Place : New Delhi
Dated : 30/06/2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017
(₹ in lakhs)

PARTICULARS	NOTE NO	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
REVENUE			
I Revenue from operations			
a) Sale of Products (Includes Sale of Clinker ₹ Nil (Previous year ₹ Nil Lakhs)		3,72,54	436,23
Less:- Excise Duty		36,24	43,34
		3,36,30	3,92,89
b) Other Operating Revenues		1,14	13
Net from operation		3,37,44	3,93,02
II Other Income	22	42,28	63,11
III Total Revenues		3,79,72	4,56,13
EXPENSES			
Cost of Materials Consumed	23	41,86	50,38
Change in Inventories of Finished Goods, Work-in-progress and Stock in Trade	24	3,13	5,78
Employees Benefits Expenses	25	76,90	63,65
Other Expenses	26	2,71,24	2,72,69
Finance Cost	27	2,25	2,23
Depreciation and Amortisation		6,64	7,89
IV Total Expenses		4,02,02	4,02,62
V Profit /(Loss) before Exceptional and Extraordinary Items		(22,30)	53,51
VI Exceptional Items	28(A)	64,63	0
VII Profit /(Loss) before Extraordinary Items		42,33	53,51
VIII Extraordinary items	28(C)	0	0
IX Profit /(Loss) before tax		42,33	53,51
X Tax Expense of Continuing operations		0	0
XI Profit/(Loss) for the year from continuing Operations		16,60	61,38
XII Profit/(Loss) from discontinuing operations	28(D)	25,73	(7,87)
XIII Tax Expense of discontinuing operations		0	0
XIV Profit/(Loss) from discontinuing operations After Tax		25,73	(7,87)
XV Profit /(Loss) for the year		42,33	53,51
XVI Earning Per Share (₹)		(49)	1,17

Significant Accounting Policies, (Note No. 32) and the accompanying notes no. 1 to 31 forming part of the Financial Statements

Sd/-
Manish Mehta
Head of Finance

Sd/-
S. Sakthimani
Director (Fin)/CFO

Sd/-
Manoj Misra
Chairman & Managing Director

As per our report of even date attached
For Kapoor Bhushan & Co.
Chartered Accountants
FRN No. NO-001676N

Sd/-
(CAP.B. KAPOOR)
Partner
Membership No. 010858

Place : New Delhi
Dated : 30/06/2017

NOTE NO. 1 SHARE CAPITAL

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Authorised		
5000000 Equity Shares (Previous Year 5000000) of ₹ 1000/- each	5,00,00	5,00,00
4000000 0.01% non-cumulative Redeemable Pref. Share of ₹ 1000/- each (Previous Year 4000000)	4,00,00	4,00,00
	9,00,00	9,00,00
Issued, Subscribed & Fully Paid up		
4559749 Equity Shares of ₹ 1000/- each Fully Paid Up (Previous year 4559749 Shares)	4,55,98	4,55,98
3554325 0.01% Non-cumulative Redeemable Pref. Share of ₹ 1000/- each (Previous year 3554325 Shares)	3,55,43	3,55,43
Total	8,11,41	8,11,41

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Number of Shares outstanding as at the beginning of the year	4,55,97,49	4,55,97,49
Add: Number of shares Alloted during the year	0	0
Number of Shares outstanding as at the end of the year	4,55,97,49	4,55,97,49

Reconciliation of number of preference shares outstanding at the beginning and at the end of the year

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Number of Shares outstanding as at the beginning of the year	3,55,43,25	3,55,43,25
Add: Number of shares Alloted during the year	0	0
Number of Shares outstanding as at the end of the year	3,55,43,25	3,55,43,25

Details of shareholder holding more than 5% share in the Corporation

Name/Class of share holder - Govt of India

-Equity Shares

100%

100%

-Preference Shares

100%

100%

NOTE NO. 2 RESERVES AND SURPLUS

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Surplus/(Deficit) in statement of Profit and loss		
As per Last Balance Sheet	(8,49,23)	(9,02,74)
Less:- Profit During the Year	42,33	53,51
Add : Depreciation relating to fixed Assets	0	0
Closing Balance	(8,06,90)	(8,49,23)

NOTE NO. 3 LONG TERM BORROWINGS

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Unsecured*		
Govt. Loans	1,50,90	1,50,90
Inter Corporate Borrowings	21,25	37,00
Total	1,72,15	1,87,90

Details of Default in respect of Loans & Borrowings

(₹ in lakhs)

S.No	PARTICULARS	Loan Amount	Default Period	2016-17		2015-16	
				Principal	Interest	Principal	Interest
1.	M/s. Goa Shipyard Ltd.	21,25	1995	21,25	0	30,00	47,94
2.	M/s. ONGC Ltd.	0	1991	0	0	7,00	13,69
3.	Govt. Of India	1,50,90	From 1975	1,50,90	0	1,50,90	0
4.	Govt. of India	0	From 2011	0	1,23,85	0	1,23,85
	Total	1,72,15		1,72,15	1,23,85	1,87,90	1,85,48

*As per Sanctioned Scheme payment of above Principal Amount of Plan Loan & Borrowings to be made out of sale proceeds of Non-Operating Units

NOTE NO. 4 OTHER LONG TERM LIABILITIES

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Trade Payable		
-MSMEs	81	81
-Others	26,73	27,15
Security & Earnest Money Received	20,53	18,94
Advance from Customers	6,34	4,25
Sales Tax Payable	6,57	9,19
Power	22,68	24,73
Royalty Payable	5,07	5,07
Interest Accrued and due on Borrowing- Govt Loan	1,23,85	1,23,85
Interest Accrued and due on Borrowing-Others	0	61,63
Others Payable	54,30	52,72
Total	2,66,88	3,28,34

NOTE NO. 5 LONG TERM PROVISIONS

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Gratuity	34,64	30,85
Capital work in progress	11	11
Earned leave liability	17,32	15,70
Others	28,36	29,13
Total	80,43	75,79

NOTE NO. 6 SHORT TERM BORROWINGS

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
From Banks	0	0
Others	0	0
Total	0	0

NOTE NO. 7 TRADE PAYABLES

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Trade Payable		
MSMEs	0	0
Deposits	3	0
Others	15,56	11,58
Total	15,59	11,58

NOTE NO. 8 OTHER CURRENT LIABILITIES

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Advance from customers	9,84	7,36
Security and Earnest Money Deposits received	8,99	9,26
Sales tax payable	5,73	5,63
Power dues	21,70	6,01
Dues to Employees	4,61	4,64
Royalty payable	2,88	3,35
Others payable	10,01	13,57
Total	63,76	49,82

NOTE NO. 9 SHORT TERM PROVISIONS

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Gratuity	11,59	9,49
Earned Leave Liabilities	4,80	4,59
Other Provisions	15,50	11,17
Bonus	11	22
Total	32,00	25,47

NOTE NO. 10 FIXED ASSETS

Tangible Assets

(₹ in Lakhs)

PARTICULARS	As at 1st April, 2016	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		Add/ Adjust ments	Deduct ions/ Sets	Trf.in/ out	Asat 31st March, 2017	Asat 1st April, 2016	For the Year	Adj/ dis posal	Trf.in/ out	Asat 31st March, 2017	Asat 31st March, 2017	Asat 31st March, 2016
Works												
Land Freehold	1293	1	0	0	1294	146	0	0	0	146	1148	1147
Land Leasehold	481	0	0	0	481	158	0	0	0	158	323	323
Roads & Culverts	654	0	0	0	654	621	0	0	0	621	33	33
Plant Buildings	8884	0	0	0	8884	8008	132	0	0	8140	744	876
Non-Plant Buildings	1054	0	0	0	1054	661	22	0	0	683	371	393
Water Supply, Drainage & Sewerage	1119	0	0	0	1119	968	2	0	0	970	149	151
Railway Siding	2095	0	0	0	2095	1583	25	0	0	1608	487	512
Electrical Installation	1980	0	0	0	1980	1889	1	0	0	1890	90	91
Plant & Machinery	46715	174	0	0	46889	39453	412	0	0	39865	7024	7262
Aerial Ropeway	706	0	0	0	706	672	0	0	0	672	34	34
Railway Rolling Stock	423	0	0	0	423	406	0	0	0	406	17	17
Quarry Equipments	2519	0	0	0	2519	2381	0	0	0	2381	138	138
Vehicles	441	0	(13)	0	428	392	4	0	(12)	384	44	49
Furniture & Fixtures	264	0	0	0	264	253	2	0	0	255	9	11
Office Equipments	471	16	0	0	487	422	24	0	0	446	41	49
Misc. Equipments	913	4	0	0	917	778	14	0	0	792	125	135
P&M Costing upto ₹ 5000/-	52	1	0	0	53	52	1	0	0	53	0	0
TOTAL WORKS	70064	196	(13)	0	70247	58843	639	0	(12)	59470	10777	11221

(₹ in lakhs)

PARTICULARS	As at 1st April, 2016	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		Add/ Adjust ments	Deduct ions/ Sets	Trf.in/ out	Asat 31st March, 2017	Asat 1st April, 2016	For the Year	Adj/ dis posal	Trf.in/ out	Asat 31st March, 2017	Asat 31st March, 2017	Asat 31st March, 2016
TOWN SHIP												
Land Freehold	19	0	0	0	19	0	0	0	0	0	19	19
Land Leasehold	29	0	0	0	29	0	0	0	0	0	29	29
Roads & Culverts	39	0	0	0	39	36	0	0	0	36	3	3
Residential & Welfare Buildings	1754	0	0	0	1754	1124	24	0	0	1148	606	630
Water Supply, Drainage & Sewerage	158	0	0	0	158	152	0	0	0	152	6	6
Electrical Installation	41	0	0	0	41	40	0	0	0	40	1	1
Vehicles	122	0	0	0	122	116	2	0	0	118	4	6
Furniture & Fixtures	20	0	0	0	20	18	0	0	0	18	2	2
Office Equipments	3	0	0	0	3	3	0	0	0	3	0	0
Misc. Equipments	20	0	0	0	20	18	0	0	0	18	2	2
Total Township	2205	0	0	0	2205	1507	26	0	0	1533	672	698
Total Works & Township	72269	196	(13)	0	72452	60350	665	0	(12)	61003	11449	11919
Previous Year	71754	540	(25)	0	72269	59585	790	0	(25)	60350	11919	12169

NOTE NO. 10 FIXED ASSETS (Contd...)

Depreciation charged to :-

	CURRENT YEAR	PREVIOUS YEAR
Statement of Profit & Loss	6,64	7,89
Quarry (Note -23)	1	1
	<u>6,65</u>	<u>7,90</u>

NOTE NO. 11 CAPITAL WORKS IN PROGRESS

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH, 2016	ADDITIONS DURING THE YEAR	ADJUSTMENTS	CAPITALISED DURING THE YEAR	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017
Mechanical Consultancy	1,20	0	0	0	1,20
Civil Engineering Works	20,78	9,20	0	0	29,98
Plant & Machinery Incl. Awaiting Erection	31,17	2,64	1	1,02	32,78
Erection Expenses of Plant & Machinery	1	0	0	0	1
Incidental Expenditure	1,36	0	0	0	1,36
Pending Allocation (Refer Annex.)					
Capital Stores	12	0	0	0	12
Others	1,64	0	0	0	1,64
TOTAL	56,28	11,84	1	1,02	67,09
Provision -WIP					
Civil Engg, Works	3	0	0	0	3
TOTAL	56,25	11,84	1	1,02	67,06

NOTE NO.11(A) CAPITAL WORKS IN PROGRESS (Intangible Assets)

(₹ in lakhs)

PARTICULARS	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH, 2016	ADDITIONS DURING THE YEAR	ADJUSTMENTS	CAPITALISED DURING THE YEAR	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017
Software Development	2	0	0	0	2
TOTAL	2	0	0	0	2
Less : Provision Software Development	2	0	0	0	2
TOTAL	0	0	0	0	0

ANNEXURE OF NOTE-11 INCIDENTAL EXPENDITURE DURING CONSTRUCTION PERIOD

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Employees Remuneration and Benefits		
Salaries, Wages & Allowances	0	0
Total remuneration	0	0
Misc. Expenses	0	0
Legal Expenses	0	5
Security Expenses	11	10
Net Expenditure during the year	11	15
Bal. Tfd. to NYO Expansion	11	15
Addition during the year	0	0
Summary of IEDC Account		
Opening Balance of IEDC	1,36	1,36
Addition during the year	0	0
Less:- Capitalised during the year	0	0
Adjustment during the year	0	0
Closing balance of IEDC TFD. to capital WIP	1,36	1,36

NOTE NO.12 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	Market Value	Book Value	Market Value	Book Value
	as at 31-03-2017	as at 31-03-2017	As at 31-03-2016	as at 31-03-2016
Long Term Investments				
Quoted Shares (Fully Paid) At Cost				
(i) 31 Equity Shares of ₹10/-each of Andhra Cement Co Ltd. Market value @ ₹ 9.00 per share on NSE (Previous year ₹ 8.20 per Share)	@	@	@	@
(ii) 280 Equity Shares (Including 180 Bonus Shares) of ₹ 10/- each of ACC Ltd. Converted from 28 shares of ₹ 100 each, New shares certificates are awaited Market Value @ ₹ 1446.05 Per share on NSE (Previous Year ₹ 1380.30 per Share)	4	@	4	@
Unquoted Shares (Fully Paid) At Cost				
(i) 1 Equity Share of ₹ 10/- each of Assam Bengal Cement Co Ltd.*	-	@	-	@
(ii) 79 Equity Shares of ₹ 10/- each of Jaipur Udyog Ltd.	-	@	-	@
(iii) 40 Equity Shares of ₹ 5/- each of Sone Valley Cement Co. Ltd	-	@	-	@
(iv) 5531520 Equity Shares of ₹10/- each of AP Gas Power Corporation Ltd. (Incl 2315520 Bonus Shares) (1610680 Shares sold including 134000 Bonus Shares) Balance Held 3920840 Shares of ₹ 10/- each (Including 2181520 Bonus Shares)	3,22 94	 2,28	3,22 94	 2,28
TOTAL NON-CURRENT INVESTMENTS		2,28		2,28
Aggregate of Quoted Investments				
Cost	-	@	@	-
Market Value	4	-	4	-
Aggregate of Unquoted Investments				
Cost	2,28		2,28	
TOTAL NONCURRENT INVESTMENTS		2,28		2,28

@ Amount less than ₹1,00,000/-

* Yet to be transferred in the name of the Corporation

NOTE NO. 13 LONG TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Capital Advances		
- Secured, Considered Good	61	61
- Unsecured, Considered Good	3,79	7,16
- Doubtful	13	13
Less: Allowance for Bad and Doubtful Advances	13	13
Sub Total	4,40	7,77
Deposits		
- Central Excise		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	2,35	1,88
- Doubtful	28	28
Less: Allowance for Bad and Doubtful Advances	28	28
Sub Total	2,35	1,88
Other Deposits		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	12,34	11,99
- Doubtful	25	25
Less: Allowance for Bad and Doubtful Advances	25	25
Sub Total	12,34	11,99
Contractors & Suppliers		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	48	38
- Doubtful	2,51	2,51
Less: Allowance for Bad and Doubtful Advances	2,51	2,51
Sub Total	48	38
Balance with Govt. Deptt.		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	2,22	4,61
- Doubtful	1,74	1,74
Less: Allowance for Bad and Doubtful Advances	1,74	1,74
Sub Total	2,22	4,61
Insurance & Claims Others		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	40	43
- Doubtful	1,80	1,80
Less: Allowance for Bad and Doubtful Advances	1,80	1,80
Sub Total	40	43

NOTE NO. 13 LONG TERM LOANS AND ADVANCES (Contd.)

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Loans & Advances to Employees		
- Secured, Considered Good	1	1
- Unsecured, Considered Good	0	0
- Doubtful	0	0
Less : Allowance for Bad and Doubtful Advances	0	0
Sub Total	1	1
Claims Recoverable Railways		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	0	8
- Doubtful	4,02	3,88
Less : Allowance for Bad and Doubtful Advances	4,02	3,88
Sub Total	0	8
ED Relief Recoverable		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	1,08	1,08
- Doubtful	93	93
Less : Allowance for Bad and Doubtful Advances	93	93
Sub Total	1,08	108
Recoverable from Employees		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	6	6
- Doubtful	8	8
Less : Allowance for Bad and Doubtful Advances	8	8
Sub Total	6	6
Recoverable from Outside Parties		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	4,18	4,32
- Doubtful	7,65	7,65
Less : Allowance for Bad and Doubtful Advances	7,65	7,65
Sub Total	4,18	4,32
Shortage Losses pending Investigation		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	0	0
- Doubtful	5,90	5,90
Less : Allowance for Bad and Doubtful Advances	5,90	5,90
Sub Total	0	0
Grand Total	27,52	32,61

NOTE NO. 14 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Long Term Trade Receivable		
- Secured, Considered Good	0	0
- Unsecured, Considered Good	0	0
- Doubtful	15,01	15,02
Less : Allowance for bad and Doubtful Debts	15,01	15,02
Sub Total	0	0
Interest Accrued and Due on Loans & Advances (Unsecured, Considered Good)	41	88
Sub Total	41	88
Total	41	88

NOTE NO. 15 UNAMORTISED EXPENSES

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Quarry Development Expenditure		
Opening Balance	18,11	16,74
Additions	1,98	3,96
	20,09	20,70
Less : Adjusted/Capitalized	1,76	2,59
Total	18,33	18,11

NOTE NO. 16 CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Current Investments:		
A) Non Trade Investments	0	0
Total	0	0
1) Quoted Investments	0	0
2) Unquoted Investments	0	0
Total	0	0

NOTE NO. 17 INVENTORIES
(As Verified, Valued and Certified by the Management)

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
a) Stores and Spares		
-In Stock	67,33	68,65
-In Transit	9	11
Total	67,42	68,76
b) Work in Progress		
-In Stock	27,93	27,49
-In Transit	0	0
Total	27,93	27,49
c) Finished Goods		
-In Stock	8,97	11,74
-In Transit	2,09	1,68
Total	11,06	13,42
d) Raw Materials		
-In Stock	10,13	10,89
-In Transit	7	1
Total	10,20	10,90
e) Loose Tools		
-In Stock	1	1
-In Transit	0	0
Total	1	1
f) Packing Materials		
-In Stock	49	78
-In Transit	0	0
Total	49	78
g) Coal		
-In Stock	13,61	7,64
-In Transit	0	1,94
Total	13,61	9,58
h) Scrap		
-In Stock	2,91	4,12
-In Transit	0	0
Total	2,91	4,12
Total Inventory	1,33,63	1,35,06
Less: Unrealisable Inventory	11	11
Grand Total	1,33,52	1,34,95

NOTE NO. 18 TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
A) Trade Receivables Outstanding for a period exceeding six months:-		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	67	1,71
-Doubtful	0	0
Less: Allowances for bad and doubtful debts	0	0
Total (A)	67	1,71
B) Others Trade Receivables:		
-Secured, Considered Good	1,35	2,99
-Unsecured, Considered Good	10,23	6,69
-Doubtful	0	0
Less: Allowances for bad and doubtful debts	0	0
Total (B)	11,58	9,68
Total (A+B)	12,25	11,39

NOTE NO. 19 CASH AND BANK BLANCES

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Cash and Cash Equivalents		
Cash in hand	1	2
Cheques / DD in hand	1,58	3,58
Bank Deposits*	1,91,71	2,12,45
Balance with Banks - Current Accounts	13,59	7,41
Total	2,06,89	2,23,46
Other Bank Balances		
Bank Balances held as margin money in form of FDR's Against Guarantees/Letter of credit		
Guarantees	7,06	7,98
Letter of Credit	3,00	0
Grand Total	2,16,95	2,31,44

*Note: Bank deposits includes deposits of ₹ 13942.01 lakhs (Previous Year ₹ 1303.94Lakhs) whose maturity period is more than 12 months.

NOTE NO. 20 SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Balance with Govt. Deptt.		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	1,64	3,95
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	1,64	3,95
Contractors & Suppliers		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	7,47	3,45
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	7,47	3,45
Claims Recoverable Railways		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	0	7
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	0	7
Deposit Others		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	4,02	3,82
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	4,02	3,82
Insurance & Claims Others		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	1,02	9
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	1,02	9
Loans & Advances to Employees		
-Secured, Considered Good	15	15
-Unsecured, Considered Good	1	5
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	16	20
ED/Vat Relief Recoverable		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	1,92	2,38
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	1,92	2,38

NOTE NO. 20 SHORT TERM LOANS AND ADVANCES (Contd.)

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Recoverable from Employees		
-Secured, Considered Good	30	40
-Unsecured, Considered Good	10	20
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	40	60
Recoverable from Outside Party		
-Secured, Considered Good	0	0
-Unsecured, Considered Good	17,52	9,72
-Doubtful	0	0
Less: Allowance for Bad and Doubtful Advances	0	0
Sub Total	17,52	9,72
Grand Total	34,15	24,28

NOTE NO. 21 OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
Interest Accrued on term deposit	836	9,70
Total	836	9,70

NOTE NO. 22 OTHER INCOME

(₹ in Lakhs)

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Income from :		
Rent from Property	16,01	18,14
Interest on loans and Advances-Employees.	9	7
Receipts form Township	49	45
Prior Period Income (Net) (Note No. 28 B)	6	0
Excess Provision written back	2,98	12,40
Bank Interest	17,33	19,02
Misc. Income	5,31	13,01
Profit on sale of Discarded Assets	1	2
Total	42,28	63,11

NOTE NO. 23 COST OF RAW MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Opening Balance	10,89	9,78
Acquisition during the year		
Limestone Raising, Quarrying & Transportation @ (Refer Details below)	31,57	35,89
Other Raw Materials Purchased	9,53	15,60
Sub total	51,99	61,27
Less Closing Stock	10,13	10,89
Total Raw Materials Consumed	41,86	50,38
@ Limestone Raising, Quarrying & Transportation		
Limestone Raising & Payments to Contractors	6,56	910
Employees Remuneration & Benefits		
Salaries, Wages & Bonus	4,78	4,67
Gratuity Paid	40	1,05
Benefits to Employees	0	0
Contribution to Provident Fund	35	23
Contribution to Pension Fund	10	8
Leave Encashment	13	29
Medical Expenses	25	9
Provision for Gratuity	0	0
Provision for Earned Leave	0	3
Stores Consumed	601	6,44
Gross Amount	2,49	4,27
Less: Amount Included under Repairs	1,28	2,99
	121	1,28
Power	58	69
Fuel	30	39
Rates & Taxes	46	26
Payment to Contractors	2,97	236
Royalty & Cess	12,17	14,48
Quarry Development Expenditure written Off	1,76	2,59
Travelling Expenses	2	2
Other Expenses	22	37
Depreciation	1	1
	18,49	21,17
Repairs-Machinery	74	1,07
- Building	4	0
- Others	50	79
	1,28	1,86
Sub Total	33,55	39,85
Less: Quarry Development Expenditure	1,98	3,96
Total	31,57	35,89

NOTE NO. 24 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakhs)

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Semi-Finished Goods		
- Closing Stock	27,93	27,49
- Opening Stock	27,49	30,62
	44	(3,13)
Finished Goods		
- Closing Stock	8,97	11,74
- Opening Stock	11,74	14,40
	(2,77)	(2,66)
Finished Goods in Transit		
- Closing Stock	2,09	1,68
- Opening Stock	1,68	2,22
	41	(54)
Scrap Stock		
- Closing Stock	2,91	4,12
- Opening Stock	4,12	3,57
	(1,21)	55
Total Accretion/(Decretion)	(3,13)	(5,78)

NOTE NO. 25 EMPLOYEES BENEFITS EXPENSES

(₹ in Lakhs)

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Salaries, Wages & Bonus	46,04	45,93
Gratuity Paid	6,64	4,99
Benefits to Employees	9	8
Provision for Earned Leave	1,96	78
Contribution to Provident Fund	3,24	2,68
Contribution to Pension Fund	75	80
Medical Expenses	2,93	3,06
Leave Encashment	4,50	2,49
Provision for Gratuity	8,31	34
Staff Welfare Expenses	2,44	2,50
Total	76,90	63,65

NOTE NO. 26 OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Power	77,16	66,83
Coal	91,70	1,00,38
Fuel Oil	17	16
Rent	27	18
Excise Duty	1,24	1,62
Rates & Taxes	4,04	4,65
Insurance	21	20
Sub-Total	1,74,79	1,74,02
Repairs & Maintenance		
Plant & Machinery	15,04	14,53
Buildings	1,10	2,10
Others	2,17	2,16
Total	18,31	18,79
Other Production Expenses	9,13	8,32
Tools & Tackles Written Off	1	1
Travelling Expenses	1,43	99
Selling Expenses		
Freight on Cement	28,46	29,18
Handling Charges	3,09	3,62
Secondary Transportation	0	0
Godown Charges	1,58	1,02
Sales Promotion & Publicity	32	48
Other Selling Expenses	5	6
Total Selling Expense	33,50	34,36
Vehicles Running Expenses	34	72
Auditors' Remuneration		
Audit Fee	6	4
Reimbursement of Expenses	0	0
In Other Capacity	1	1
Total Auditors Remunerations	7	5
Cost Audit Fee	1	1
Cost Audit Expenses	0	0
Total Cost Audit Expenses	1	1
Subscriptions to CRI & Others	10	9
Losses on Disposal of Fixed Assets	0	0
Communication Charges	34	33
Printing & Stationary	36	26
Hire Charges on Data Processing	8	6
Legal and Professional Fees	1,22	89
Security Expenses	4,62	4,68
Training of Workers & Supervisors	10	10
Miscellaneous Expenses*	3,03	3,76
Payment to Contract Labour	6,24	4,88
Expenses on closed project	11	15

NOTE NO. 26 OTHER EXPENSES (contd...)

Provision for Doubtful Debts & Advances	14	2
Prior Period expencses (Net) Refer Note No. 28(B)]	1,60	151
Corporate Social Responsibilities	0	4
Sub-Total	2,55,53	2,54,04
Stores and Spare Parts		
Gross Amount	14,69	15,38
Less: Includ. Under Repairs & Maint.	9,27	8,88
Net Stores & Spares Consumed	5,42	6,50
Packing Materials	10,29	12,15
Total	2,71,24	2,72,69
*Includes Entertainment Expenses	0	0
Director Sitting Fees	1	0

NOTE NO. 27 FINANCE COST

PARTICULARS	(₹ in Lakhs)	
	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Interest on		
-Deposits From Stockists	14	13
-Others	2,11	2,10
Total	2,25	2,23

NOTE NO. 28 EXCEPTIONAL, EXTRA ORDINARY ITEMS & ADJUSTMENTS RELATING TO PAST YEARS**Note No. 28 (A) Exceptional Items**

PARTICULARS	(₹ in Lakhs)	
	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Income		
Waiver of Interest etc.	64,63	0
Total Exceptional Income	64,63	0
Expenses		
Total Exceptional Expences	0	0
Net Exceptional Items Income/ (Expenses)	64,63	0

NOTE : No. 28 (B) PRIOR PERIOD ITEMS

(₹ in Lakhs)

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Income		
Employees Remuneration & Benefits	0	0
Stores & Spares	6	4
Rates and Taxes	0	0
Interest	0	0
Total Prior Period - Income	6	4
Expenses		
Raw Materials	0	34
Stores & Packing Materials	66	38
Employees' Remuneration & Benefits	25	4
Royalty	0	67
Power & Fuel	19	0
Sales Tax	37	0
Others	19	12
Total Prior Period Expenses	1,66	1,55
Net Prior Period Income / (Expenses)	(1,60)	(1,51)

NOTE : No. 28 (C) EXTRA-ORDINARY ITEMS

(₹ in Lakhs)

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD FROM 1st APRIL 2016 TO 31st MARCH 2017	FIGURES FOR THE PREVIOUS REPORTING PERIOD FROM 1st APRIL 2015 TO 31st MARCH 2016
Income		
Total Extra Ordinary Income	0	0
Expenses		
Total Extra-Ordinary Expenses	0	0
Net Extra-Ordinary Income/(Expenses)	0	0

NOTE : NO. 28 (D)

STATEMENT OF REVENUE & EXPENSES OF CONTINUING AND DISCONTINUING OPERATION FOR THE YEAR ENDED 31.03.2017

(₹ in Lakhs)

PARTICULARS	Continuing Operation		Discontinuing Operation		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
A. Revenue :-						
Turnover (Net)	3,36,30	3,92,89	0	0	3,36,30	3,92,89
Other Operating Revenue	1,14	13	0	0	1,14	13
Accretion/(Decretion) to Semi-Finished Goods and Finished Goods	(3,13)	(5,78)	0	0	(3,13)	(578)
Total Income	3,34,31	3,87,24	0	0	3,34,31	3,87,24
B. Expenses:-						
Operating Expenses	3,70,34	3,80,64	26,30	13,97	3,96,64	3,94,61
Impairment Loss	0	0	0	0	0	0
Total Expenses	3,70,34	3,80,64	26,30	13,97	3,96,64	3,94,61
C. Profit/(Loss) before interest & tax from Operating Activities	(36,03)	6,60	(26,30)	(13,97)	(62,33)	(7,37)
Interest Expenses	1,13	1,10	1,12	1,13	2,25	2,23
D. Profit/ (Loss) Before Tax	(37,16)	5,50	(27,42)	(15,10)	(64,58)	(9,60)
E. Income Tax	0	0	0	0	0	0
F. Profit/(Loss) from Operating Activities after Tax	(37,16)	5,50	(27,42)	(15,10)	(64,58)	(9,60)
G. Other Income	34,57	55,89	7,71	7,22	42,28	63,11
H. Exceptional items-Income/ (Expenditure)	19,19	0	45,44	0	64,63	0
I. Extra Ordinary items-Income /(Expenditure)	0	0	0	0	0	0
J. Net Profit/(Loss) from Operating Activities	16,60	61,39	25,73	(7,88)	42,33	53,51

NOTE NO. 29 CONTINGENT LIABILITIES AND COMMITMENTS-(TO EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD 31st MARCH 2017	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD 31st MARCH 2016
A) Contingent Liabilities		
a) Claims against the company not acknowledged as debts		
1) Income Tax Demand u/s 271(1) (c) for AY 2007-08	29,61	29,61
2) Sales Tax demand of Tandur & Bokajan unit.	19,95	29,94
3) Railways Land Licence Fees in respect of Rajban (April 2010 to March 2015)	0	13,09
4) Norton Polymers Ltd. - Arbitration Matter	5,87	5,87
5) Tarrif Minimum Charges in respect of Akaltara & Mandhar	3,64,49	3,64,49
6) Power Wheeling charges etc. in respect to Tandur	52,66	37,15
7) Others-Miscellaneous Cases	94,80	90,12
b) Other money for which company is contingently liable	0	0
Total (A)	5,67,38	5,70,27
B) Commitments		
a) Estimated amount of contracts remaining to be executed on the capital accounts and not provided for	1,57,39	1,58,64
b) Other Commitments (specific nature)	0	0
Total (B)	1,57,39	1,58,64
Total (A+B)	7,24,77	7,28,91

a) An effect for cases lying in various courts for compensation/Promotion/claims of employees for service matters etc. has not been given in the books of Accounts as the amount thereof is unascertainable.

NOTE NO. 30 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

1. The claims/counter claims lodged by the Corporation for ₹ 7663.19 Lakhs (Previous year ₹ 7664.86 lakhs) which are under arbitration/pending in Courts etc. and the outcome will be known only on award/decreed etc, hence effect are not given in the Accounts.
2. (i) The Sales Tax liability on account of non-receipt of 'C' , 'D' and F/B-1! forms etc. till the Balance Sheet date for ₹220.35 Lakhs (Previous year ₹418.05 lakhs) which are expected to be received before final assessment is completed *and/or* appeals are finalized, hence provision not made.
(ii) In terms of orders of the Assessing Officers (Income Tax Deptt.) for the Assessment Years 2006-07 & 2007-08, the Assessing Officers assessed income of ₹ 885,00,87,850/- and ₹ 87,98,64,000/- respectively and adjusted the same with brought forward losses of the company. In view of the same, the assessed losses of the company have been reduced by ₹972,99,51,850/- The company has filed appeal on before Appellate Authorities. ITAT in vide order dtd. 23-12-2016 and set-aside both the assessment. In view of above the assessment officer will re-assess the matter for the both the Assessment year.
3. Title deeds for land measuring , 1.06 acres (Mandhar), 0.146 hectares (Nayagaon), 495.75 acres (Akaltara), 10.12 acres (Bhatinda Grinding Unit) and lease deeds for 155.83 acres (Nayagaon) and 58.81 acres (Adilabad), are yet to be executed. DHI has given the direction for dis-investment of Non-operating Units.
DDA allotted lease hold land measuring 20.20 acres for DGU. The allotment of this land was cancelled by the DDA against which company has filed an appeal before the Hon'ble Delhi High Court.
Hon'ble Delhi high Court on 22.03.2017 vide. C.M. No. 12314/2015 passed an order that the Writ Petition is infructuous and dismissed.
DDA sue moto vide letter dated 11.04.2017 transferred CCI land measuring 14.20. acres to SDMC. CCI is pursuing DDA for allotment of alternate land/compensation in replacement of 14.20 acres. The physical possession of whole land measuring 20.20 acres is still with the CCI as on date. Land details are under reconciliation.
4. Mining lease deemed to have been granted for all the Govt. company for the period of 50 years as per Mineral (Mining by Govt. Co.) Rules 2015 dated 03.12.2015, accordingly mining leases of CCI's are deemed to have been granted and still valid.
5. The acquisition of Government lands, outside the CCI, Adilabad Township and used as road from Pump house to National Highway No. 7 admeasuring 32 guntas for which alienation orders are awaited from Revenue Department provision if any for this consideration not made in the accounts.
6. Liability for un-paid Excise Duty amounting to ₹ 51.28 lakhs (Previous year ₹ 85.80 lakhs) has been provided for in respect of 10290.852 MT (Previous year 15753.980 MT) of closing stock of naked cement lying in Silos as on 31 st March, 2017. Liability for cess amounting to ₹ 0.04 lakhs (Previous year ₹ 0.12 lakhs) has also been provided for on cement stock of 10290.852 MT (Previous year 15753.980 MT) as on 31 st March 2017. However, the said treatment does not vitiate true and fair view of Profit & Loss Statement of the Corporation.
7. The shares of various Companies (face value of ₹.37.79 lakhs), held by late Shri R.K.Dalmia and kept as security with erstwhile Dalmia Dadri Cement Limited against loan of ₹ 214.00 lakhs taken by him, have been taken possession of shares in earlier years. Although these shares were valued at ₹ 2.80 lakhs (at realisable value) but were considered doubtful and accordingly provided for in earlier years.
8. The office Building at Scope Complex, New Delhi, the cost thereof of ₹ 266.58 lakhs excluding Electrical Installation of ₹ 5.70 lakhs, is being amortised provisionally by way of depreciation. Considering as a deemed owner, however the execution of lease deed in favour of Corporation is pending.
9. A reference was made to Board of Industrial & Financial Reconstruction under section 15(1) of Sick Industrial Co. (SP) Act, 1985 vide letter No. SEC/84/96/513 dt. 25.04.96. The Company was declared sick vide Hon'ble BIFR letter No. 501/96-BENCHIV SOL dt. 8.8.96. Hon'ble BIFR in its hearing held on 21.03.2006 has approved

the Rehabilitation Scheme prepared by M/s. IFCI (OA) and approved by Govt. of India. The Sanctioned Scheme was circulated by Hon'ble BIFR on 03.05.2006 which *inter alia* envisaged settlement of secured and unsecured creditors and expansion/technological upgradation of 3 operating plants and closure / sale of remaining 7 non-operating plants. As per sanctioned scheme closure has been made at six units and employees have been separated under VSS. Employee union of Adilabad unit had filed writ petition before the Hon'ble AP High Court order to maintained status quo vide order dtd. 20.04.2007. Sequel to dismissal of writ petition filed by employee's union by the Hon'ble High Court vide order dtd. 07.02.2017, Adilablad unit stand closed. Accordingly, colosure notice has been issued on dtd. 20.02.2017.

- 10 (i) Reliefs and concessions in respect of Creditors, State Governments, Other Govt. Departments and Agencies etc. will be considered appropriately as and when such payments are made and such concessions/ reliefs become certain without any contingency attached to it or approval for the same is received, as the case may be.
- (ii) Plan Loan from Government of India (interest free) amounting to ₹150.90 crores (Previous year ₹ 150.90 crores) will be repaid from the sale proceeds of seven non operating units as per the sanctioned scheme dated 3rd May 2006 of Hon'ble BIFR. Further, interest accrued amount of ₹ 123.85 crores on Non Plan Loan provided by Govt. of India has been freezed with effect from 01.04.2011. The interest will be paid out of sale proceeds of Non-operating Units.

11. Production at the following units has been discontinued from the dates mentioned against each unit:

i) Mandhar (Chhatisqarh)	06/06/1996
ii) Charkhi Dadri (Haryana)	14/08/1996
iii) Akaltara (Chhatisgarh)	09/12/1996
iv) Nayagaon & Nayagaon Expansion (Madhya Pradesh)	30/06/1997
v) Kurkunta (Karnataka)	01/11/1998
vi) Adilabad (Telangana)	05/11/1998
vii) A) Delhi Grinding Unit	08/02/1999
B) Bhatinda Grinding Unit (Punjab)	Not commissioned

The Draft Rehabilitation Scheme (DRS) prepared by IFCI (OA) was approved by Hon'ble BIFR in its hearing held on 21.03.2006 and sanctioned scheme circulated on 03.05.2006, envisaged settlement of secured and unsecured creditors and closure /sale of above 7 non-operating units. The market value of the assets in respect of the above 7 units as mentioned in the said scheme is higher than book value of Assets. Similarly, the market value of the Assets in respect of units Bokajan, Rajban & Tandur are expected to be much more than the Book Value of the Assets. Hence, there is no indication of a potential impairment loss. Therefore, no provision for impairment loss has been considered in the Accounts.

12. The special auditor appointed by SBI Caps, Merchant Bankers, as per the terms of the MOU/ Sale agreement in respect of Yerraguntala Unit had submitted their report. Pending reconciliation and confirmation with M/s. India Cement Ltd., necessary liabilities as found accruing, on date of the sale has already been considered in the accounts.
13. On process of implementation of Rehabilitation of scheme, non-cumulative preference share of ₹ 355.43 crore was issued on 22.03.2007 for seven year, further extension for re-issue of preference share has been sought from the Ministry as per Cabinet/BIFRs direction.
14. Deferred Tax Assets/Liabilities are not recognized in the absence of virtual certainty of realisation of the deferred tax assets within the allowable period under the Income Tax Act.
15. For classification of current and non current balances under current liabilities, the stipulations contained in the Sanctioned Scheme have been kept in view besides its nature.
16. Keeping in view the nature of business & Geographical status of the Corporation, the segment reporting under AS-17 is not applicable.
17. Unadjusted/Unclaimed amount of advances for ₹ 260.28 Lakhs (Previous year ₹ 717.04 Lakhs which is lying in

books of Accounts more than decades have written back in the current year and shown in Miscellaneous Receipt (Note-22) in the Accounts.

18. i) Inter Corporate Borrowing of M/s. Goa Shipyard Limited, principal amount of ₹ 30.00 crores settlement in 24 equal monthly installments w.e.f. September 2016 in one time settlement and an amount of ₹ 47.94 crores on accounts of interest has written back, as agreed. The same has been shown in "Exception Income "Note no. 28A.
- ii) Inter Corporate Borrowing of M/s. ONGC Ltd. principal amount of ₹ 7.00 crores has been settled in ₹ 4.00 crores in one time settlement in March 2017 and amount of ₹ 3.00 crores principal of ₹ 13.69 crores interest total ₹ 16.69 crores has been written back, as agreed the same has been shown in "Exception Income "Note no. 28A.

19. **Details of provision as per Accounting Standard - 29, Refer Note 5 & 9.**

(₹ in Crores)

Units	Opening Balance		Adjustment/ Paid during the year		Addition during the year		Closing Balance	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Gratuity	40.34	42.29	4.04	2.29	9.93	0.34	46.23	40.34
Bonus	0.22	0.00	0.19	0.00	0.08	0.22	0.11	0.22
Capital work in progress	0.11	0.24	0.00	0.13	0.00	0.00	0.11	0.11
E. L. liability	20.29	19.79	1.23	0.31	3.06	0.81	22.12	20.29
Others	40.30	39.39	18.55	99.35	22.11	100.26	43.86	40.30

20. **Details of interest due / paid to MICRO SMALL & MEDIUM ENTERPRISES (MSMEs)**

(₹ in lakhs)

S.No	Description	Current Year	Previous Year
1.	The principal amount remaining unpaid to supplier as at the end of accounting year	81	81
2.	The interest due thereon remaining unpaid to supplier at the end of accounting year	311	297
3.	The amount of interest paid in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during the year	0	0
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	0	0
5.	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	14	14
6.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	311	297

21. Employee's Benefits as per Accounting Standard 15

The Corporation has adopted Accounting Standard 15 - Employees Benefits as per details given below:

i) Provident Fund

The Corporation pays fixed contribution of P.F. at pre-determined rates to a separate Trust which invests the funds in permitted securities. The Trust is required to pay a minimum rate of interest on contribution to the members of the Trust. Loss of the P.F. Trust, if any, is borne by the Corporation.

ii) Gratuity

The Corporation has a defined gratuity plan. Every employee is entitled to get gratuity as per provisions of the Gratuity Act. The liability of gratuity is recognized on the basis of actuarial valuation.

iii) Leave Encashment

Leave encashment is payable to the eligible employees who have accumulated EL, HPL etc. The liability towards leave encashment is recognized on the basis of actuarial valuation.

iv) Other Defined Retirement Benefit

The Corporation has a Scheme for settlement at home town for employees and dependants at the time of Superannuation. This is recognized in the Statement of Profit & Loss on the basis of actuarial valuation.

The summarize position of various defined benefits recognized in the Statement of Profit & Loss and Balance Sheet are as under:-

A. Expenses recognized in Statement of Profit & Loss

(₹ in lakhs)

		Gratuity		Leave encashment		Other defined retirement benefits	
		31.3.2017	31.3.2016	31.3.2017	31.3.2016	31.3.2017	31.3.2016
a)	Current service cost	151.87	142.92	116.05	84.15	0.92	0.96
b)	Interest cost	313.63	329.22	161.19	157.11	2.18	2.30
c)	Net actuarial (gain)/ loss recognized in the period	201.03	(54.03)	308.77	119.51	(0.67)	(2.80)
d)	Expenses recognized in the statement of profit & loss	1305.29	418.11	586.02	360.77	2.42	0.47

B. Amounts recognized in Balance Sheet

(₹ in lakhs)

		Gratuity		Leave encashment		Other defined retirement benefits	
		31.3.2017	31.3.2016	31.3.2017	31.3.2016	31.3.2017	31.3.2016
a)	Present value of obligation as at the end of the period	4509.66	3920.44	2197.84	2014.92	24.82	27.24
b)	Funded status/ Difference	(4509.66)	(3920.44)	(2197.84)	(2014.92)	(24.82)	(27.24)
c)	Net asset/ (liability) recognized in balance sheet	(4509.66)	(3920.44)	(2197.84)	(2014.92)	(24.82)	(27.24)

C. Change in present value obligation

(₹ in lakhs)

		Gratuity		Leave encashment		Other defined retirement benefits	
		31.3.2017	31.3.2016	31.3.2017	31.3.2016	31.3.2017	31.3.2016
a)	Present value of obligation as at the beginning of the period	3920.44	4115.32	2014.92	1963.85	27.24	28.81
b)	Interest cost	313.63	329.22	161.19	157.11	2.18	2.30
c)	Current service cost	151.87	142.91	116.05	84.15	0.92	0.96
d)	Benefits paid	(716.07)	(612.98)	(403.10)	(309.70)	(4.84)	(2.02)
e)	Actuarial (gain)/ loss on obligation	201.03	(54.03)	308.77	119.51	(0.67)	(2.80)
f)	Present value of obligation as at the end of the period	4509.66	3920.44	2197.84	2014.92	24.82	27.24

D. Amount for the current period

(₹ in lakhs)

		Gratuity		Leave encashment		Other defined retirement benefits	
		31.3.2017	31.3.2016	31.3.2017	31.3.2016	31.3.2017	31.3.2016
a)	Present value of obligation as at the end of the period	4509.66	3920.44	2197.84	2014.92	24.82	27.24
b)	Surplus/(Deficit)	(4509.66)	(3920.44)	(2197.84)	(2014.92)	(24.82)	(27.24)

E. Actuarial Assumptions

S.No.	Description	As at 31.3.2017
i)	Retirement Age	60 years
ii)	Age	Withdrawal rate: % Upto 30 years - 00.00 From 31 to 44 - 1% Above 44 - 1%
iii)	Discounting rate	7.50 %
iv)	Future salary increase	6%
v)	Expected return on plan assets	-

22. Balances shown under advances, trade payable and trade creditors etc. are subject to confirmation/ reconciliation. These include certain old balances pending scrutiny and adjustment. Necessary effect would be given on completion of the same.
23. The Expenditure incurred towards various activities under Corporate Social Responsibility (CSR) are shown in Note No. 26 in the Accounts, and summarized statement as per Companies Act 2013 is given below:-

(₹ in lakhs)

S.N.	Particulars	Current Year	Previous Year
a)	Average net profit of corporation for last three years	3660	2146
b)	Prescribed CSR Expenditure (2% of the above under companies Act. 2013)	73	43
c)	Total amount spent during the year as given below :-	0	4
d)	Amount unspent (b-c)	73	39

(₹ in lakhs)

S. N.	Description	In Cash		Yet to be paid in cash		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
i)	Construction/acquisition of any assets	0	0	0	0	0	0
	On purposes other than above						
	(i) Two toilets – Under Swach Bharat Mission	0	4	0	0	0	4
	(ii) Health (Medical) Camp	0	0	0	0	0	0

24. "In accordance with Accounting Standard-18 " Related Party Disclosures " of the Companies (Accounting Standard) Rules 2006, it is certified by the Management that no related party transactions have been made during the year". The details of key Personnel Manager are given below :-

(₹ in lakhs)

S.N.	Name & Key Person	Designation	Current Year	Previous Year
1.	Sh. Manoj Mishra	C & MD	32.66	28.68
2.	Sh. S. C. Aggarwal	Ex-Director (Fin) upto 5.5.15	0.00	5.17
3.	Sh. B.V. N. Prasad	Director (HR)	28.98	5.49
4.	Sh. S. Sakthimani	Director (Fin)	24.97	1.64
5.	Sh. Ajay Kumar Sharma	Co. Secretary	14.22	12.17
6.	Sh. AB Deyashi	Ex-CFO	0.00	19.96

In addition, C & MD and full time Director are also allowed to use of company vehicle for non duty journey upto 1000 kms. Per month on payment of ₹ 2000/- per month.

25. The Earning per Share (EPS) of the company as per Accounting Standard-20 issued by the Institute of Chartered Accountants of India is as under :-

S.No	Particulars	31 st March 2017	31 st March 2016
1	Number of equity share outstanding during the year	4559749	4559749
2	Face Value of Equity Share	1000	1000
3	Net Profit after tax for the year (₹ in Lakhs)	4233	5351
4	Less:- Amount of dividends on non-cumulative Preference shares (₹ in Lakhs)	4	4
5	Net Profit after tax attributable to equity shareholders (3-4)* (₹ in Lakhs)	4229	5347
6	Basic and diluted earnings per share in rupees	(49)	117

*Excluding extraordinary /Exceptional items ₹ 6463 lakhs (Previous Year Nil).

26. In pursuance of direction of MCA vide Gazette notification dtd. 30.03.2017 the details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 is as below:

(Amount in ₹)

S.No.	Particulars	SBN	Other denomination Notes	Total
1	Closing cash in hand as on 08.11.2016	103500.00	57364.00	160864.00
2	Add: Permitted Receipts	0.00	1743574.00	1743574.00
3.	Less: Permitted Payments	500.00	1675861.00	1676361.00
4.	Amount Deposited in Bank	103000.00	16000.00	119000.00
5.	Closing cash in hand as on 30.12.2016	0.00	109077.00	109077.00

27. Figures of the previous years have been split up and regrouped wherever necessary so as to correspond to the current year figures.

Sd/-
Manish Mehta
Head of Finance

Sd/-
S. Sakthimani
Director (Fin)/CFO
As per our report of even date attached
For Kapoor Bhushan & Co.

Sd/-
Manoj Misra
Chairman & Managing Director

Chartered Accountants
FRN No. NO-001676N

Sd/-
(CA.P.B. KAPOOR)

Partner

Membership No. 010858

Place : New Delhi
Dated : 30/06/2017

NOTE NO. 31 QUANTATIVE DETAILS

(₹ in lakhs)

PARTICULARS	CURRENT YEAR		PREVIOUS YEAR	
	Quantity M. Tonnes	Value (₹ in lakhs)	Quantity M. Tonnes	Value (₹ in lakhs)
1. Actual Production				
1.1 Portland cement				
Ordinary	705196	M. Tonnes	799055	M. Tonnes
Pozzolana	85335	M. Tonnes	113815	M. Tonnes
TOTAL	790531	M. Tonnes	912870	M. Tonnes
2. Clinker (A pre cement stage, material & not an additional product)	756295	M. Tonnes	865310	M. Tonnes
2.1 Clinker Purchased	0	M. Tonnes	0	M. Tonnes
3. Cement Despatches	798179	M. Tonnes	914318	M. Tonnes
4. Opening Stock				
Stock at Factory				
Cement OPC	1,91,11	6,56	2,15,71	8,02
Cement PPC	34,38	1,25	24,26	1,00
Stock at Dumps				
Cement OPC	98,94	3,93	1,11,00	4,60
Cement PPC	0	0	14,21	76
In Transit OPC	33,85	1,49	43,61	2,00
In Transit PPC	4,08	19	4,32	22
Set/ Damaged Cement				
Cement OPC	59,93	0	60,32	2
Cement PPC	30,16	0	30,16	0
TOTAL	4,52,45	13,42	5,03,59	16,62
Clinker	13,59,28	21,11	13,68,44	26,68
Clinker (Purchase)	0	0	0	0
TOTAL	13,59,28	21,11	13,68,44	26,68
5. Net Sales Incl. self consumption / transfer				
(A) Cement OPC	71,17,38	3,36,30	80,29,97	3,92,89
(B) Cement PPC	8,68,73	0	11,38,84	0
(C) Self Consumption OPC	83	0	46	0
(D) Self Consumption PPC	37	0	0	0
(E) Export of cement	0	0	0	0
TOTAL	79,87,31	3,36,30	91,69,27	3,92,89
(F) Clinker	0	0	0	0
TOTAL	0	0	0	0
6. a) Closing Stock - Cement				
Stock at Factory				
Cement in Stock OPC	1,26,78	4,73	1,91,11	6,56
PPC	22,23	86	34,38	1,25
Stock at Dumps				
Cement OPC	42,73	3,36	98,94	3,93
PPC	0	0	0	0
In Transit OPC	87,19	2,07	33,85	1,49
In Transit PPC	48	2	4,08	19
Set / Damaged cement OPC	60,38	2	59,93	0
Set / Damaged cement PPC	30,16	0	30,16	0
Total	3,69,95	11,06	4,52,45	13,42

NOTE NO. 31 QUANTATIVE DETAILS (Contd...)

(₹ in lakhs)

PARTICULARS	CURRENT YEAR		PREVIOUS YEAR	
b) Closing Stock-Clinker				
Clinker in Stock	13,32,09	21,54	13,59,28	21,11
Clinker (Purchase)	0	0	0	0
c) Cement - Used for Testing	0	0	0	0
Stock transfer to unit OPC	0	0	0	0
Shortages during transit OPC	0	0		
Shortages during transit PPC	50	0	2,49	0
Shortages in Gowodon (HA)	0	0	8,08	0
Total	50	0	10,57	0
7. Clinker - Used for cement grinding	75,90,14	2,17,42	86,62,26	2,33,56
8. Raw Materials Consumed				
Limestone	1,11,19,04	31,26	1,29,36,38	35,42
Laterite	1,14,84	49	93,97	32
Iron ore	1,65,35	4,17	2,14,26	6,15
Gypsum	1,42,04	3,51	2,12,73	5,50
Shale	2,17,70	78	4,70,82	1,67
Fly Ash	1,52,11	1,24	2,24,86	1,16
Burnt Clay	2,61,97	41	33,51	16
Others	0	0	0	0
Total Raw Material Consumed		41,86		50,38
9. Value of Imports calculated on CIF basis in respect of				
i) Raw Materials	0	0	0	0
ii) Components & Spare parts	0	0	0	0
iii) Capital Goods	0	0	0	0
10. Value of all imported Raw materials, Spare Parts & Components consumed during the Year and value of all indigenous Raw-materials spare parts and components similar consumed and the percentage of each to total consumption.				
- Imported	0	14	0	0
- Indigenous	1,00	62,66	1,00	65,14
Total	1,00	62,80	1,00	65,14
11. Amount Remitted in Foreign Currency	0	0	0	0
12. Earning in Foreign Exchange	0	0	0	0

Sd/-
Manish Mehta
Head of Finance

Sd/-
S. Sakthimani
Director (Fin)/CFO

Sd/-
Manoj Misra
Chairman & Managing Director

As per our report of even date attached
For Kapoor Bhushan & Co.
Chartered Accountants
FRN No. NO-001676N

Sd/-
(CAP.B. KAPOOR)

Partner
Membership No. 010858

Place : New Delhi
Dated : 30/06/2017

NOTE NO. 32 SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting.

The accounts are prepared on historical cost convention adopting the accrual method of accounting except for the following items which are accounted for on cash basis.

- i) Liquidated damages/penalties/claims other than Railway & Insurance made are accounted for on realization and included in miscellaneous Income.
- ii) Profit / loss, if any, on surplus / slow moving / non-moving items etc. of stores and spares, is accounted for only in the year of their disposal.

2. Revenue Recognition.

Sales are stated inclusive of Excise Duty and excluding Vat,/ Sales Tax. Excise duty is shown separately.

3. Land & Amortization.

- i) Land given free by the state Government is valued at nominal cost or on the basis of incidental expenditure incurred on its acquisition.
- ii) Land free hold under mining lease at quarry and land lease hold with less than 99 years lease is amortized within a period of ten years from the date of commercial production of the respective unit.

4. Investments.

- i) Long term investments are stated at cost. Permanent decline in the value of such investments is recognized and provided for.
- ii) Current investments are stated at lower of cost and quoted / fair value. Unquoted current investments are stated at cost.

5. Borrowing Costs.

Borrowing Costs that are attributable to acquisition or construction or production of qualifying assets are capitalized as part of the costs of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

6. Inventories.

a) Valuation

- i) Stores, spare parts and raw-materials except as indicated in (ii) below are stated at weighted average cost. The obsolete/unserviceable stores and spares when determined, are treated as scrap and valued at net realizable value.
- ii) Clinker and other semi-finished goods are stated at lower of unit's weighted average cost or net realizable value on the basis of work back formula. However, in case of negative valuation, it is stated at Nil value.
- iii) Finished goods at factories/projects/in dumps or in transit to dumps are stated at lower of units weighted average cost or realizable value. Freight included in selling expenses upto dump is included in value of finished goods lying at various dumps.
- iv) The total quantity of various scrap items as at the close of each financial year is valued as per rates available as per latest sale orders for respective items. However, where no such rates are available because of scrap having been generated for the first time or not disposed off earlier, reserve price fixed for disposal of such scrap items is adopted for the purpose of valuation.

b) Loose Tools & Tackles.

Tools and tackles are written off over a period of three years.

7. Depreciation.

- i) The financial statements have prepared under historical cost on accrual basis in compliance with applicable accounting standards specified under section 133 of the companies Act. 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 and the relevant provision of the companies Act. 2013.
- ii) Depreciation is provided on assets after they are completed and become available for use.
- iii) Depreciation on assets added during the year is charged prorata from the date they are capitalized and upto the date these are discarded, /Sold / demolished/ destroyed.
- iv) Any individual asset whose written down value is ₹ 5000/- or less at the beginning of the year is fully depreciated during the year without retaining the residual value as it is considered insignificant.
- v) Any individual asset costing upto ₹ 5000/- purchased during the year is taken to gross block and depreciated fully in the same year.

8. Deferred Revenue Expenditure.

- i) Expenditure on Prospecting and Boring is treated as Deferred Revenue Expenditure and charged off in three to five years after Units go into commercial production.
- ii) Expenditure incurred on removal of over-burden etc. at the mines which is utilized for capital works like laying roads, stockyard, crusher ramp etc. is capitalized. The rest of the expenditure incurred on removal of over-burden etc. is treated initially as 'Deferred Revenue Expenditure' and is charged off over the period for which the limestone exposed out of quarry development is available for exploitation.
- iii) The cost of internal partitions and other fixtures in rented buildings are directly charged off in the year of installation, but if the cost is more than rupees one lakh, the same is treated as Deferred Revenue Expenditure and is charged off in three to five years.
- iv) After start of commercial production of a Unit, initial full charge of high-chrome grinding media is treated as Deferred Revenue Expenditure and written off over a period of three years. However, make up charges are charged to Statement of Profit & Loss.
- v) In case there is no un-utilized grant/subsidy for Voluntary Retirement Scheme (VRS), then terminal benefits which are attributable to VRS payment equivalent to one and a half months wages for each completed year of service or wages for the balance period of service, whichever is less and notice period pay are deferred and charged off during the remaining period of service of the individuals or in a maximum period of 5 years, whichever is less. However, any expenditure incurred on VRS/VSS on or after 1/4/2003 will be recognized as an expense when it is incurred and charged off wholly in that year itself.

9. Prior Period/Extra-ordinary Adjustments.

Expenditure / Receipts relating to the particular year, coming to notice after closure of the Accounts i.e. after the cut off date are booked under the relevant head of expenditure / receipt of the next year, if the amount involved is not more than ₹ 10,000/-. In case, the amount is more than ₹ 10,000/- the provisions contained in the Accounting Standard-5 of the Institute of Chartered Accountants of India are applied for determination of its accountal under natural head of accounts of current year / prior period / extra ordinary Expenditure / Receipts.

10. Accountal of Foreign Exchange Transaction.

Foreign loan liabilities are translated at the closing market exchange rates. Gains or losses on settlement of transactions (a) during project period are credited/ debited to the relevant cost of equipment those relating to spares and service are credited/ debited to IEDC, (b) after project has gone into commercial production, the gains/ losses are credited/ debited to the relevant cost of equipment but those relating to spares and services

are charged off to Statement of Profit & Loss. Depreciation on such adjustment to fixed assets is adjusted prospectively.

11. Government Grants/ Subsidies.

- i) Government Grants/ Subsidies related to specific fixed assets are deducted from the gross value of the concerned assets in arriving at their book value. Where the grants related to specific fixed assets equals the whole or virtually the whole of the cost of the asset, the asset is valued at nominal value or on the basis of incidental expenditure incurred on its acquisition/ installation.
- ii) Grants for Voluntary Retirement Scheme, Transport Subsidy and other Revenue Grants are deducted from the related expenditure.
- iii) Government Grants received under Central Investment Subsidy Scheme included in Central Government Incentive for Industries in backward areas and other similar grants received from the State Governments, where no repayment is ordinarily expected in respect thereof, the grants are treated as Capital Reserve.
- iv) Capital/ Revenue Grants/ Subsidies, other than those specified above, are accounted for as per Accounting Standard-12 issued by the Institute of Chartered Accountants of India.

12. Claims of the Corporation.

- i) Insurance claims are brought to account on the basis of Surveyor's Report and / or on the basis of claims lodged where on account payments have been received. In case, however, where surveyor's Report for events of loss occurred upto 31st March is not received before closing of the Accounts, the disclosure to that effect is made in the form of Notes to the Accounts.
- ii) Railway claims are brought to account on lodging of the claims.

13. Deposit Works.

In respect of Deposit Works in progress, the same are treated as Corporation's Capital-work-in-Progress and Incidental Expenditure during Construction Period is proportionately added to the Deposit Work when the ownership is transferred and capitalized.

14. Staff Benefits.

- i) Provision for gratuity under the Payment of Gratuity Act, 1972 and Company's own Gratuity Scheme is made in respect of all employees in service as on 1st January of each year in accordance with the actuarial valuation.
- ii) Provision for earned leave / half pay leave etc. which is encashable on retirement or death of an employee is made in respect of employees in service as on 1st January of each year in accordance with the actuarial valuation.
- iii) Liability for bonus is provided as per the provisions of Payment of Bonus Act, 1965 on Unitwise basis and not Corporation as a whole. The liability for bonus for the Corporate Office is provided at a rate which is average of the rates at which the bonus is provided for the other Units.

15. Premium on Redemption of Debentures.

Premium payable on redemption of debentures is charged to Statement of Profit & Loss /IEDC Account in such equal instalments as the duration of debentures commencing from the year in which debentures are allotted.

16. Pre-paid Expenses.

Expenditure of ₹ 10,000/- or less in each case incurred in advance of the following year(s) are charged off as expenses of the current year.

17. Accounting for Bad & Doubtful Debts/ Loans / Advances etc.

- i) Provision is made for doubtful debts/loans and advances when the same is considered doubtful of recovery

but chances of recovery subsist.

ii) Amounts are written off, when the efforts for recoveries have failed either due to legal process or where it is considered litigation will not be fruitful and recovery is not possible.

18. Inter unit/ Zones / Corporate Office transfers.

i) Finished goods transferred by the Units are initially valued at Despatch Plan rates and the quantity sold is then settled by the Zones at the actual net realizable value.

ii) Inter Unit/ Zones / Corporate Office transfers of Fixed assets etc. are accounted for at book value.

iii) Inter Unit Transfer of clinker is accounted for at its realizable rates (by work back method from cement) and its losses in transit are absorbed in cost by the receiving Unit.

iv) Inter Unit/ Zones/ Corporate Office balances are reconciled regularly and balance confirmations obtained.

19. Classification of Expenditure .

i) Expenditure incurred on Repairs & Maintenance of fixed assets, including cost of stores & spares except as shown as in (ii) below, are charged to Statement Profit & Loss.

ii) Expenditure incurred on repairs and maintenance of fixed assets including cost of stores & spares that increase the future benefits from the existing assets beyond its previously assessed standard of performance is capitalized e.g. an increase in capacity.

iii) Salaries and Wages

Salaries and wages incurred on Repairs and Maintenance of Plant & Machinery, Buildings etc. are charged directly to Salaries and Wages Account.

iv) Other Sundry Expenses

Expenditure on parks, plantation of trees and purchase of tents and tarpaulins etc. are charged off as revenue expenditure.

20. Indirect Expenses on Expansion Projects/ New Projects Adjacent to the Existing Plant.

The common expenses on administration, supervision etc. incurred by the existing plants are not charged to the Expansion Project/ New Projects adjacent to the existing plants.

21. Allocation of Corporate Office Expenditure.

Net Revenue Expenditure / Income of the Corporate Office is allocated to all the units and projects under construction on estimates based on the probable benefits or relatable to the different Units or projects as decided by the management to their best assessment and judgment.

Sd/-
Manish Mehta
Head of Finance

Sd/-
S. Sakthimani
Director (Fin)/CFO

Sd/-
Manoj Misra
Chairman & Managing Director

As per our report of even date attached
For Kapoor Bhushan & Co.
Chartered Accountants
FRN No. NO-001676N

Sd/-
(CA P.B. KAPOOR)
Partner
Membership No. 010858

Place : New Delhi
Dated : 30/06/2017

Cash Flow Statement for the Year ended 31st March 2017

(₹ in Lakhs)

PARTICULARS	Continuing Operation		Discontinuing Operation		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
I. CASH FROM OPERATING ACTIVITIES						
Net Profit before tax as per statement of P&L	16,60	61,38	25,73	(7,87)	42,33	53,51
Add:-Adjustment for						
Depreciation and amortisation (net)	5,32	6,53	1,33	1,37	6,65	7,90
Profit on disposal of Fixed Assets	(1)	(2)	0	0	(1)	(2)
Provision for doubtful debts/loans and advances	14	0	0	0	14	0
Finance Cost	1,13	1,10	1,12	1,13	2,25	2,23
DRE Adjusted	1,76	2,59	0	0	1,76	2,59
Less:-						
Interest Income & Miscellaneous receipts	(32,09)	(43,71)	(7,20)	(6,98)	(39,29)	(50,69)
Other Excess Provision Written Back	(2,47)	(12,16)	(51)	(24)	(2,98)	(12,40)
Exceptional Income	(64,63)	0	0	0	(64,63)	0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating Profit Before Working Capital Change:-	(74,25)	15,71	20,47	(12,59)	(53,78)	3,12
Changes in working Capital :						
<i>Adjustment For (Increase)/decrease in operating Assets:-</i>						
Inventories	1,43	1,01	0	19	1,43	1,20
Trade receivable	(86)	(3,78)	0	0	(86)	(3,78)
Short and Long term Loans & Advances	(4,90)	(3,25)	(2)	79	(4,92)	(2,46)
Other Current Assets	0	0	0	0	0	0
Other Non Current Assets	0	0	0	0	0	0
<i>Adjustment For (Increase)/decrease in operating Liabilities</i>						
Trade Payable	3,92	(2,06)	9	0	4,01	(2,06)
Other Long and Current Liabilities	15,86	(15,87)	(1,74)	1,46	14,12	(14,41)
Short and Long Term Provision	11,88	1137	12	56	12,00	11,93
DRE (Addition)	(1,98)	(3,96)	0	0	(1,98)	(3,96)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Cash From Operating Activities	(48,90)	(83)	18,92	(9,59)	(29,98)	(10,42)
II. Cash Flow From Investing Activities						
Purchase of Fixed Assets	(1,96)	(3,01)	0	(2,39)	(1,96)	(5,40)
Intrest and other receipts	33,90	42,38	7,20	7,00	41,10	49,38
Receipt on sale of Fixed Assets	1	2	0	0	1	2
Work in Progress	(10,81)	1,41	0	0	(10,81)	1,41
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net cash After Investing Activities	(27,76)	39,97	26,12	(4,98)	(1,64)	34,99
III. Cash from Financing Activities						
Share Capital	0	0	0	0	0	0
Funds transferred to non-operating units	26,19	(4,88)	(26,19)	4,88	0	0
Loan Repayment to Govt of India	0	0	0	0	0	0
Secured & Unsecured Loans	(12,75)	0	0	0	(12,75)	0
Interest and other Receipts	0	0	0	0	0	0
Interest Paid	(10)	(4)	0	0	(10)	(4)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Cash from Financing Activities	(14,42)	35,05	(7)	(10)	(14,49)	34,95
Net Increase(+)/ Decrease(-) in Cash & cash Equivalents	(14,42)	35,05	(7)	(10)	(14,49)	34,95
Cash And cash Equivalents (Opening)	2,31,34	1,96,29	10	20	2,31,44	1,96,49
Cash And cash Equivalents (Closing)	2,16,92	2,31,34	3	10	2,16,95	2,31,44

Reconciliation of Cash and Bank Balances :

	Current Year	Previous Year
		(₹ in Lakhs)
Cash in Hand	1	2
Cheque in Hand	1,58	3,58
Bank Deposits	1,91,71	2,12,45
Current Accounts	13,59	7,41
Bank Balance held under - Guarantees	7,06	7,98
- Letter of Credits	3,00	0
Total	2,16,95	2,31,44

1. Additional working capital, as when needed, is proposed to be met out of own cash resources.
2. Bank deposits includes deposits of ₹ 13942.01 Lakhs (Previous year ₹ 1303.94 Lakhs) whose maturity period is more than 12 months.

Sd/-
Manish Mehta
Head of Finance

Sd/-
S. Sakthimani
Director (Fin)/CFO
As per our report of even date attached
For Kapoor Bhushan & Co.
Chartered Accountants
FRN No. NO-001676N
Sd/-
(CAP.B. KAPOOR)
Partner
Membership No. 010858

Sd/-
Manoj Misra
Chairman & Managing Director

Place : New Delhi
Dated : 30/06/2017

Details of Investment & Expenditure on Social Overheads

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
		(₹ in Lakhs)
CAPITAL INVESTMENT		
Township	20,41	20,41
Vehicles, Furniture & Misc. Equipment	1,64	1,64
TOTAL-CAPITAL INVESTMENT	22,05	22,05
EXPENDITURE ON SOCIAL OVERHEADS		
Upkeep & Maintenance of Township	38	76
Depreciation	26	26
Subsidised Canteen	59	59
Subsidised Education	69	97
Subsidised Social & Clutural Activities	9	18
Other Expenses	30	28
TOTAL	2,31	3,04
DEDUCTION : RECEIPTS FROM TOWNSHIP	49	45
TOTAL NET EXPENDITURE ON SOCIAL OVERHEAD	1,82	2,59

INDEPENDENT AUDITORS' REPORT

(Revised)

TO THE MEMBERS OF CEMENT CORPORATION OF INDIA LIMITED, NEW DELHI.

To,
The Members,
Cement Corporation of India Ltd
New Delhi

Report on the Financial Statements

We have audited the accompanying financial statements of **CEMENT CORPORATION OF INDIA LIMITED ("the Company")** CIN No –U74899DL1965 Gol004322 which comprises the Balance Sheet as at **March 31, 2017**, and Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information, in which are incorporated eleven units (Mandhar, Tandur, Charkhi Dadri, Akaltara, Nayagaon, Nayagaon Expansion and Delhi Grinding unit, Kurukunta, Adilabad, Bokajan & Silchar Grinding Unit) audited by the branch auditors appointed by the Comptroller and Auditor General Of India and Rajban (Himachal Pradesh), Bhatinda Grinding Unit and Corporate Office audited by us. This revised Independent Auditor's has been issued on compliance of observations made by the Comptroller and Auditor General of India.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

BASIS FOR QUALIFIED OPINION:-

- a. *Execution of title and lease deeds of land of certain units in favour of company continues to be pending and land details are subject to reconciliation. Further, the allotment of land measuring 20.20 acres on leasehold basis for 99 years in respect of Delhi Grinding Unit has been cancelled by Delhi Development Authority. Sequel of dismissal of writ petition, DDA sue moto transferred the land measuring 14.20 acres to SDMC on dated 11-04-2017. Physical possession of land still with the company. [Refer Point No.3 of Note-30].*
- b. *Non Determination and non-provision of the liability arising out of alienation order is still awaited from revenue department in respect of government land*

outside CCI'S Adilabad Township and used as road from pump house to national highway. [Refer Point No.5 of Note 30].

- c. The effect of inconsistencies pointed out in the special audit report in relation to Yerraguntla unit sold in 1998, has not been considered due to pending reconciliation [Refer Point No. 12 of Note 30]
- d. The balance of certain trade receivable Loan and advances. Trade Payables, Deposits to and from parties and other liabilities are subject to confirmation and reconciliation. The financial impact, if any arising out of non-reconciliation is unascertainable. [Refer Point No.22 of Note 30].
- e. The company has seven factories and a grinding unit at Delhi, where operations were discontinued between the years 1996 to 1999 and a grinding unit at Bhatinda (Punjab) which did not commence production, in respect of which attention is drawn to point No.11 of Note 30. In view of the Management, no provision for impairment of assets, under AS-28 issued by the Institute of Chartered Accountants of India, is required become market value expected is normally more than the book value of the Assets. [Refer Point No. 11 of Note 30].
- f. The company had issued 3554325 Cumulative Redeemable Preference Shares of ₹1000/- each for a value of ₹355.43 crores to Govt. of India on 22nd March 2007 for 7 (seven) years. As per terms of issue, above preference shares were to be redeemed before 22nd March 2014, which is not in consonance with the terms of the issue. Management informed that further action for re-issue of preference share has been sought from Ministry as per cabinet/BIFR direction. [Refer Point No.13 of Note 30].
- g. No effect has been given in accounts for claims / counter claims lodged by the company for ₹76.63 crores against various parties which are under Arbitration/pending in Courts etc. As the matters are pending before court, the same can not be assessed at this stage. [Refer Point No. 1 of Note 30].
- h. In Note No. 29, the Company has included an Amount of ₹ 364.49 crores under Contingent Liabilities as claims against the Company not acknowledged as debts on Account of tariff minimum charges payable to M. P. Electricity board in respect of Akaltara and Mandhar units. The matter is pending before court and outcome of this

can not quantified at this stage.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to following matters referred to in the Notes to the financial statements:

- a) The financial statements of the company have been prepared on going concern basis despite:
- I. It being declared a sick company within the meaning of clause (O) of Section 31 of sick industrial companies (special provision) act 1985.
 - II. Company has paid up capital and reserves more than accumulated losses.
 - III. BIFR sanctioned scheme pursuant to its order dated 3rd May 2006 for sale of seven factories of the Company including two units under Nayagaon expansion.

The company's ability to remain going concern is largely contingent on the successful implementation of revival scheme as envisaged in the BIFR package [Refer Point no. 9 of Note 30]. The financial statements do not include any adjustment relating to recoverability and classification of recorded assets and liabilities that may be necessary if the company is unable to continue as going concern.

- b) Assessments for the AY2006-07 & 2007-08 have been completed U/s 143(3) read with section 147 of the Income tax Act'1961 resulting into certain disallowances. As a result, assessed brought forward losses of the Company have been reduced by ₹ 973.00 crores against which the company had filed appeals which are pending before Appellate Authorities. Appellate Authorities vide order dated 23-12-2016 set-aside the orders and remand back to Assessing officer for reassessment for the both the financial years. [Refer Point No.2(ii) of Note 30].
- c) Draft Rehabilitation Scheme (DRS) approved by BIFR vide order dated 03.05.2006 was to be implemented into 2 (two) phases of which first phase

totally funded by GOI and it was completed. Second phase was to be completed by 2007-08 out of Sale proceeds of 7 (Seven) non-operating units, as on date no significant progress seems to have taken place in this direction. However, sale of these non-operating units are under progress as per direction given by NITI Aayog (Refer point no. 11 of Note 30)

- d) In terms of Section 135 of the Companies Act, 2013, the Company does not spend an amount during the year 2016-17 towards Corporate Social Responsibility, hence total amount of ₹ 73 lakhs is unspent based on average net profit of last 3 years. (Refer Point No. 23 of Note 30)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation give to us, we give in the 'Annexure A', a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, in the Annexure I and Annexure II on the directions and sub directions issued by the Comptroller and Auditor General of India.

3. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No 29 to the financial statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has not been any amounts, required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
- iv. The company had provided requisite disclosure in its financial statements as to holdings as well as dealing in specified Bank Notes during the period from 8th Nov'2016 to 30th Dec'2016. These are in accordance with the books of accounts maintained by company

For KAPOOR BHUSHAN & Co.
Chartered Accountants
FRN: 001676N

Sd/-
(CA P.B.KAPOOR)
Partner
M.No 010858

PLACE: DELHI
DATE 2nd August, 2017

Annexure to the Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of CEMENT CORPORATION OF INDIA LTD on the accounts for the year ended 31st March, 2017]

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

I. In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, fixed assets (except at some units) have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Title deeds of immovable properties are held in name of the Company excepts some of the units as mentioned in the branch audit reports. Some Title deeds of land of the Company are yet to be executed. [Refer Point No.3 of Note 30]

II. In respect of its inventory:

- (a) As explained to us, the inventories of finished goods, semi-finished goods, and A&B category of stores, spare parts and raw materials were physically verified at the end of the year by the Management. As regard inventory of C category of spare parts, the management has a system of physical verification so that all items are physically verified at least once in the block of three years. Accordingly, a part of such inventory was physically verified during the year. There are no inventories lying with third parties.
- (b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical

verification of stocks as compared to book records.

- III. In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013.

According to the information and explanations given to us, the Company has not granted any loans to companies, firms, limited liability partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

- IV. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

- V. In our opinion and according to the information and explanation given to us, the company has not accepted deposits and does not have any unclaimed deposits. Therefore, the provisions of clause 3(v) of the order are not applicable to the Company.

- VI. We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.

- VII. In respect of statutory dues:

- (a) According to the records of the Company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at source, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities. In the following undisputed cases, the payment is in arrear as at Balance Sheet date for a period of more than six months from the date they became payable:

Nature of Statute	Nature of dues	Amount (₹ In Lakhs)
Local Sales Tax	Sales Tax	2043.41
Corporation Tax	NALA Tax	70.05
Corporation Tax	Property Tax	769.20
Service Tax	Service Tax	2.29
Excise & Customs	Excise Duty	11.20
Corporation Tax	Royalty	960.45
Corporation Tax	Entry Tax	5.53
Income tax	Interest on Late payment of Income tax	0.22
Central Sales tax	CST	9.40
Local sales Tax	Surcharge / Additional tax	13.26
Industries (Development and Regulation) Act, 1951	Cess on Cement	18.03

- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2017 for a period of more than six months from the date they became payable except in the following cases:

Particulars	Nature Of Dues	Where Pending	Amount (₹ in Lakh)
Sales Tax	Sales Tax	APST Tribunal / Financial Commissioner/ Appropriate Authority	1557.96
ESI Contribution	ESI Contribution on contract labour	Hon'ble BIFR and Regional Director-ESIC	72.84
Income tax penalty	Penalty U/s 271(1) (c) of the Income tax Act'1961	Commissioner of Income Tax (Appeals)	2961.98

Property Tax	Property Tax	Local Panchayat	165.24
Service Tax	GTA Service	Commissioner (Appeal) Central Excise & Service Tax	38.73
Excise & Customs	Excise Duty	Appellate Authority	551.64

- VIII. In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of principal amount of loans and interest thereon in respect of dues, as per details given here as under:

Particulars	Amount in Lakhs	Period of Default
Inter Corporate Borrowings	2125.00	More than 14 years
Govt. of India including Interest	27475.00	From 2011

During the year company has settled loan in respect of M/s ONGC and M/s Goa Shopyard Limited (Refer point No. 18(i) & (ii) of Note 30)

- IX. Based on our audit procedures and according to the information given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- X. According to the information and explanations given to us, we report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- XI. The provision of Section 197 read with Schedule V to the Act are not applicable to Government Companies. According, the provisions of clause 3 (xi) of the order are not applicable to the Corporation.
- XII. The Company is not a Nidhi Company and Nidhi Rules, 2014 not applicable to it as such the provision of Clause 3(xii) of the Order are not applicable on the Company.

- XIII.** According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 have been disclosed in financial statement as required under Accounting standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable to the state Controlled entities.
- XIV.** The Company has not made any preferential allotment or private placement of shares or

fully or partly convertible debentures during the year under review. Accordingly, provision of Clause 3 (xiv) of the order are not applicable.

- XV.** The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, provision of Clause 3 (xv) of the order are not applicable.
- XVI.** The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KAPOOR BHUSHAN & Co.
Chartered Accountants
FRN: 001676N

Sd/-
(CA P.B.KAPOOR)
Partner
M.No 010858

PLACE: DELHI
DATE 2nd August, 2017

Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

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

We have audited the internal financial controls over financial reporting of **CEMENT CORPORATION OF INDIA LTD** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the corporation;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the corporation are being made only in accordance with authorizations of management and directors of the corporation; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

PLACE: DELHI
DATE 2nd August, 2017

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KAPOOR BHUSHAN & Co.
Chartered Accountants
FRN: 001676N

Sd/-
(CA P.B.KAPOOR)
Partner
M.No 010858

**Compliance Report for Directions under section 143(5) of Companies Act,
2013 for the year ended 31st March, 2017**

1	Whether the company has clear title/ lease deeds for freehold and leasehold respectively? If not please state the area of freehold and lease hold land for which title/ lease deeds are not available?	The Company has clear title deeds excepts the land which are reported in the financial statement at point no 3 of note no 30. According to information and explanation given to us, reasonable steps have been taken by the Company for getting the titles of these land in its favour.
2	Whether there are any cases of waiver/ write off of debtors/ loans/ interest etc., if yes, the reasons there for and amount involved.	During the year company settled outstanding loans and got waiver of interest/ principal amounting to ₹ 64.63 crores.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/ grant (s) from the Govt. or other authorities.	The Company is not having any inventories lying with third parties. According to Information and explanations given to us, there are no gifts/ grants received from Government or other Authorities during the year.

Annexure -II

Sub-Directions under section 143(5) of Companies Act 2013 for the year 2016-17

On the basis of the Books of accounts of the Company, the reply to the following questions and/or information are given below:-

1. Employee Benefits

Information/inputs furnished to Actuary, viz number of employees, average salary, retirement age and assumptions made by the Actuary regarding discount rate, future cost increase, mortality rate, etc for arriving at the provision for liability of retirement benefits, viz gratuity, leave encashment, post-retirement benefits has been duly verified for the Corporation from the actuarial valuation and found in order.

2. BIFR Scheme

The Company was declared sick vide Hon'ble BIFR letter No. 501/96-BENCH IV SOL dt. 8.8.96. Hon'ble BIFR in its hearing held on 21.03.2006 has approved the Rehabilitation Scheme prepared by M/S IFCI(OA) and approved by Govt. Of India. The Sanctioned Scheme was circulated by Hon'ble BIFR on 03.05.2006 which inter alia envisaged settlement of secured and unsecured creditors and expansion/technological up-gradation of 3 operating plants and closure / sale of remaining 7 non-operating plants. As per sanctioned scheme closure has been made at six units and employees has been separated under VSS . Employees union of Adilabad unit had files writ petition before Hon'ble High Court of Andhra Pradesh and ordered to maintained *status quo* . Sequel to dismissal of writ petition by Hon'ble High Court of Andhra Pradesh , the Adilabad unit stand closed.

ADDENDUM TO DIRECTORS' REPORT PURSUANT TO PROVISION OF THE COMPANIES ACT, 2013

Management's replies to the observations stipulated in the Revised Auditor Report dated 02-08-2017 are given here under :

S.No	Qualifications	Management Reply
1.	<p>BASIS FOR QUALIFIED OPINION - a,b,c,d</p> <p>a. Execution of title and lease deeds of land of certain units in favour of company continues to be pending and land details are subject to reconciliation. Further, the allotment of land measuring 20.20 acres on leasehold basis for 99 years in respect of Delhi Grinding Unit has been cancelled by Delhi Development Authority. Sequel of dismissal of writ petition, DDA sue moto transferred the land measuring 14.20 acres to SDMC on dated 11.04.17. Physical possession of land still with the company. <i>Refer Point No.3 of Note-30</i>.</p> <p>b. Non Determination and non-provision of the liability arising out of alienation order is still awaited from revenue department in respect of government land outside CCI'S Adilabad Township and used as road from pump house to national highway. [Refer Point No.5 of Note 30].</p> <p>c. The effect of inconsistencies pointed out in the special audit report in relation to Yerraguntla unit sold in 1998, has not been considered due to pending reconciliation [Refer Point No. 12 of Note 30]</p> <p>d. The balance of certain trade receivable, Loan and advances. Trade Payables, Deposits to and from parties and other liabilities are subject to confirmation and reconciliation. The financial impact, if any arising out of non-reconciliation is unascertainable. [Refer Point No.22 of Note 30].</p>	<p>The position has been adequately explained in the relevant points in Note No. 30, which is a forming part of the Annual Accounts.</p> <p>The position has been adequately explained in the relevant points in Note No. 30, which is a forming part of the Annual Accounts.</p> <p>The position has been adequately explained in the relevant points in Note No. 30, which is a forming part of the Annual Accounts.</p> <p>The position has been adequately explained in the relevant points in Note No. 30, which is a forming part of the Annual Accounts.</p>
2.	<p>BASIS FOR QUALIFIED OPINION - e</p> <p>e. The company has seven factories and a grinding unit at Delhi, where operations were discontinued between the years 1996 to 1999 and a grinding unit at Bhatinda (Punjab) which did not commence production, in respect of which attention is drawn to point No.11 of Note 30. In view of the Management, no provision for impairment of assets, under AS-28 issued by the Institute of Chartered Accountants of India, is required because market value expected is normally more than the book value of the Assets. [Refer Point No.11 of Note 30].</p>	<p>The position regarding impairment of Assets of Non-operating units has been adequately explained in point no. 11 of Note 30 of the Annual Accounts.</p>
3.	<p>BASIS FOR QUALIFIED OPINION – f</p> <p>f. The company had issued 3554325 Cumulative Redeemable Preference Shares of ₹ 1000/- each for a value of ₹ 355.43 crores to Govt. of India on 22nd March 2007 for 7 (seven) years.</p>	<p>The matter regarding re-issue of preference shares has been taken with DHI, which has also been</p>

S.No	Qualifications	Management Reply
	<p>As per terms of issue, above preference shares were to be redeemed before 22nd March 2014, which is not in consonance with the terms of the issue. Management informed that further action for re-issue of preference share has been sought from Ministry as per cabinet/ BIFR direction.[Refer Point No.13 of Note 30].</p>	<p>adequately explained in point no. 13 of Note-30 of Annual Accounts</p>
<p>4.</p>	<p>BASIS FOR QUALIFIED OPINION – g,h</p> <p>g. No effect has been given in accounts for claims / counter claims lodged by the company for ₹ 76.63 crores against various parties which are under Arbitration/pending in Courts etc. As the matters are pending before court, the same can not be assessed at this stage. [Refer Point No.1 of Note 30].</p> <p>h. In Note No. 29, the Company has included an Amount of ₹ 364.49 crores under Contingent Liabilities as claims against the Company not acknowledged as debts on Account of tariff minimum charges payable to M. P. Electricity board in respect of Akaltara and Mandhar units. The matter is pending before court and outcome of this can not quantified at this stage.</p>	<p>Matter relate with claims / counter claims of the Corporation which is under sub-judice and can not be assessed at this stage, the same has been disclosed in Note 29 and Note 30 of Annual Accounts</p> <p>Matter relate with claims of the Corporation which is under sub-judice and can not be assessed at this stage, the same has been disclosed in Note 29 and Note 30 of Annual Accounts</p>
	<p>EMPHASIS OF MATTER</p> <p>b) Assessments for the AY 2006-07 & 2007-08 have been completed U/s 143(3) read with section 147 of the Income tax Act'1961 resulting into certain disallowances. As a result, assessed brought forward losses of the Company have been reduced by ₹ 973.00 crores against which the company has filed appeals which are pending before Appellate Authorities. Appellate Authorities vide order dated 23,12.2016 set-aside the orders and remand back to Assessing Officer for reassessment for both the financial years. [Refer Point No.2(ii) of Note 30].</p> <p>c) Draft Rehabilitation Scheme (DRS) approved by BIFR vide order dated 03.05.2006 was to be implemented into 2 (two) phases of which first phase totally funded by GOI has been funded are completed. Second phase was to be completed by 2007-08 out of Sale proceeds of 7 (Seven) non-operating units, as on date no significant progress seems to have taken place in this direction. However, Sale of these non-operating units are under progress as per dircetion given by NITI Aayog (Refer point no. 11 of Note 30)</p> <p>d) In terms of Section 135 of the Companies Act, 2013, the Company does not spend an amount during the year 2016-17 towards Corporate Social Responsibility, hence total amount of ₹ 73.0 lacs is unspent based on average net profit of last 3 years. (Refer point no 23 of Note 30).</p>	<p>The position has been adequately disclosed in the relevant point no. 2 (ii) of Note 30 forming part of the Financial Statement.</p> <p>As per direction of DIPAM/NITI Aayog sale of non-operating units are under progress. The assets valuer's, legal Advisor and Tachnical Advisor have been appointed.</p> <p>CCI is BIFR referred company, however short fall in CSR activity u/s 135 of Companies Act. 2013 is being explained in Board Report as compliance of the Act.</p>



संख्या / No. : MA/3/II/CAD/1-2/2017-18
 भारतीय लेखा तथा लेखापरीक्षा विभाग
 कार्यालय महानिदेशक वाणिज्यिक लेखापरीक्षा
 एवं पदेन सदस्य, लेखापरीक्षा बोर्ड-II,
 नई दिल्ली
 INDIAN AUDIT & ACCOUNTS DEPARTMENT
 OFFICE OF THE DIRECTOR GENERAL OF
 COMMERCIAL AUDIT & EX-OFFICIO MEMBER,
 AUDIT BOARD - II, NEW DELHI

दिनांक / DATE 01/09/2017

सेवा में,

अध्यक्ष एवं प्रबन्ध निदेशक
 सीमेंट कारपोरेशन ऑफ़ इंडिया
 कोर-5 स्कोप काम्प्लेक्स
 7 लोधी रोड,
 नई दिल्ली

विषय- कम्पनी अधिनियम 2013 की धारा 143 (6)(b) के अधीन 31 मार्च 2017 को समाप्त वर्ष के लिए सीमेंट कारपोरेशन ऑफ़ इंडिया के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं कम्पनी अधिनियम 2013 की धारा 143 (6)(b) के अधीन 31 मार्च 2017 को समाप्त हुए वर्ष के लिए सीमेंट कारपोरेशन ऑफ़ इंडिया, के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अंग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

भवदीया,

(नन्दना मुंशी)

महानिदेशक वाणिज्यिक लेखा परीक्षा
 एवं पदेन सदस्य लेखा परीक्षा बोर्ड-II।
 नई दिल्ली

संलग्नक:- यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CEMENT CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH, 2017

The preparation of financial statements of Cement Corporation of India Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 02 August, 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Cement Corporation of India Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

**For and on the behalf of the
Comptroller & Auditor General of India**

N. Munshi

**(Nandana Munshi)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi**

**Place: New Delhi
Date: 1.09.2017**

Our Employees-Our Greatest Assets

HUMAN RESOURCES

“Human Resources” are of vital importance and significance to an enterprise and constitute a primary segment of the total resources held. A peculiar aspect of “Human Resources” is that while these have infinite potential yet whatever is realised out of this resources is generally akin to the tip of the iceberg the remaining whole lot lying submerged untapped. Deliberate efforts have therefore, to be made to augment the gap between ‘Actual’ and ‘potential’ “Human resources” may also be branded as “Mother Resources” through the medium of which other scarce resources viz. Machines, material, money are organised, co-ordinated, directed and controlled. Maximum realisation of the Potentialities of this “Mother Resources” is of crucial importance for the success of an enterprise. The in-house management and leadership styles the participative, collaborative and supportive climate, the motivational environment, care concern and fellow feelings for each other, the freedom and flexibility to operate within given frame-work of organisational goals and objectives productivity oriented performance yard sticks and continued management’s positive awareness for training & development effort to keep the threat of human obsolescence at bay are some of the essential inputs for tapping this resource of human assets. Besides, the human resources, the highly perishable by mere efflux of time unless they are effectively and meaningfully put to use continually.

A good insight into existing human potential can be well perceived through the profile of the human power distributed professionwise and agewise 29.32 % of the total employees strength of CCI represent technically and professional qualified, degree/diploma holders. As such 30.52 % of total strength of the organisation are in the age group of 26-50 year. However, average age of our employees comes to 51 years. The broad distribution of CCI’s human force is as under:

Professional Profile

Sl. No.	PARTICULARS	No. of employees	
		As on 31.3.2017	As on 31.3.2016
1.	PHDs	2	2
2.	Post Graduate Engineers	2	2
3.	Graduate Engineers	69	35
4.	MBAAs	28	27
5.	Professional Diploma holders	18	23
6.	Post Graduate	30	34
7.	CA/ICWA/SAS/ACS	10	8
8.	Engineer Diploma Holders	66	70
9.	Graduates	98	127
10.	ITI Certifecate Holders	127	139
11.	Others	215	280
	TOTAL	665	747

The age wise and category-wise distribution of employees as on 31.3.2017 is given below :

CATEGORY	YEARS							Total	Avg. Age
	<30	31-35	36-40	41-45	46-50	51-55	58-60		
Executives	9	18	4	7	16	34	74	162	51
Supervisors	29	8	3	0	8	46	110	204	52
Non Supervisors	22	24	14	4	37	79	119	299	51
TOTAL	60	50	21	11	61	159	303	665	51
Percentage	9%	7%	3%	2%	9%	24%	46%	100%	51

In the absence of clear cut, well defined and universally accepted model for evaluation of the economic worth of human assets of a company an attempt has been made to assess the same, by working out the present value of the anticipated future earnings of the employees taking into account the present pay scales and the promotional policies being followed. The computation has been based on the guidelines and principles enunciated in the economic models developed by Lev and Schwartz. (1971) Eric Flamholtz (1974) and Taggi and Lau (1974) with appropriate modifications found necessary.

The total value of human assets of the company evaluated on the lines indicated above is as follows :

CATEGORY	As at 31.3.2017		As at 31.3.2016		As at 31.3.2015	
	Value in Lakhs (₹)	No. of Employees	Value in Lakhs (₹)	No. of Employees	Value in Lakhs (₹)	No. of Employees
Executives	2,43,25	1,62	1,17,57	1,75	1,04,93	1,59
Supervisors	99,04	2,04	1,02,65	2,09	55,46	1,10
Non Supervisors	49,76	2,99	1,11,23	3,63	1,82,63	5,44
TOTAL	3,92,05	6,65	3,31,45	7,47	3,43,02	8,13

ACTIVITIES & PERFORMANCE PER EMPLOYEE

The performance & other indices of the corporation for the year 2016-17, 2015-2016, 2014-2015 measured in terms of per employee are as follows:-

SI.	PARTICULARS	Unit	2016-17	2015-16	2014-15
1.	Production	MT	11,89	12,20	11,72
2.	Sales turn over	₹	5,60,21,35	5,83,97,59	5,52,93,97
3.	Profit/(Loss)	₹	63,65,02	71,63,32	49,29,89
4.	Payments of Employees	₹	1,15,64,79	85,20,75	80,71,34
5.	Interest on sums borrowed	₹	3,38,35	2,98,53	3,65,31
6.	Provisions for replacement of assets	₹	9,99,58	10,57,56	7,82,29
7.	Social over heads	₹	2,73,68	3,46,72	2,69,37
8.	Value added	₹	2,84,45,11	2,99,93,31	2,74,90,77
9.	Contribution to exchequer	₹	1,41,24,81	1,32,20,88	1,15,25,21
10.	Capital employed	₹	3,20,06,01	3,46,58,63	2,52,60,76

The Annual Statement in the prescribed format showing the representation of SCs, STs and OBCs as on 01/01/2017 and number of appointments made during the preceding calendar year, as furnished to the Government, is given below:

CEMENT CORPORATION OF INDIA LIMITED														
Groups	REPRESENTATION OF SCs/STs/OBCs.				No. of appointments made during the calendar year									
	(AS ON 01/01/2017)				By Direct Recruitment				By Promotion			By Deputation / Absorption		
	Total No. of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group A-TOT	163	21	3	18	15	1	0	0	2	0	0	0	0	0
Group B-TOT	204	30	14	31	27	1	4	6	29	4	0	0	0	0
Group C-TOT	226	40	29	34	3	2	0	0	0	0	0	0	0	0
GROUP D-TOT	122	15	28	20	30	7	0	8	0	0	0	0	0	0
TOTAL	715	106	74	103	75	11	4	14	31	4	0	0	0	0

NAME OF THE UNIT CCI LIMITED																		
Manpower strength of Physically Challenged employees as on 01/01/2017																		
Group-wise manpower strength of Physically Challenged employees as on 01/01/2017																		
Groups	NUMBER OF EMPLOYEES				DIRECT RECRUITMENT (DURING THE CALENDER YEAR)								PROMOTION					
	(AS ON 01/01/2017)				NO. OF VACANCIES RESERVED			NO. OF VACANCIES MADE (APPOINTED)					NO. OF VACANCIES RESERVED			NO. OF VACANCIES MADE (APPOINTED)		
	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH
Group A	163	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group B	204	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group C	226	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group D	122	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	715	0	1	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Note: VH stands for Visually Handicapped (persons suffering from blindness or low vision)

ii) HH stands for Hearing Handicapped (persons suffering from hearing impairment)

iii) OH stands for orthopaedically Handicapped (persons suffering from locomotor disability or cerebral palsy)

Salient features of our Units

MANDHAR (Distt. Raipur, Chhattisgarh)

This is the first unit of the Corporation, which went into production in July, 1970 adopting the wet process and this was expanded to produce slag cement from November, 1978. The slag requirement is drawn from Bhilai Steel Plant.

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	3.80	3.80	3.80
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	3,25	(1,40)	(1,55)

The production remained suspended due to unit being unviable.

KURKUNTA (Distt. Gulbarga, Karnataka)

This is the second wet process unit which went into production from October, 1972.

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	1,98	1.98	1.98
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	3,67	(1,13)	(1,44)

BOKAJAN (Distt. Karbi Anglong, Assam)

This unit is located in difficult area in Karbi Anglong Distt. of Assam, set up more from a socio economic point of view of serving the neighbouring areas with cement, rather than only from normal economic consideration. Limestone for this unit is transported, by ropeway 18 Kms long, passing through difficult terrain. The unit went into production from 1st April, 1977.

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	1,98	1.98	1.98
Production (in lakh tonnes)	0.80	1.03	0.82
Value of Production (₹ in lakhs)	37,52	44,39	37,55
Profit/(Loss) (₹ in lakhs)	(19,75)	35	(4,61)

RAJBAN (Distt. Sirmur, Himachal Pradesh)

This is yet another unit located in a hilly and difficult area. In addition to normal communication being difficult, the unit is serviced for both inward movement of materials and outward movement of finished products by road transport for a considerable lead, as the Unit does not have nearby rail head. The entire production of this factory has to be distributed by road. From the quarry situated in the hills, limestone is transported by a ropeway of 9 kms. The unit is in commercial production from April, 1980.

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	2.48	2.48	2.48
Production (in lakh tonnes)	1.69	1.91	1.70
Value of Production (₹ in lakhs)	90,97	88,83	82,72
Profit/(Loss) (₹ in lakhs)	10,22	11,88	(4,42)

NAYAGAON (Distt. Mandasaur, Madhya Pradesh)

This unit with an annual installed capacity of 4 lakh tonnes went into commercial production from 1st March, 1982.

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	4.00	4.00	4.00
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	3,36	(1,18)	(1,46)

Expansion project by another 10 lakh tonnes was undertaken on the concept of split location i.e. clinkerisation at Nayagaon and grinding of clinker at Delhi and Bhatinda. Clinkerisation plant at Nayagaon and grinding unit at Delhi have gone in to commercial production from 1.5.90.

NAYAGAON Expn. Including DGU & BGU

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	5.00	5.00	5.00
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	3,00	25	(1,71)

AKALTARA (Distt. Bilaspur, Chhattisgarh)

This unit went into commercial production from 1st April, 1981.

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	4.00	4.00	4.00
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	7,89	2,13	(1,37)

The production remained suspended due to unit being unviable.

CHARKHI DADRI (Distt. Bhiwani, Haryana)

This was a sick unit taken over by the Government of India and vested with CCI in June, 1981. After rehabilitation within a short period, cement grinding was started by September, 1981 and clinker production started subsequently. Out of two streams, only one was capable of rehabilitation.

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	1.74	1.74	1.74
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	3,60	(142)	(1,70)

The production remained suspended due to unit being unviable.

ADILABAD (Distt. Adilabad, Telengana)

This unit went into commercial Production from April, 1984

	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	4.00	4.00	4.00
Production (in lakh tonnes)	-	-	-
Value of Production (₹ in lakhs)	-	-	-
Profit/(Loss) (₹ in lakhs)	98	(5,12)	(4,87)

TANDUR (Distt. K. V. Ranga Reddy, Telengana)

This unit went into commercial production from 1st July, 1987

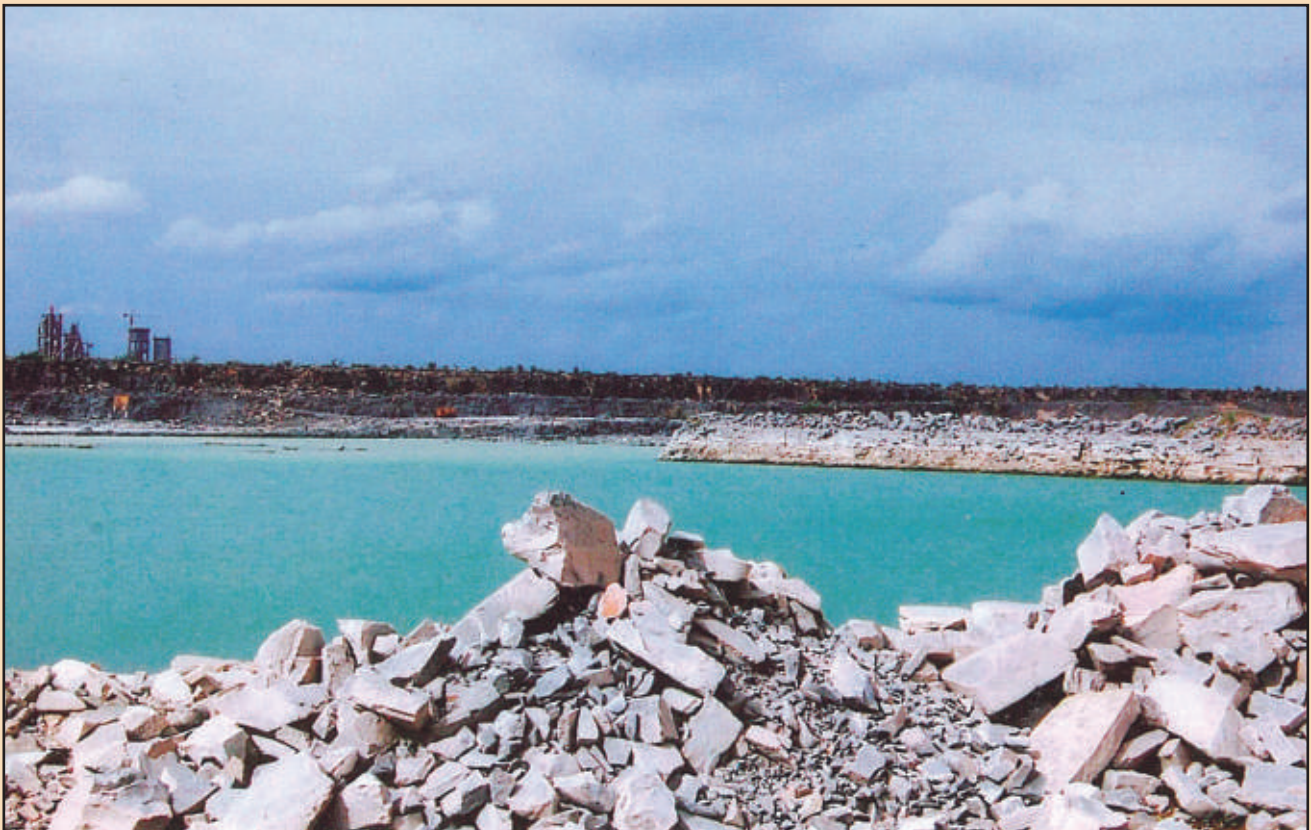
	2016-17	2015-16	2014-15
Installed capacity (in lakh tonnes)	10.00	10.00	10.00
Production (in lakh tonnes)	5.42	6.19	7.00
Value of Production (₹ in lakhs)	2,04,68	2,53,88	2,70,83
Profit/(Loss) (₹ in lakhs)	26,11	49,15	63,21

Vision

To emerge as a leading cement company committed to contribute to the economy and to enhance value for the stakeholders.

Mission

To augment the wealth creation for the Company, deliver superior product and sustain market value.



A view of Tandur's Lime Stone Mines



सीमेंट कार्पोरेशन ऑफ इण्डिया लिमिटेड
 (भारत सरकार का उद्यम)
 नई दिल्ली

Cement Corporation of India Ltd.
 (A Govt. of India Enterprise)
 New Delhi