MANGALAM CEMENT LTD.

BK BIRLA GROUP OF COMPANIES

MANGALAM CEMENT LTD.

MC/SEC/2018
17.09.2018

BSE Ltd.
Phiroze Jeejebhoy Towers
Dalal Street,
Mumbai – 400 001

Security Code: 502157

National Stock Exchange of India Ltd.
"Exchange Plaza", 5th Floor,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Security Code: MANGLMCEM

Copy of Annual Report 2017-18

Dear Sir,

This is to inform you that the 42nd Annual General Meeting of the Company was held on Saturday, the 08th September, 2018 at 11.30 A.M. at the Club Hall of Mangalam Cement Ltd, Basant Vihar, Adityanagar 326520, Morak, Dist. Kota (Rajasthan).

Further pursuant to regulation 34 of SEBI (Listing Obligations and Disclosures Requirement), Regulation, 2015, Please find enclosed herewith copy of Annual Report for the year ended 31.03.2018.

This is for your information and record.

Yours faithfully,
For Mangalam Cement Limited

Manoj Kumar Dhariwal
Sr. Manager (Legal & Secretarial) &
Compliance Officer

Encl.: as above

Regd. Office & Works : P.O. Aditya Nagar-326520, Morak, Distt. Kota (Raj.) CIN : L26943RJ1976PLC001705, Telefax : 07459 - 232156
Website : www.mangalamcement.com, E-mail : email@mangalamcement.com
Kota Office : Shop No. 20, 80 Feet Road, Opp. Sukhdham Colony, (Near SBI Bank) Kota (Rajasthan) Pin: 324001
Mob : 9351468064 / 9351468055 / 9351468445, E-mail : mclkta@kappa.net.in
Delhi Office : UCO Bank Building (4th Floor), 5, Parliament Street, New Delhi - 110 001
Tel. No. : 011- 43539132, 43539133, 43539137 Fax : 011- 23421768
E-mail : delhi.purchase@mangalamcement.com, delhi.marketing@mangalamcement.com
Jaipur Office : 2nd Floor, Geejgarh Tower, Hawa-Sarak, Jaipur - 302 006 (Rajasthan)
Tel. : 0141 - 2218933, 2218931, E-mail : jaipur.marketing@mangalamcement.com

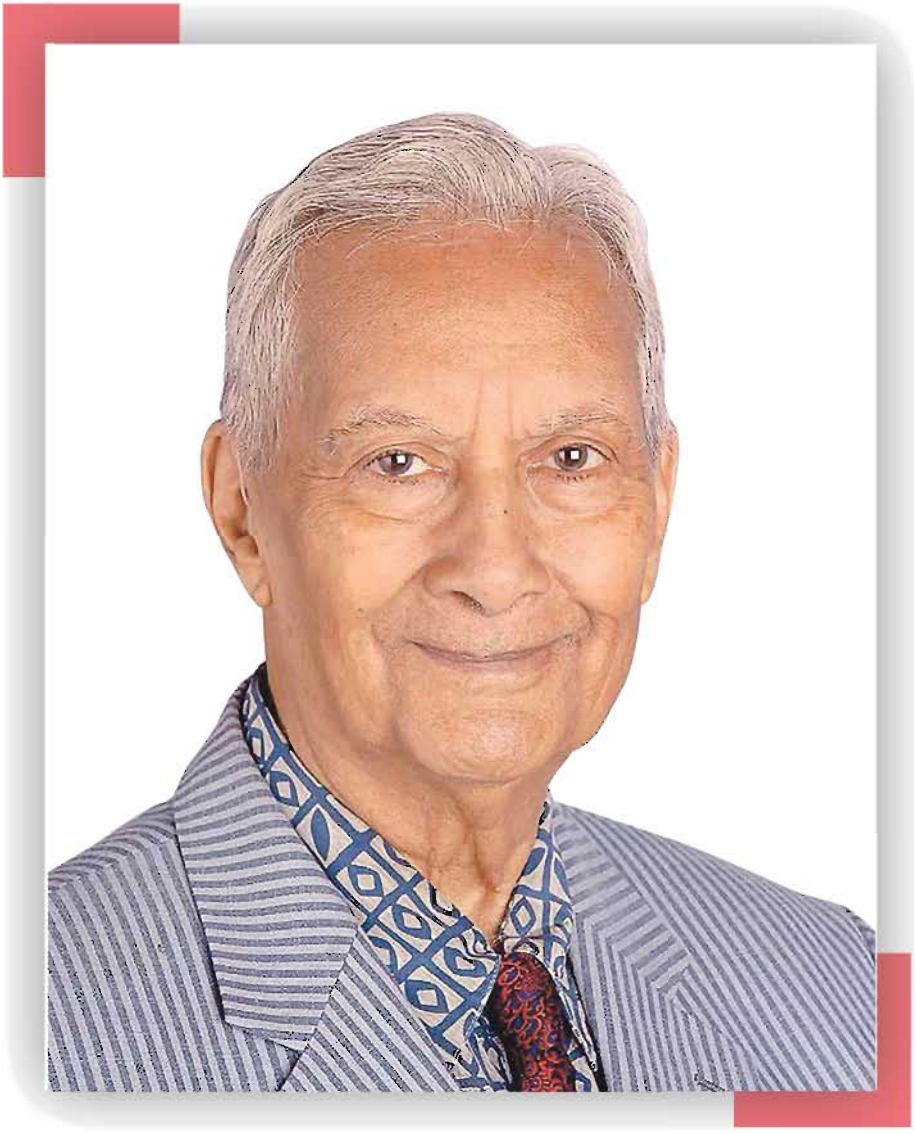
42nd Annual Report

2017-18

MANGALAM CEMENT LIMITED

Forward-looking **statement**

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Shri B.K. Birla

Corporate Information

BOARD OF DIRECTORS

Smt. Aruna Makhan	
Shri N. G. Khaitan	
Shri Gaurav Goel	
Shri K. C. Jain	
Smt. Vidula Jalan	Executive Director
Shri A. V. Jalan	Executive Director

TEAM OF EXECUTIVES

Shri S.S. Jain	*President*
Shri Kaushlesh Maheshwari	*President (Sales & Marketing)*
Shri Yaswant Mishra	*President (Corporate) & CFO*

COMPANY SECRETARY

Shri Swadesh Agrawal

PLANT LOCATIONS

1. **Rajasthan**
   P.O. - Aditya Nagar
   Morak, Dist - Kota
   Pin - 326520

2. **Uttar Pradesh**
   K/1, CDF Complex
   UPSIDC Industrial Area
   Anoopsahar Road, Cherat
   Dist - Aligarh

REGISTERED OFFICE

P.O. Aditya Nagar-326520
Morak
Dist. Kota (Rajasthan)
Phone No: 07459 232231
Fax: 07459 232036
CIN: L26943RJ1976PLC001705
Website: www.mangalamcement.com
E-mail: communication@mangalamcement.com

CORPORATE OFFICE

Birla Building, 10th Floor
9/1, R.N. Mukherjee Road
Kolkata - 700 001
Phone No: 0332243 8707/8857
E-mail : kolkata@mangalamcement.com

AUDITORS

Singhi & Co.
Chatered Accountants
Kolkata

BANKERS

State Bank of India
HDFC Bank Limited
IDBI Bank Limited
DBS Bank Limited
IndusInd Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

M/s. MAS Services Ltd.
T-34, 2nd Floor, Okhla Industrial Area, Phase-II,
New Delhi-110020
Tel. No. 011-26387281/82/83
Fax No. 011-26387384
E-mail- info@masserv.com
Website- www.masserv.com

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Board of Directors

Smt. Aruna Makhan
(DIN : 00025727)

Smt. Aruna Makhan joined the Indian Audit & Accounts Service in 1967 and held the prestigious position of Controller General of Accounts before retirement. During her 38 years of service, Smt. Makhan attained a rich and versatile experience in the field of public financial management. She held various senior level positions in different departments.

Shri N.G. Khaitan
(DIN : 00020588)

Shri N G Khaitan is a Senior Partner of Khaitan & Co. based in Kolkata. He passed his Attorneyship Examination from the Calcutta High Court in the year 1974 and stood first in the Preliminary, Intermediate and Final Examinations, and was awarded Bell Chamber's Gold Medal by the Incorporated Law Society, High Court, Calcutta. He is a Notary Public appointed by the Government of India. He has rich experience in all aspects of law and more particularly, Real Estate, Corporate laws and has handled important litigations covering different branches of law including Mergers and Acquisition, Restructuring and De-mergers. He has advised several large industrial houses and multinational corporations on multifarious legal matters.

Shri Gaurav Goel
(DIN : 00076111)

Shri Gaurav Goel is the Managing Director and Promoter Director of Dhampur Sugar Mills Ltd., one of the premier integrated sugarcane processing companies in India. His academic credentials include a business management graduation degree from the United Kingdom. He has been associated with Dhampur Sugar Mills since 1994 and looks after its overall activities. He was the President of Entrepreneurs Organisation(EO), Delhi chapter, for 2006-2007.

Shri K.C. Jain
(DIN : 00029985)

Shri K C Jain, a qualified Chartered Accountant, was the Whole-time Director of Kesoram Industries Ltd. He has a rich 50 years experience in the cement industry. He was a member of the Managing Committee of Cement Manufacturers' Association (CMA) for 35 years.

Smt. Vidula Jalan
(DIN : 01474162)

Smt. Vidula Jalan is an Executive Director of the Company. She is an MBA in Strategic Marketing and Leadership and Change Management from the Indian School of Business, Hyderabad. Moreover, she also has an Accounting and Finance degree from The University of Manchester, U.K. She is also managing the affairs of reputed schools and charitable trusts of the Group.

Shri Anshuman Vikram Jalan
(DIN : 01455782)

Shri A V Jalan is an Executive Director of the Company. He is a B. Com (Hons.) from St. Xavier's College, Kolkata. Besides, he has completed a management course in marketing and corporate finance from the London School of Economics, UK. Being involved in the management of manufacturing companies since 1998, he has gained a rich experience in business administration.

Awards & Recognitions

"Talent wins games but teamwork

CII National Award for Energy Efficiency- 2017

Received the Energy Efficiency National Award from CII Hyderabad for the performance of last three years.

NCCBM Award for Best Improvement in Energy Performance for the year 2015-16

Received the prestigious National Award for best improvement in Energy Performance in manufactures of blended cement for the year 2015-16 instituted by NCCBM, New Delhi

NCCBM Award for Best Thermal Energy Performance for the year 2016-17

Received the prestigious National Award for Best Thermal Energy Performance for the year 2016-17 instituted by NCCBM, New Delhi.

SEEM National Energy Performance Award- 2018

Received National Energy Management Award in Silver Category from SEEM (Society of Energy Engineers and Managers)

and intelligence wins championships

28th MINES ENVIRONMENT & MINERAL CONSERVATION WEEK 2017-18
(Under the aegis of Indian Bureau of Mines, Ajmer Region)
Organised by : Mines Environment and Mineral Conservation Association, Ajmer
Host : Shree Cement Limited, Beawar
Certificate of Honour
This is to certify that
Morak Limestone Mine of M/s Manglam Cement Ltd.
is awarded
1st Prize in the field of Reclamation & Rehabilitation
under the Group A-1 (Fully Mechanized, Production More than 2 Million MT) Mines
for participating in
28th Mines Environment and Mineral Conservation Week
held from 3rd January to 9th January, 2018
Date : 13th January, 2018
Place : Beawar
Chetan Sharma
M. K. Garg
P. N. Chhangani

MEMCM Mines Award for Reclaimation and Rehabilitation for the year 2017-18

Won 1st Prize in the field of Reclaimation and Rehabilitation during 28th Mines Environment and Mineral Conservation Week 2017-18 organised by Mines Environment and Mineral Conservation Association, Ajmer.

28th MINES ENVIRONMENT & MINERAL CONSERVATION WEEK 2017-18
(Under the aegis of Indian Bureau of Mines, Ajmer Region)
Organised by : Mines Environment and Mineral Conservation Association, Ajmer
Host : Shree Cement Limited, Beawar
Certificate of Honour
This is to certify that
Morak Limestone Mine of M/s Manglam Cement Ltd.
is awarded
3rd Prize in the field of Mineral Conservation
under the Group A-1 (Fully Mechanized, Production More than 2 Million MT) Mines
for participating in
28th Mines Environment and Mineral Conservation Week
held from 3rd January to 9th January, 2018
Date : 13th January, 2018
Place : Beawar
Chetan Sharma
M. K. Garg
P. N. Chhangani

MEMCM Mines Mineral Conservation Award for the year 2017-18

Won 3rd Prize in the field of Mineral Conservation during 28th Mines Environment and Mineral Conservation Week 2017-18 organised by Mines Environment and Mineral Conservation Association, Ajmer.

Employer's Association Award of Rajasthan-2016

Received Employer's Association Award of Rajasthan-2016.

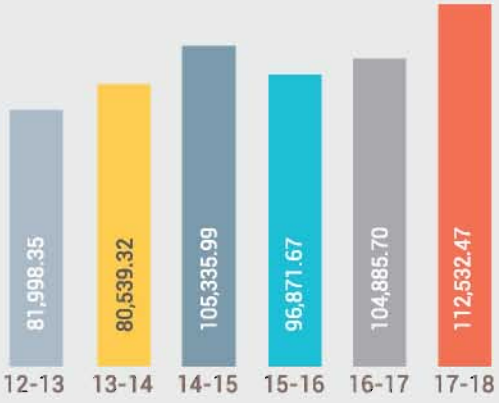
Rajasthan CSR Leadership Award-2018

Received Rajasthan CSR Leadership Award for the year 2018 under the category of Skill Development organised on World CSR Day. This Award was presented by Mrs. Kiran Maheshwari – Rajasthan Higher Education Minister.

Performance Highlights

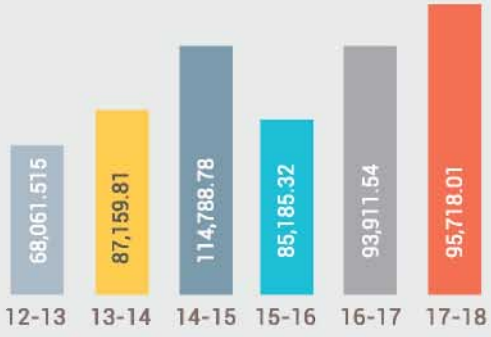
A total commitment is paramount

TOTAL REVENUE (₹ in Lacs)



EBIDTA (₹ in Lacs)

GROSS BLOCK (₹ in Lacs)

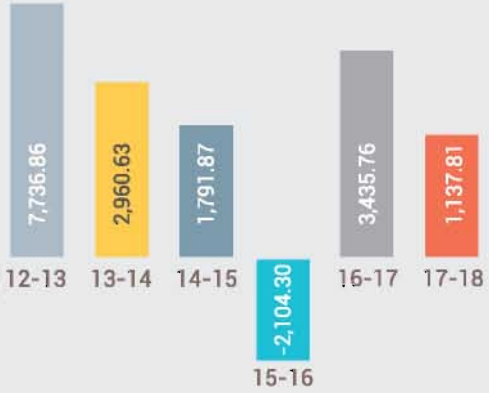


BOOK VALUE PER SHARE (₹)

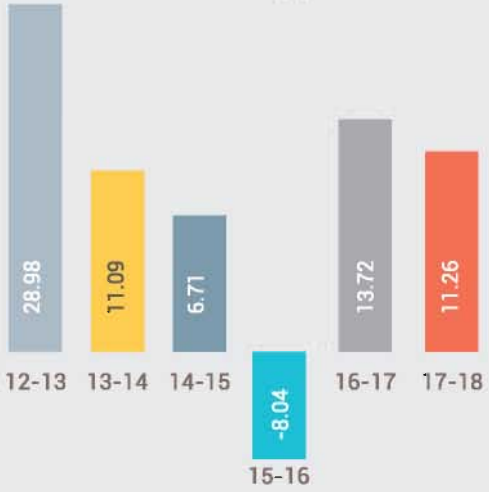
FY 15-16 to 17-18 as per Ind AS: previous GAAP for earlier years

to reaching the ultimate in performance

POST TAX PROFIT (₹ in Lacs)



EARNINGS PER SHARE (₹)



27.58 lac tonnes
Highest cement production

27.67 lac tonnes
Highest dispatch of cement

156.10 lac Kwh
Captive green energy production

1816.37 lac Kwh
Captive thermal energy production

Human Resources

"To win the marketplace,

We provide relevant training to the team to drive long term growth strategies. The objective is to build competencies in a competitive market scenario.

ENHANCING PRODUCTIVITY

We celebrate productivity week to create awareness amongst employees. Our employees given training on productivity enhancement techniques, principals and practices.

The aim is to help make a sustainable ecosystem where all the resources are utilized optimally. This approach will help us to maximise profits and conserve resources.

We help our employees strengthening their communication skills by organising competitions on elocution, essay writing and quiz, among others.

SAFER ENVIRONMENT

A safety meet is organised on the first day of every month were best performers are awarded on various safety parameters.Various competitions such as Safety Slogan, Safety Posters Cartoons, Safety Speech, Safety Essay Writing, Safety Quiz, Safety Exhibition etc. for Staff, Ladies and Children were held on the National Safety Day.

EMPLOYEE ENGAGEMENT

Company is arranging Sports activities, Festival Celebrations, Cultural Extravaganza, events such as Kavi Sammelan, National Independence Day, National Republic Day, Annual Functions, Social Get together, Bharat DarshanYarta for workers, Dandia on Navratra etc.

you must first win the workplace

A Dynamic and Dependable team is the biggest asset of an organisation, we groom our talent to enhance their skills and help them function more efficiently. We encourage a right work culture, supported by ethical work practices to faclitate good business.

TEAM MANGALAM

Our human resource management attracts, nurtures and retains talent. With a 1007+ strong member team, as on 31st March, 2018, our priority is to focus on the growth and development of each employee, which reflects in our growing productivity and low attrition level.

We aim to build a work culture that recognises our employees' contributions, as well as attain maximum job satisfaction.

LEADERSHIP DEVELOPMENT

Leadership development programmes develop future leaders that give any business a competaitive edge. These programmes are organised evey year and participated by senior personnel across the vertical. Speaker motivators and trainers for these programmes are called from industry and professional institution – The primary focus areas are vision building, teamwork and result oriented approach through personal improvements.

NURTURING TALENT

We are consistently driving a culture of continuous learning. We promote multi- tasking through adequate Learning and development intervention and job rotation.Training programs were organised by internal and external training experts to increase employee potential. Every month the best performing employee is recognised at our safety meet. This helps motivate the employees and brings out the best in them.

INTERNATIONAL YOGA DAY CELEBRATION

We celebrate International Yoga Day on 21st June with all employees and their family members.

ENERGY CONSERVATION WEEK CELEBRATION

We celebrate Energy Conservation Week on 14 December - National Energy Conservation Day to create awareness. Variety of competitions and programmes such as Elocution, Quiz, Essay Writing, Slogan writing, Poster Competition for staff, workers and their family members are being arranged to create awareness for energy conservation.

Corporate Social Responsibility

"Goodness is the only

EDUCATION

We strive to provide quality education to the youth. The Mangalam DAV School imparts quality education to over 1000 students, under CBSE board. We also adopted ITI kherabad under PPP (Public Private partnership) model to deliver technical education to the rural youth in the vicinity. 'On-the-job' training courses are offered to the students to enable them to become self- sufficient and independent. Higher education allowance was provided to BPL students and their families.

SKILL DEVELOPMENT PROGRAMME

We conduct skill based training for the youth through various programmes at gram panchayats have already benefited more than 100+ students. We conducted tailoring training courses and ITI kherabad. Driving classes were also organized by us, where we distributed driving licenses to over 100 people.

WOMEN EMPOWERMENT

We focus on the provision of various training programmes for women living in these areas, to encourage women empowerment and help bring a sustainable change in society. We conducted tailoring training for 22 batches (Approximately 300+ women), and also set up a tailoring centre at the Morak Station.

investment that never fails.

COMMUNITY DEVELOPMENT

We undertook various initiatives for holistic development of the community. We believe in communal equality and provide financial assistant for the construction of religious worship places and for the celebration of various religious festivals. We also constructed a community centre called Kalyan Mandapam for celebrating social events and gatherings.

FINANCIAL ASSISTANCE TO GRAM PANCHAYATS

Development of rural infrastructure: We provided financial assistance to the panchayats for vital infrastructure creation and maintenance.

VILLAGE HEALTH CAMPS

Periodic medical camps were organized in adjacent villages and free consultancy was provided. This was done as part of our commitment to ensure good health for the community.

ADOPTION OF CHC MORAK

Under the scheme of the Government of Rajasthan, we adopted CHC Morak for their maintenance and refurbishment, including supplies of equipment.

MEDICAL TREATMENT

Mangalam Mahila Mandal Welfare Society extended financial assistance for treatment of the under privileged.

BLOOD DONATION CAMP

We arganised a blood donation camp in collaboration with Kota Blood bank; 312 units of blood were collected from Mangalam employees, family members and donors of adopted villages.

INDUSTRIAL VISIT

Various educational institutions visit the plant to gain real time experience. Around 10 to 12 institutions visit our plants on an average every year.

Marketing Endeavours

Strong customer relationships

Udaan
UTTAM DEALERS AWARD & APPRECIATION NIGHT

A unique annual dealer award function, "Udaan", was organised to recognise & felicitate the high performance dealers and give the Golden awards to their respective Grihalakshmies thereby doubling the size of Birla Uttam Parivar with a strong emotional bond. This spectacular family event was marked by colourful entertainment and celebrity performers.

Haat Bazar was created for the dealers & their families.

Executive Directors presenting awards to high performance dealers.

Mangalam Sales Team with the Directors at UDAAN

Comedian Sunil Pal performing at the function.

Uttam Architect Award is back !

announcing

UTTAM ARCHITECT AWARD 2018

After the success of the award in 2016, we are back with the second edition which will be held at Jaipur in 2018.

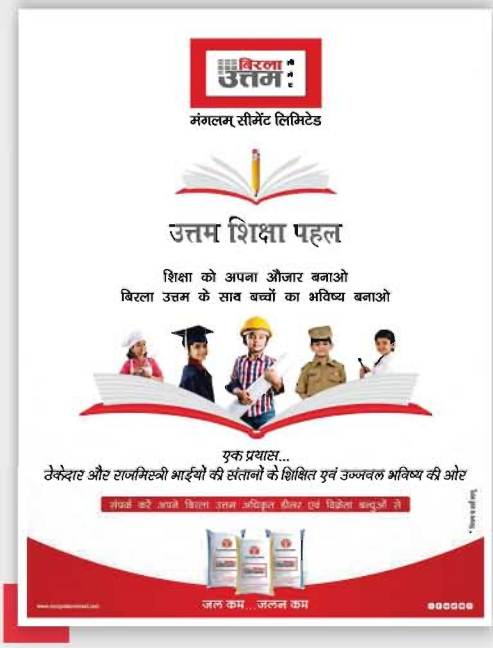
drive sales, sustainability & growth

UTTAM SHIKSHA PAHAL

It is a unique initiative to build the future of childrens of Masons and Contractors' helping them to get proper education. A percentage of realisation set aside for this scheme which is spent on education of these childrens from class-I upto professional courses.

A higher percentage is being spent for, if the child is a girl.

This is giving a tremendous motivation to the Masons/Contractors' to educate their children.



RURAL CAMPAIGN VAN

Highly successful and cost effective Rural Van Campaign had to be extended this year on popular demand by dealer network to cover 66 districts in the high realisation markets of Rajasthan, Madhya Pradesh & Uttar Pradesh. This second edition of our innovative campaign with more than 1500 Nukkad Natak's spread over period of 2 months helped us take our "Jal Kam...Jalan Kam" campaign with twin social objectives of Water Saving & Health Protection of masons deep into our core markets.

19th ARCASIA FORUM JAIPUR

Sponsored the 19th ARCASIA FORUM, JAIPUR organised by Indian Institute of Architects (IIA), Rajasthan Chapter. ARCASIA, the Architects Regional Council Asia, is an assembly of the National Institutes of Asian Region, formed by 21 member countries.

Showcase Exhibition, Jaipur was part of 19th ARCASIA FORUM to promote building material, specially organised for Architects & Builders fraternity.

Green Initiative

If there is a future,

Our plant at Aligarh

it will be green

Water conservation in mining pits

RAIN WATER HARVESTING

Due to rain water harvesting in mined out pits, water table of the surrounding area has increased.

The Company is also encouraging drip irrigation to conserve water.

WATER HARVESTING

We undertake water harvesting initiatives in mined-out regions (22 lacs cubic metres of stored water) through roof-top water storage, accumulation of rain water in mined-out pits and pits across our plant.

POLLUTION-FREE PLANT VICINITY

We monitor the performance of our pollution-control equipment regularly. We have enhanced focus on ensuring dust-free surroundings, so all the transfer points of raw materials are provided with water mist dust suppression system. Besides, consistent water sprinkling (from harvested water) in the vicinity of the dust emission area is conducted to reduce dust levels. The effluent treatment plant ensures zero discharge.

GREEN COVER

We have planted saplings to ensure a dense green belt around our plants and mines. Plants are developed at our own nurseries and distributed to residents of colonies, schools and villagers to encourage them to plant more trees. Moreover, environmental awareness programmes are conducted regularly for employees and their families.

PLANTATION TREND

Year	No. of Plants	Survival Rate
2009-10	32,354	70%
2010-11	23,480	70%
2011-12	25,232	70%
2012-13	29,661	85%
2013-14	31,026	90%
2014-15	19,293	85%
2015-16	8,858	80%
2016-17	9,930	85%
2017-18	9,948	90%

Report of the Directors
for the year ended 31st March, 2018

Dear Members,

The Directors have pleasure in presenting the 42nd Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2018. The summarized Financial Results are given below :

1. FINANCIAL RESULTS

(₹ in Lacs)

	Current Year ended 31st March, 2018	Previous Year ended 31st March, 2017
Net Sales/ Income from operations	**112532.47**	**104885.70**
Operating Profit / (Loss) before interest, Depreciation and Tax and other amortisations ("EBIDTA")	**11044.22**	**13827.71**
Less:		
Depreciation and Amortisation Expenses (Net of transfer from Revaluation Reserve)	4421.11	4,031.46
Finance Costs	4727.28	4748.94
Tax Expenses (net)	757.64	1383.84
	9906.03	10164.24
Net Profit / (Loss) for the year	**1138.19**	**3663.47**
Other Comprehensive Income (net of tax)	(0.38)	(227.71)
Total Comprehensive Income (after tax)	**1137.81**	**3435.76**

2. DIVIDEND

We recommend a dividend of Re. 0.50/- (Paisa Fifty Only) per equity share of ₹ 10/- each for the year ended 31st March, 2018. The total outgo in this respect will be ₹ 160.64/- Lacs including corporate dividend tax.

3. OVERALL PERFORMANCE

The Performance of the Company has been comprehensively covered in the Management Discussion and Analysis,which forms a part Directors' Report.

4. MANAGEMENT DISCUSSION & ANALYSIS

In term of the provision of Regulation 34 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Management Discussion and Analysis forms the part of this Report.

5. RENEWABLE ENERGY

The Company owns 13 Wind Turbines with a total capacity of 13.65 MW. Total Generation from all the turbines together during the year was 156.10 lacs Kwh.

6. CAPTIVE THERMAL POWER PLANT

Your Company has a present requirement of 33MW of power and is 100% self-sufficient through its own generation. Total generation during the year was 1816.37 lacs Kwh.

7. NEW PROJECTS

During the period under review, the Board approved setting up of a 11 MW Waste Heat Recovery plant at existing factory at Morak, Kota.

8. FINANCE

During the period under review, the Company has issued Commercial Paper (CP) to the tune of ₹ 150.00 Crores. The instruments are rated "CARE A1+" by Credit Analysis & Research Ltd., the Credit Rating Agency.

The Directors has also approved the issuance of Non-Convertible Debentures on private placement basis for an amount upto ₹ 250.00 Crores in one or more tranches.

9. RISK MANAGEMENT

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has developed a risk management policy and identified risks and taken appropriate steps for their mitigation for more details, please refer to the Management Discussion and Analysis set out in this Annual Report.

10. CREDIT RATINGS

Your Directors are pleased to inform you that Credit Analysis & Research Ltd. (CARE) reaffirmed the rating of 'CARE AA-'(Double A minus) assigned for long term facilities. The 'CARE AA' rating is considered to offer a high degree of safety regarding timely servicing of financial obligations and

indicates that such borrowings carry low credit risk. CARE assigns '+' or '-' signs to be shown after the assigned rating (wherever necessary) to indicate the relative position within the band covered by the rating symbol.

CARE has also re-affirmed its 'CARE A1+' (A one Plus) rating assigned to the Company's short term facilities. This is the highest rating for short term facilities and indicates a strong capacity for timely payment of short term debt obligations and carries the lowest credit risk.

Further, CARE has re-affirmed its 'CARE A1+' (A one Plus) rating assigned to the Company's Commercial Paper issuance.

11. INSURANCE

Adequate insurance cover has been taken for the properties of the Company including buildings, plant and machinery and inventories.

12. EXTRACT OF THE ANNUAL RETURN

The Extract of Annual Return in Form MGT-9 as required under Section 134(3)(a) of the Companies Act, 2013 is set out at **Annexure-1** which forms part of this report.

13. DETAILS OF BOARD MEETINGS

The Board of Directors met 4 times in the year 2017-18. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

14. DIRECTORS

In accordance with the provision of Section 152 (6) and pursuant to the Articles of Association of the Company, Shri Anshuman Vikram Jalan, Executive Director of the Company, (DIN: 01455782)retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment. Details of the proposal for his appointment are given in the Notice of the Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The details of programmes for familiarisation of independent Directors with the Company, their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and other related matters are put on the website of the Company at the link:

http://www.mangalamcement.com/pdf/familiarisation_programme.pdf.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134 (5) of the Companies Act, 2013 and to the best of their knowledge & belief and according to the information and explanations obtained your Directors state that :

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations provided relating to material departures, if any;

b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) internal financial controls were followed by the Company and they are adequate and are operating effectively; and

f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

16. KEY MANAGERIAL PERSONNEL

The following employees were the Key Managerial Personnel of the Company during the year under review :

(i) Smt. Vidula Jalan, Executive Director

(ii) Shri Anshuman Vikram Jalan, Executive Director

(iii) Shri Yaswant Mishra, President (Corporate) & CFO and

(iv) Shri Swadesh Agrawal, Asst. Vice President & Company Secretary

17. REMUNERATION TO DIRECTORS & KEY MANAGERIAL PERSONNEL

(i) The Ratio of the remuneration of each Director to the median remuneration of employees of the Company for the year ended 31st March, 2018 are :-

Sr No.	Name of Director/CEO/CFO/ Company Secretary	Designation	Ratio of remuneration to median remuneration of the Employee of the Company	Percentage increase in the remuneration for the Financial Year 2017-18
1	Smt. Aruna Makhan	Independent and Non-Executive Director	1.98	– 26%
2	Shri N. G. Khaitan	Independent and Non-Executive Director	1.50	– 31%
3	Shri Gaurav Goel	Independent and Non-Executive Director	1.61	– 24%
4	Shri K. C. Jain	Non-Executive Director	1.52	– 34%
5	Smt. Vidula Jalan	Executive Director	31.46	– 6%
6	Shri Anshuman Vikram Jalan	Executive Director	34.77	8%
7	Shri Yaswant Mishra	President (Corporate) & CFO	NA	8%
8	Shri Swadesh Agrawal	Asst. Vice President & Company Secretary	NA	11%

Median remuneration of the Employees of the Company during the financial year : ₹ 4.54 lacs.

(ii) Percentage increase in the median remuneration of employees in the financial year 2017-18 is 4.02%.

(iii) There are 1007 Permanent Employees on the rolls as on 31st March, 2018 of the Company.

(iv) Explanation w.r.t average increase in remuneration and Company's performance :

Net Profit for the financial year ended March 31, 2018 was ₹ 1,138.19 lacs as compared to ₹ 3,663.47 lacs in the previous year. The increase in median remuneration was 12.15%.

(v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company : The total remuneration of Key Managerial Personnel (KMP) increased by 3.78%. Net Profit was ₹ 1,138.19 lacs as compared to ₹ 3,663.47 lacs in the previous year. Increase in remuneration of KMP (net) is collective result of talent bought to table, Company's business interest, industry standards and applicable regulatory framework.

(vi) Variations in the market Capitalization of the Company and PE Ratio

a. The market capitalization as on 31st March, 2018 was ₹ 82,857 lacs. (₹ 85,780 lacs as on 31st March, 2017).

b. Price Earnings ratio of the Company as at 31st March, 2018 : 72.86 (as at 31st March, 2017: 23.42).

c. Percent increase over / decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year : The company has not made any public issue or rights issue of securities in the recent past, so comparison have not been made of current share price with public offer price. The Company's shares are listed on BSE Ltd. and National Stock Exchanges of India Ltd.

(vii) Average Percentile increase in the Salaries of the Employees other than Managerial Personnel in financial year 2017-18 is 8.23% as compared to 3.78% increase in the Managerial Remuneration for the same period. Increase in salary in FY 2017-18 is mainly due to annual increment.

(viii) Key Parameters for any variable component of remuneration availed by the Directors are considered by the Board of Directors based on the performance of the Company, recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(ix) The ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year is 95.55%.

(x) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 (4) and Rule 8 of the Companies (Corporate Social Responsibility Policy), Rules, 2014, a report on CSR containing particulars in the specified format is attached at **Annexure-2.**

The Composition of the Corporate Social Responsibility Committee (CSR) is as under:

Name of the Member	Category
Smt. Vidula Jalan, Chairperson	Executive Director
Shri A. V. Jalan	Executive Director
Shri Gaurav Goel	Independent & Non Executive Director

The Corporate Social Responsibility (CSR) Policy as approved by the Board is uploaded on the Company's website at the web link:http://www.mangalamcement.com/pdf/policy/corporate_social_responsibility_policy.pdf

19. AUDITORS' REPORT

The Auditors' Report to the shareholders does not contain any qualification, reservation or adverse remark.

20. STATUTORY AUDITORS

M/s. Singhi & Co., Chartered Accountant, (Firm Registration Number: 302049E),who are Statutory Auditors of the Company were appointed as the Statutory Auditors for a term of 5 years at the last Annual General Meeting of the Company. They have confirmed their eligibility under Section 141 of the Companies Act, 2013, and the Rules framed thereunder, for appointment as the Auditors of the Company. The Board recommends to the Shareholders ratification for their term of appointment as mentioned above at the ensuing Annual General Meeting of the Company. Such ratification will be obtained every year during their term of appointment.

21. COST AUDITOR AND COST AUDIT REPORT

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company have on the recommendation of the Audit Committee, appointed M/s. J. K. Kabra & Co., Cost Accountants, New Delhi as the Cost Auditors, to conduct the cost audit of your Company. The Company has recommended their remuneration to shareholders for their ratification at the ensuing Annual General Meeting.

Your Company has maintained cost audit records pursuant to section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, in respect of the manufacturing activities are required. The cost audit report for the financial year 2016-17 was filed with the Ministry of Corporate Affairs on 06th September, 2017.The Report does not contain any qualification, reservation or adverse remark.

22. SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Company had appointed M/s. P. Pincha & Associates, Company Secretaries, Jaipur as Secretarial Auditor of the Company for the Year 2017-18.

The Secretarial Audit Report for the financial year 2017-18 forms part of this report as **Annexure - 3.** The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has re-appointed Mr. Pradeep Pincha of M/s P Pincha & Associates, Practicing Company Secretary as secretarial auditor of the Company for the financial year 2018-19.

23. LOANS, GUARANTEES OR INVESTMENT

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes forming part of the financial statements.

24. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

All the related party transactions are entered into at arm's length in the ordinary course of business and are in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have a potential conflict with the interests of the Company.

The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website at the web link:http://www.mangalamcement.com/pdf/policy/related_party_transaction_policy.pdf

25. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the name and other particulars of employees are to be set out in the Directors' Report as an addendum or annexure thereto.

However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company and others entitled thereto, excluding the aforesaid information about the employees. Any Member who is interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

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

A Statement containing the information required by Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, is set out in the statement at **Annexure-4** hereto and forms part of this Report.

27. CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, your Company was in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to corporate governance.

A report on Corporate Governance is enclosed at **Annexure-5** hereto and forms part of this Annual Report. The Auditors certificate on compliance with the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance is annexed to the Report on Corporate Governance.

28. COMPOSITION OF AUDIT COMMITTEE

In line with the provisions of Section 177 (8) of the Companies Act, 2013, the composition of the Committee is as below:

Name of Member	Category
Shri N. G. Khaitan – Chairman	Independent & Non-Executive Director
Smt. Aruna Makhan	Independent & Non Executive Director
Shri Gaurav Goel	Independent & Non-Executive Director
Shri K. C. Jain	Non-Executive Director

29. VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism under the policy has been appropriately communicated within the organization. The Whistle Blower Policy is available on the website of the Company.

30. PERFORMANCE EVALUATION

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance and that of the individual Directors as well as of its Committees. The evaluation criteria, inter-alia, covered various aspects of the Board's functioning including its composition, execution and performance of specific duties, obligations and governance.

The performance of individual directors was evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, time devoted, etc. The Directors expressed their satisfaction with the evaluation process.

The Independent Directors met on 12th February, 2018 to review the performance evaluation of the Non - Independent Directors and the entire Board of Directors. The Independent Directors are well satisfied with the functioning of the Board, its various committees and of the performance of the other Non-Executive and Executive Directors.

31. KEY PARAMETERS FOR APPOINTMENT OF DIRECTORS & KEY MANAGERIAL PERSONNEL

The Nomination and Remuneration Committee has formulated a detailed policy for appointment of directors, key managerial personnel and senior management personnel, which is designed to attract, motivate and retain best talent.

This policy applies to directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company. The compensation strategy revolves around getting the "best talent in the market". The remuneration of the Executive Directors and KMPs including the senior management personnel of the Company is recommended by the Nomination and Remuneration Committee based on the Company's remuneration structure taking into account factors such as level of experience, qualification and suitability. The Company generally pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components).

Remuneration by way of commission to the Non-Executive Directors is decided by the Board as permitted by the Companies Act, 2013 in line with the approval granted by shareholders.

32. NOMINATION AND REMUNERATION POLICY

The Company has in place a formal Nomination and Remuneration Policy formulated as per the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The extract of the policy is attached at **Annexure - 6** to this Report.

33. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial control systems, commensurate with the size and complexity of its operations, to ensure proper recording of financial and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements.

34. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

During the year under review, the Company has not received any compliant under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

35. ENVIRONMENT, HEALTH AND SAFETY

Environment, Health and Safety (EHS) is one of the primary focus areas for your Company. Your Company's EHS policy is to consider compliance to statutory EHS requirements as the minimum performance standard and is committed to go beyond and adopt stricter standards wherever appropriate.

Your Company have planted over 10,230 saplings to ensure a dense green belt around the plant and mine areas. Company encourage its employees and their families to actively participate in our plantation drives.

Your Company conducted regular health camps to monitor the health of farmers and educate them about disease prevention and care. Company also provided financial assistance to several hospitals and also adopted CHC Morak under a scheme of the Government of Rajasthan and assisted its maintenance and refurbishment. Your Company organised healthcare camps for specially-abled people. A team of specialised doctors, in collaboration with the Government of Rajasthan made the event successful.

Activities	No. of Patient(s)
OPD	12443
Periodic Health Check Up	1362
Pulse Polio Drive	1886
Audiometry	162

In your Company safety is of utmost importance and a culture of safety is brought in, not just for the Company's staff but also for contract workers, raw material suppliers and transporters etc. through training programs /communications.

36. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a sum of ₹ 12,24,336/- during the financial year 2017-18 to the Investor Education and Protection Fund established by the Central Governmentin compliance with section 125 of the Companies Act, 2013. The said amount represents unclaimed dividendswhich were lying with the Company for a period of 7 years from their respective due dates of payment. Prior to transferring the aforesaid sum, the Company has sent reminders to the shareholders for submitting their claims for unclaimed dividend.

Further, in terms of Section 125(6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, the Company has transferred 105708 equity shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government.

37. PUBLIC DEPOSITS

Your Company has neither invited nor accepted any deposits from the public within the meaning of section 2(32) and 74 of the Companies Act, 2013 during the year and as such, no amount of principal or interest on deposit was outstanding as of the balance sheet date.

38. CASH FLOW ANALYSIS

In conformity with the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a cash flow statement for the financial year ended 31st March 2018 forms part of the audited accounts.

39. AWARDS

Your Directors are pleased to inform that the Company has received the following awards during the year 2017-18;

- 18th National Award for Excellence in Energy Management 2017 for Energy Efficient Unit, received on 01.09.2017 from Confederation of Indian Industry (CII), Hyderabad.
- National Award for Best Improvement in Energy Performance in Manufacture of Blended Cements 2015-16, received on 08.12.2017 from National Council for Cement and Building Materials (NCBM), New Delhi.
- National Award for Best Improvement in Thermal Energy performance in 2016-17, received on 08.12.2017 from National Council for Cement and Building Materials (NCBM), New Delhi.
- Certificate of Excellence in Best Employer 2016 Awards Competition in the Category of Large Scale Industries (Cement/Chemicals/Process Group) for Excellence in Maintaining Harmonious Employer-Employee Relations, Effective Productivity Levels, Skill Development, Innovation & Corporate Social Responsibility, received on 24.11.2017 from the Employers' Association of Rajasthan, Jaipur.
- Certificate of Honour - 1st Prize in the field of Reclamation & Rehabilitation under the Group A-1 (Fully Mechanized, Production More than 2 Million (MT) Mines, received on 13.01.2018 in 28th Mines Environment and Mineral Conservation Week
- Certificate of Honour - 3rd Prize in the field of Mineral Conservation under the Group A-1 (Fully Mechanized, Production More than 2 Million (MT) Mines, received on 13.01.2018 in 28th Mines Environment and Mineral Conservation Week
- Certificate of Honour - 1st Prize in the field of Poster Competition under Employees Categoryon 13.01.2018 in 28th Mines Environment and Mineral Conservation Week

40. ACKNOWLEDGEMENTS

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

New Delhi
15th May, 2018

Management Discussion & Analysis

INDUSTRY OVERVIEW

India is the second largest cement manufacturer in the world and accounts for 6.9% of worlds cement output. The present installed capacity is nearly 455 million MT and is estimated to touch 550 million MT by FY20. The Government of India is strongly focused on infrastructure development to boost economic growth and this augurs well for the Cement industry.

The Government also intends to expand the capacities of the Railways and the facilities for handling and storage to ease the transportation of cement and reduce transportation cost. These measures would lead to increase in construction activities thereby boosting cement demand.

Overall, the sector is witnessing the signs of recovery and with expected revival in the economy and growth in rate of GDP,the cement industry is expected to grow better with increased demand led by huge concrete road construction, increased spending in infrastructure projects and housing.

One of the most important challenges to the industry is due to the increase in fuel and coal prices and availability of the same. Although the overall capacity utilization still remains on the lower side, the expected increase in demand and relatively slower new capacity additions should help in increasing capacity utilization levels further.

PERFORMANCE REVIEW

Your company has registered growth of 7.68% in sales, including 14.85% growth in volume, which was mainly due to additional volume garnered from Aligarh Grinding Unit and improvements in markets of Madhya Pradesh and Uttar Pradesh. Cement realizations also improved as compared to the previous year; however in the second half of the year the realization dipped.

Power and Fuel prices haveincreased significantly particularly after the restriction on use of Pet coke was imposed in November 2017. The complete ban on usage of pet coke in captive power plants and various restrictionson procurement etc. have impacted the cost and availability adversely.

The logistics costs have also increased due to increase in fuel prices and in the lead distance for a part of the year because of a major diversion in freight traffic due to road construction near our plant on the Morak - Kota Highway.

The Company has produced 2.76 MMT of cement as compared to 2.39 MMT in the previous year, witnessing a growth of 15.62%.

- **Financial Highlights**

(₹ in Lacs)

Particulars	FY18	FY17
Revenue from Operation	1,12,532.47	
Profit/(Loss) before Interest, Depreciation & Taxation	11,044.22	13,827.71
Less: Interest and Finance Charges	4,727.28	4,748.94
Profit/(Loss) after Interest	6,316.94	9,078.77
Less: Depreciation and Amortisation	4,421.11	4,031.46
Profit/(Loss) before Tax	1,895.83	5,047.31
Net Profit/(Loss) after Tax	1,138.19	3,663.47
Other Comprehensive Income (net of Tax)	-0.38	-227.71
Total Comprehensive Income (after Tax)	1,137.81	3,435.76

Revenue from Operations increased by 7% from ₹ 1,04,885.70 lakhs in the previous year to ₹ 1,12,532.47 lakhs in the current year.

Profit before depreciation and tax decreased by ₹ 2,761.83 from 9,078.77 lakhs to ₹ 6,316.94 lakhs in the previous year.

Net Profit After Tax was at ₹ 1,138.19 lakhs as against ₹ 3,663.47 lakhs in the previous year.

EPS is ₹ 4.26 per share as against ₹ 13.72 per share in the previous year.

- **Production**

Particulars	FY18	FY17
Production (MMT) :		
Clinker	2.06	1.82
Cement	976	

excluding trail run production of 9905 MT

Clinker and cement production increased compare to previous year by 13% and 15% respectively.

- **Sales and Despatch Volume**

Particulars	FY18	FY17
Sales Volume (MMT) :		
Cement	2.76	2.41
Clinker	0.00	0.04
Despatch Volume (MMT)		
Cement	2.76	2.40*
Clinker	0.00	0.04

* excluding despatch of 9,259 MT from production undertaken during trial run

- **Power and Coal Consumption**

Particulars	FY18	FY17
Power Consumption *(Per MT of Cement)*	72 kwh	75 kwh
Coal Consumption *(Per MT of Clinker)*	99.69 Kg	93.26 Kg

- **e-Power generation**

Particulars	FY18	FY17
Captive Thermal Power Plant (In Lakhs kwh)	1816.37	1687.00
Wind Turbines (In Lakhs kwh)	156.10	170.79

Despite the satisfactory increase in volumes and the slight increase in realizations, the Company's performance could notimprovedue to increase in costs primarily due to the very sharp increase in fuel prices and power costs.

The cement industry is expected improveas the industry shall get the benefit of the governments road concretization program, creation of smart cities and Housing for all initiatives. The Company plans to focus and strengthen on production of fly ash based cement and plans to increase the proportion of its blended cement to 75% in FY19 and evenfurther in coming years.

Cost of production has increased with increase in input costs without a corresponding increase in market realization. This continues to pose a significant challenge to improving the overall profitability.

WASTE HEAT RECOVERY PROJECT

With the present increasing trend of cost of power and fuel as well as complete ban on usage of Pet Coke in Captive Power Plants, a Waste Heat Recovery project was evaluated and it was decided to go ahead with the project. The Project envisages11 MW Power generation by using waste heat from the flue gases, and has a capital outlay of around Rs. 100 crores. This shall not only save power &fuel cost to a great extentbut also help to reduce the impact of any further increases in coal and pet coke prices. The estimated payback period of the project is 4-5 years.

Your Company shall be 100% self-sufficient on its captive power generation at Morak. The project shall be commissioned by April 2019.

RISKS & MITIGATING STEPS

The Company has proper enterprise risk management (ERM) policies in place to identify, manage and mitigate risks. The Company reviews the policies and mechanismsperiodically to align with the changes in market practices and regulations.

The Audit Committee has also been delegated with the responsibility of monitoring and reviewing risk management, assessment and minimization procedure, developing, implementing and monitoring risk management plan to identify, review and mitigate all foreseeable elements of risks which the Company may be exposed to.

Mangalam Cement is committed to ensure a secure business environment with proactive awareness, appraisal and mitigation measures.

The key risks identified by the Company is as follows :-

Economic volatility risk : Macro-economic factors have always formed the fundamental baseline on which the economy's industrial performance is based and a slowdown may impact the Company's performance. The government is implementing favourable policies and regulations at breakneck speedthat have strengthened business sentiments. With increased population, surged need for housing, moderate inflation, stabilising currency and improved disposable income, large social initiatives and improvement in rural consumption the Company expects the demand for cement to grow sustainably.

Raw Material and Mineral Components risk : Limestone being the primary raw material for production of cement and its long term

availability is critical under the present regulatory environment. Your Company possess sufficient limestone reserves for its current requirement. However,getting additional suitable quality reserves is critical to your Company's long term growth plans. The Company has adopted various measures toimprove sourcing including changing the input mix to keep costs under check.

Energy Cost risks : Cement industry is highly energy intensive as such changes in fuel prices impact the cost of production significantly. Driven by global demand-supply scenario, tightness in domestic Coal production and despatch as well as ban on usage of Pet Coke, the fuel prices have increased drastically. The Company is continuously focused onoptimisation of fuel mix and energy consumption and exploring alternating fuels for use in the manufacturing process, in addition to the full utilization of its wind turbine power generation. The commissioning of the WHR project would significantly help to insulate the companyfrom such risks.

Competition risk : Increasing cement players within the industry may impact realisation on account of stiff competition. To mitigate this risk. the Company has marked its product quality as its primary strength. Very efficiently, the Company has witnessed higher realisations per ton of cement on account of this uniqueness. It maintains a judicious mix of retail and institutional sales as well, which further strengthens its dealer base and retailer network. The Company also reinforced its marketing and sales team, enabling increased market penetration, retaining existing clients and acquiring potential customers, simultaneously.

Information Technology risk : Risks related to Information Technology systems, data integrity and physical assets. Your Company deploys Information Technology systems including ERP to support its business processes. Risks could primarily arise from unavailability of systems and/or loss or manipulation of information. To mitigate these risks, your Company uses back up procedures and stores information at two different locations. Systems are upgraded regularly with latest security standards. For critical applications, security policies and procedures are updated on a periodic basis and users educated on adherence to the policies so as to eliminate data leakages.

Human asset risk : Human resource is one of the most important assets of any company. The lack of a judicious employee mix (experienced and new) may hinder the Company's overall growth.

Therefore, to maintain a steady balance, utmost emphasis has been laid down on retaining experienced personnel and recruiting management trainees to create a robust team. The Company provides specialised training to its employees and is consistently building a leadership pipeline. It maintains an attrition level that is much below industry standards.

Customer reach risk : Inability to reach out to the demand pockets in key regions across India may affect business growth. The Company has developed extensive network strength, ensuring its business growth. Logistics and transportation facilities have been strengthened for efficient dispatch. The Company's marketing department closely works with dealers and institutional clients to cater to their demand requirements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Companys internal control procedures are adequate to ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations.

Your Company maintains a system of internal controls designed to provide reasonable assurance regarding the following:

- Effectiveness and efficiency of operations
- Adequacy of safeguards for assets
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records
- Timely preparation of reliable financial information

The internal controls and governance process are duly reviewed for their adequacy and effectiveness through periodic audits by independent internal and external auditors. The Audit Committee is periodically briefed on the corrective and preventive action taken to mitigate the risks.

Annexure - 1

FORM NO. MGT – 9

Extract of Annual Return

as on financial year ended on 31st March, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 & Rule 12(1) of the Companies (Management and administration) Rule, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L26943RJ1976PLC001705
2.	Registration Date	27th October,1976
3.	Name of the Company	Mangalam Cement Ltd.
4.	Category / Sub-Category of the Company:	Public Company limited by shares
5.	Whether listed company Yes / No	Yes
6.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MAS Services Ltd., T-34; 2nd floor, Okhla Industrial Area, Phase- 2ND , New Delhi- 110020 Phone No. : +91-11-26387281/82/83 Fax No. : +91-11-26387384 Email : info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

*As per National Industrial Classification – Ministry of Statistics Programme Implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NOT APPLICABLE

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

A Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2017				No. of Shares held at the end of the year 31st March, 2018				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No. of Shares	% of Changes
A. Promoters & Promoter group										
(1) Indian										
a. Individual/HUF	80540	NIL	80540	0.30	127740	NIL	127740	0.48	47200	0.18
b. Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. State Govt (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. Bodies Corp.	3464350	NIL	3464350	12.98	4279350	NIL	4279350	16.03	815000	3.05
e. Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f. Any Other.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (1):-	**3544890**	**NIL**	**3544890**	**13.28**	**4407090**	**NIL**	**4407090**	**16.51**	**862200**	**3.23**
Foreign										
a) NRIs - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (2):-	**NIL**	**NIL**	**NiL**	**NiL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**3544890**	**NIL**	**3544890**	**13.28**	**4407090**	**NIL**	**4407090**	**16.51**	**862200**	**3.23**
B. Public Shareholding										
1. Institutions										
a) Mutual Funds	767397	NIL	767397	2.87	767397	NIL	767397	2.87	Nil	Nil
b) Banks / FI	11461	NIL	11461	0.04	9625	NIL	9625	0.04	(-)1836	(-)0.01
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
f) Insurance Companies	250	NIL	250	NIL	250	NIL	250	NIL	NIL	NIL
g) FIIs	3450341	NIL	3450341	12.92	3046143	NIL	3046143	11.41	(-) 404198	(-)1.51
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify Qualified Foreign Investor	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1):-	**4229449**	**NIL**	**4229449**	**15.83**	**3823415**	**NIL**	**3823415**	**14.32**	**(-)406034**	**(-)1.52**

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2017				No. of Shares held at the end of the year 31st March, 2018				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No. of Shares	% of Changes
2. Non-Institutions										
a) Bodies Corp.	7746952	4435	7751387	29.04	7067648	2735	7070383	26.49	(-)681004	(-)2.55
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.2 lac	4889568	455131	5344699	20.02	4274812	334947	4609759	17.27	(-)734940	(-)2.75
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lac.	4184385	NIL	4184385	15.68	5135358	NIL	5135358	19.24	950973	3.56
c) Others										
i) Directors and Their Relatives	7280	NIL	7280	0.03	7280	NIL	7280	0.03	NIL	NIL
ii) Non Resident Indians/ Overseas Corporate Bodies	613592	NIL	613592	2.30	538776	NIL	538776	2.02	(-)74816	(-)0.28
iii) Clearing Members	132770	NIL	132770	0.50	101461	NIL	101461	0.38	(-)31309	(-)0.12
iv) Foreign Companies										
v) Trusts	877550	NIL	877550	3.29	888500	NIL	888500	3.33	10950	. 0.04
(vi) NBFC	7778	Nil	7778	0.02	6050	NIL	6050	0.02	(-) 1728	(-) 0.01
(vii) Unclaimed Suspense a/c IEPF					105708	NIL	105708	0.40	105708	0.40
Sub-total (B)(2):-	**18459875**	**459566**	**18919441**	**70.88**	**18125593**	**337682**	**18463275**	**69.17**	**(-)456166**	**(-)1.71**
Total Public Shareholding										
(B)=(B)(1)+(B)(2)	22689324	459566	23148890	86.72	21949008	337682	22286690	83.49	(-) 862200	(-) 3.23
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL		NIL	NIL	NIL
Grand Total (A+B+C)	**26234214**	**459566**	**26693780**	**100.00**	**26356098**	**337682**	**26693780**	**100.00**	**NIL**	**NIL**

B. Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year 1st April, 2017			Share holding at the end of the year 31st March, 2018			
		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 Shares	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Century Textiles and Industries Ltd.	22,20,500	8.32	-	22,20,500	8.32	-	-
2.	Pilani Investment and Industries Corporation Ltd.	11,20,000	4.20	-	11,20,000	4.20	-	-
3.	B. K. Birla Foundation	1,10,000	0.41	-	1,10,000	0.41	-	-
4.	Smt. Vidula Jalan	60,000	0.22	-	76,100	0.29	-	0.07
5.	Shri. Anshuman Vikram Jalan	10,000	0.04	-	40,000	0.15	-	0.11
6.	Shri. Basant Kumar Birla	10,540	0.04	-	10,540	0.04	-	-
7.	Vidula Consultancy Services Ltd.	13,850	0.05	-	28,850	0.11	-	0.06
8.	Miss Vaishnavi Jalan	-	-	-	1,100	0.00	-	0.00
9.	Cygnet Industries Ltd.	-	-	-	8,00,000	3.00	18.15	3.00
	Total	**35,44,890**	**13.28**	**-**	**44,07,090**	**16.51**	**18.15**	**3.23**

C. Change in Promoters' Shareholding: As Above.

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

S. No.	Top Ten Shareholders	Shareholding at the beginning of the year – 1st April, 2017		Share holding at the end of the year – 31st March, 2018	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Camden Industries Ltd.	38,19,563	14.31	30,19,563	11.31
2.	India Capital Fund Ltd.	19,72,418	7.39	19,72,418	7.39
3.	Sachin Bansal (PAN: AAHFN08471M)	9,85,000	3.69	14,22,827	5.33
4.	Aditya Marketing & Manufacturing Ltd.	9,69,200	3.63	9,69,200	3.63
5.	Kesoram Welfare Society	8,77,500	3.29	8,77,500	3.29
6.	Jigar Lalchand Shah	4,22,189	1.58	8,29,485	3.10
7.	Sachin Bansal (PAN: AAVFA1447J)	2,50,000	0.94	7,69,145	2.88
8.	SBI Magnum Mid Cap Fund	7,66,567	2.87	7,66,567	2.87
9.	Manav Investment & Trading Co. Ltd.	6,03,797	2.26	6,03,797	2.26
10.	Fidelity Funds- Asian Smaller Companies P.O.	8,17,776	3.06	565769	2.12

E. Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 1st April, 2017		Share holding at the end of the year 31st March, 2018	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Smt. Aruna Makhan, Non Executive Independent Director	Nil	-	Nil	-
2	Shri N. G. Khaitan in HUF, Non-Executive Independent Director	440	0.00	440	0.00
3	Shri Gaurav Goel, Non Executive Independent Director	Nil	-	Nil	-
4	Shri K. C. Jain, Non Executive Director	6840	0.03	6840	0.03
5	Smt. Vidula Jalan, Executive Director	60,000	0.22	76,100	0.29
6	Shri A. V. Jalan, Executive Director	10,000	0.04	40,000	0.15
7	Shri Yaswant Mishra, President (Corporate) & CFO	Nil	-	Nil	-
8	Shri Swadesh Agrawal, Company Secretary	Nil	-	Nil	-

V. INDEBTEDNESS

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

(₹ In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)				
i) Principal Amount	**35515.72**	**5000.00**	-	**40515.72**
ii) Interest due but not paid	41.45	-	-	41.45
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**35557.17**	**5000.00**	-	**40557.17**
Change in Indebtedness during the financial year				
Addition	9391.29	2500.00	-	11891.29
Reduction	10241.12	5000.00	-	15241.12
Net Change	**(849.83)**	**(2500.00)**	-	**(3349.83)**
Indebtedness at the end of the financial year (31.03.2018)				
i) Principal Amount	34679.83	2500.00	-	37179.83
ii) Interest due but not paid	0.89	-	-	0.89
iii) Interest accrued but not due	26.62	-	-	26.62
Total (i+ii+iii)	**34707.34**	**2500.00**	-	**37207.34**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In ₹)

S. No.	Particulars of Remuneration	Smt. Vidula Jalan Executive Director	Shri A. V. Jalan Executive Director	Total
1	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96,00,000	96,00,000	1,92,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	17,24,177	32,30,023	49,54,200
	(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	16,50,000	16,50,000	33,00,000
5	**Others, please specify**			
	Provident Fund	11,52,000	11,52,000	23,04,000
	Superannuation Fund (To the extend no taxable under section 17(2))	1,50,000	1,50,000	3,00,000
	Others (To the extend no taxable under section 17(2))	15000	15000	30000
	Total (A)	**1,42,91,177**	**1,57,97,023**	**3,00,88,200**

B. Remuneration to other directors:

(In ₹)

Particulars	Smt. Aruna Makhan	Shri N. G. Khaitan	Shri Gaurav Goel	Shri K. C. Jain	Total
1. Independent Directors					
Fee for attending board / committee meetings	5,00,000	2,80,000	3,30,000	-	**11,10,000**
Commission	4,00,000	4,00,000	4,00,000	-	**12,00,000**
Others, please specify	-	-	-	-	-
Total (1)	**9,00,000**	**6,80,000**	**7,30,000**	**-**	**23,10,000**
2. Other Non-Executive Director					
Fee for attending board / committee meetings	-	-	-	2,90,000	**2,90,000**
Commission	-	-	-	4,00,000	**4,00,000**
Others, please specify	-	-	-	-	-
Total (2)	**-**	**-**	**-**	**6,90,000**	**6,90,000**
Total (B)=(1+2)	**9,00,000**	**6,80,000**	**7,30,000**	**6,90,000**	**30,00,000**

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

(In ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Shri Yaswant Mishra, President (Corporate) & CFO	Shri Swadesh Agrawal, Company Secretary
1	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,45,31,102	26,38,841
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,01,840	2,48,519
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
5	**Others, please specify**		
	Provident Fund	5,54,278	1,30,179
	Superannuation Fund (To the extend no taxable under section 17(2))	1,50,000	1,50,000
	Others (To the extend no taxable under section 17(2))	-	15000
	Total	**1,58,37,220**	**31,82,539**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act): None

Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

New Delhi
15th May, 2018

CSR REPORT 2017-18

1.	A brief outline of the Company's CSR policy, including overview of project or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has formulated a CSR Policy stated in the link mentioned in the Board Report pursuant to the Section 135 of the Companies Act, 2013 and rules framed thereunder. The policy is framed for undertaking activities as may be found beneficial for upliftment of social, environment and economic development for the weaker section preferring local, near to the factory site.
2.	The Composition of CSR Committee	Smt. Vidula Jalan – Chairperson Shri A. V. Jalan – Member Shri Gaurav Goel – Member
3.	Average net profit of the Company for last three financial years.	₹ 1032.05 Lacs
4.	Prescribed CSR Expenditure	₹ 86.32 Lacs as approved by the CSR Committee and Board.
5.	Details of CSR Expenditure spent during the financial year (a) The amount to be spent for the FY (b) Amount up-spent, if any (c) Manner in which the amount spent during the financial year	Details mentioned below
6.	Reason for not spending the prescribed amount	N.A.

Details of CSR Expenditure spent during the financial year

Details of CSR Expenditure spent during the financial year (Point No. 5 above)							
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program-wise (₹ in lacs)	Amount spent on the projects or programs (₹ in lacs)	Cumulative expenditure upto the reporting period i.e. from 01st April, 2017 to March, 2018 (₹ in lacs)	Amount spent: Direct or through agency
1.	Infrastructural support to nearby villages	Overall rural development of the nearby and surrounding area of the plant	Morak, Dist. Kota, Rajasthan	31.64	31.64	31.64	Spent directly
2.	Support to Govt. ITI	Protecting and Supporting Education Initiatives	ITI, Kherabad,	3.00	3.00	3.00	Spent directly
3.	Support to Govt. Schools	Protecting and Supporting Education Initiatives	Morak, Dist. Kota, Rajasthan	0.90	0.90	0.90	Spent directly
4.	Clothes to Poor People	Eradication of Poverty	Kolkata, West Bengal	2.00	1.00	1.00	Spent directly
5.	Sewing Machine/ tailoring classes	Women Empowerment and Vocational Skill	Morak, Dist. Kota, Rajasthan	4.50	4.50	4.50	Spent directly

Details of CSR Expenditure spent during the financial year (Point No. 5 above)							
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program-wise (₹ in lacs)	Amount spent on the projects or programs (₹ in lacs)	Cumulative expenditure upto the reporting period i.e. from 01st April, 2017 to March, 2018 (₹ in lacs)	Amount spent: Direct or through agency
6.	Computer training	Skill development & Vocation Training	Morak, Dist. Kota, Rajasthan	2.00	2.00	2.00	Spent directly
7.	Driving Training	Skill development & Vocation Training	Morak, Dist. Kota, Rajasthan	3.50	3.50	3.50	Spent directly
8.	Contribution towards Rajasthan heritage Development Project	Protection, Promotion and Development of National Heritage, Art & Culture	Jaipur, Rajasthan	7.50	7.50	7.50	Spent directly
9.	Contribution of Scooties for Social Protection for working class ladies.	Assistance to Working Class Women	Kota, Rajasthan	4.28 .	4.28	4.28	Spent directly
10.	Contribution towards chief Minister Water Swavalamban Campaign	Ensuring effective implementation of water conservation and water harvesting related activities in rural areas	Dist. Kota, Rajasthan	25.00	10.50	10.50	Spent directly
11.	Misc. CSR Activities	Overall rural development of the nearby and surrounding area of the plant	Aligarh, U.P.	2.00	2.00	2.00	Spent directly
	Total			**86.32**	**70.82**	**70.82**	

The CSR committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objective and Policy of the Company.

A V Jalan
Executive Director

Vidula Jalan
Executive Director &
Chairperson – CSR Committee

Annexure - 3

Form: MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2018

{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To
The Members,
Mangalam Cement Limited
Aditya Nagar, Morak
Dist. – Kota

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mangalam Cement Limited (hereinafter called "the Company"). 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 my verification of Mangalam Cement Limited`s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 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 :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of :

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 :

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the reporting period under Audit)**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the reporting period under Audit)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the reporting period under Audit)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the reporting period under Audit) &**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the reporting period under Audit)**

I further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

The Mines Act 1952, and Rules made thereunder, and other related Acts and their respective rules, as amended from time to time.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards on the Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that, during the year under review :

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

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

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

I 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.

I further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **P. Pincha & Associates**
Company Secretaries

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

Dated : May 14, 2018
Place : Jaipur

(This report is to be read with my letter of even date which is annexed as Appendix-A which forms an integral part of this report.)

Appendix -"A"

To
The Members,
Mangalam Cement Limited
Aditya Nagar, Morak
Dist. – Kota

The above report of even date is to be read along with this letter :

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.

2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Whereever required, I 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. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P. Pincha & Associates**
Company Secretaries

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

Dated : May 14, 2018
Place : Jaipur

INFORMATION AS PER SECTION 134 (3) (M) READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH 2018.

A. CONSERVATION OF ENERGY

1. **Energy conservation measures taken:**

Following energy saving jobs were carried out in plant (in house) -

a) Replacement of Raw Mill-I (Ball Mill) old generation separator by latest LNVT separator.

b) Replacement of conventional type HPSV lights with energy efficient LED lights.

c) Utilisation of 150.16 lac units wind energy (Green power) for plant captive use.

d) Optimisation of process for Raw meal grinding, Kiln operation and cement grinding.

e) Modification in water circulation system of Unit-II Clinkerisation section.

f) Installation of VFD for CPP P&V system

g) Replacement of 330 KW DC motor with 160 KW AC motor alongwith VFD in Cement Mill-II.

h) Automation of water pumps in Plant & Colony.

i) Feeding of limestone in VRM-I from reclaimer of Unit-II as Crusher-II specific power is less.

2. **Additional investment and proposals, if any, being implemented for reduction of consumption of energy :**

a) We are installing Waste Heat Recovery (WHR) based power plant in our Kiln-I and Kiln-II and expected gross power generation will be around 11 MW.

b) Replacement of 4 nos. fans by higher capacity fans in Unit-I Kiln FLS Clinker cooler for increase in Clinker production & energy saving.

c) Installation of air slide for shifting of cement from Unit-II Cement Mill to Unit-I & Unit-III Cement Mill Silos, for flexibility and improvement in specific power consumption in cement grinding.

d) Replacement of DC motors of Cooler fan no. 2,3 & 4 of Unit-II Clinker Cooler by AC motor alongwith VFD.

e) Replacement of Sodium light fittings by Energy efficient LED light fittings.

3. **Impact of the measures as above for the reduction of energy consumption and consequent impact of the cost of production of goods.**

By measures taken in S.No.1 our specific power consumption has reduced from 60.13 to 59.79 units per ton of Clinker in Clinkerisation section (Unit-I & II Combined) and from 25.71 to 25.35 units per ton of cement in cement grinding (Cement Mill-I, II &-III Combined).

Overall specific power consumption of Unit-I, II & III Combined has reduced from 74.73 to 72.51 units per ton of cement.

The measures stated in S.No.2 above will result in saving of energy used in both thermal and electrical as well as improvement of quality of cement and overall productivity.

B. RESEARCH & DEVELOPMENT (R&D)

1. **Significant achievements of In-House R & D facility-**

R & D activities of the organization are done through in-house R & D centre. Special emphasis is given on product development, consistency in quality, and energy savings especially for semi-finished and finished products with best utilisation of available resources. Significant reduction in power consumption and installation of efficient equipment's for environment protection was also considered.

A brief note on progress of each of the projects of In-house R & D, i) successfully completed, ii) under progress and iii) proposed taken up during the year-

- **Projects successfully completed during the year 2017-18 :-**

1. Modification of clinker feeding system to cement mill no-II by installation of bucket elevator, for power saving eliminating two nos. of belts and reducing fugitive emission at transfer points.
2. For efficiency improvement in Cement mill no.-2, modification for V-Separator Centre feeding system to spread the material by introducing two belts.
3. Installation of high efficiency separator in Raw Ball Mill circuit to increase production rate and reducing power with improved physical quality parameters of raw mix.
4. Installation of high efficiency cone (Dedusting Cone) in Raw Ball Mill cyclones to reduce pressure drop and power.
5. Installation of wagon clinker loading system by means of belt conveyor with weighing arrangement, which has reduced fugitive emissions (due to dumper movements), loading time and loading cost.
6. To control Cooler ESP emissions, ESP was upgraded from 4 to 5 chambers, which has resulted in better collection efficiency and reduction in cooler ESP dust emissions.
7. Removal of GCT for reducing pressure drop in Unit-II.
8. Reroute of Pet Coke/Coal transportation system from coal yard to coal mill to reduce fugitive emissions and power.
9. VRM-II modification to reduce pressure drop by mill internal modification.
10. Re-routing of recirculation cooling water line -2 for VRM -II, VCM-II, Kiln -II and Cooler -II through gravity and resulted in stopping of one circulation pump (Energy saving).
11. To maximize the inward transportation of Gypsum through railway wagons by developing wagon loading area by re-aligning the railway track which has reduced Green House Gases(GHG) by avoiding road transportation.
12. Optimizing length of DPC in Kiln -I at clinker crusher discharge to reduce power and maintenance cost.
13. Partly replacement of conveyor belt by installing DPC, which has reduced down time and belt replacement frequency due to hot clinker. This has resulted in reduce transportation of clinker through trucks to MGU.
14. Water pumps have been made to run in auto mode with level sensor, avoiding manual running and saving of power and man power cost.
15. Solenoid valves were provided in all the compressors cooling water line for power saving to avoid idle running of water pumps while compressors are not running.

- **Benefit derived from the above projects :-**
  1. Saving in specific power consumption and fuel.
  2. Improvement in throughputs.
  3. Consistency in quality and in plant operations
  4. saving in energy consumption
  5. dust free environment
  6. Reduction in cost of production

- **Projects under progress and proposed for the year 2018-19 :-**

  UNDER PROGRESS :
  1. A proposal for additive feeding from Unit-I to Unit-II as an alternative.
  2. Unit-I Cooler ESP modification by addition of one chamber to reduce dust emission level.
  3. Installation of SNCR system to reduce NOx emissions in stacks of both the units and at CPP.
  4. Implementation of Waste Heat Recovery Project to utilize the waste heat from the pre-heaters and clinker coolers of Unit- I & II.
  5. Replacement of first four cooler fans by higher capacity fans in Kiln-I clinker cooler to improve heat recuperation efficiency and clinker cooling efficiency.
  6. Up gradation of Unit-II Data Control System (DCS), operating system.
  7. Up gradation of packer 1 & 2 for packing plant-II for packing of cement bags for improved weight accuracy.
  8. Additional clinker loading system by installation of belt conveyor from MCL Gantry to railway wagons.
  9. Phospho gypsum beneficiation plant.
  10. Usage of alternative fuel in pyro processing system in both kilns.

- **PROPOSED :**
  1. Modification of top twin cyclone in preheater-II to reduce pressure drop and power saving in turn.
  2. Increase of cross section area of bottom cyclone inlet duct in Unit-I to reduce pressure drop.
  3. Primary mitigation for NOx reduction in exhaust gases of Unit I & II.
  4. Modification of cooler in Unit-II for improving heat recuperation efficiency and clinker cooling efficiency.
  5. Modification of classifier in cement mill -II.
  6. Cement transfer from cement mill-II to cement mill -I and MGU.

2. Expenditure on R&D

(₹ in Lacs)

		2017-18	2016-17
i	Capital	Nil	Nil
ii	Recurring Expenses	Nil	65.87
iii	Total (i+ii)	Nil	65.87
iv	Total R&D Expenditure as a percentage of Total Turnover	Nil	0.06%

3. Technology absorption, adoption and innovation :

Efforts made in brief

a) Towards technology absorption

1. Continuous interaction with the main plant supplier and other for technical assistance, has helped to achieve optimum benefits of the advancement in technology such as plant optimization, efficient use of energy etc.
2. Plant personnel were trained by experts, in-house and outside through Seminars and visits.

b) Benefits derived as a result of above efforts e.g. products improvement, cost reduction, product development, import substitution etc.

Improved quality and productivity throughput and cost reduction, due to thermal and electrical Energy savings.

c) Incase of imported technology (imported during the last 5 years reckoned from the beginning of the Financial year) following information may be furnished

(i)	Technology imported	:	NIL
(ii)	Year of import	:	N.A
(iii)	Has Technology been fully absorbed	:	N.A
(iv)	If not fully absorbed, areas where this has not taken place, reason thereof and future plan of action	:	N.A

C. FOREIGN EXCHANGE EARNING AND OUTGO:

(a)	Total foreign exchange earned	Nil
(b)	Total foreign exchange used	₹ 584.06 Lacs

Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

Date : May 15, 2018
Place : New Delhi

Corporate Governance Report

Annexure – 5

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. COMPANY'S PHILOSOPHY ON THE CORPORATE GOVERANCE:

The Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company is an important part of Corporate Governance.

Integrity, accountability, transparency and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. Your Company has complied with the requirement of Corporate Governance as laid down under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. BOARD OF DIRECTORS:

a) Composition of the Board:

The composition of the Board of Directors of the Company comprises of Executive and Non - Executive Directors. As on 31st March, 2018, the Board of Directors of the Company consists of Six Directors out of which four are Non-Executive and three are Independent Directors which is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act, 2013 (Äct"). The composition of Board of Directors is as follows: -

S. No.	Name of the Director	Category	No. of other Directorship held (excluding *)	No. of other board committee ** (excluding *).	
				As Chairman	As Member
1.	Smt. Aruna Makhan	Independent-Non-Executive	1	-	2
2.	Shri N. G. Khaitan	Independent-Non-Executive	6	2	5
3.	Shri Gaurav Goel	Independent-Non-Executive	4	-	1
4.	Shri K. C. Jain	Non-Executive	0	-	0
5.	Smt. Vidula Jalan	Promoter - Executive	2	-	0
6.	Shri A. V. Jalan	Promoter - Executive	2	-	1

*Mangalam Cement Limited, Private Companies, Companies under Section 8 of the Companies Act, 2013 ("the Act") and foreign Companies.
** Only two Committees viz., the Audit Committee and the Shareholders' / Stakeholder Relationship Committee have been considered for this purpose.

Except, Shri A. V. Jalan and Smt. Vidula Jalan, who are spouses, no Director are related to any other Directors on the Board in terms of the provisions of the Companies Act, 2013. All the Directors who are on various Committees are holding the membership as per permissible limits of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) Board Meetings and attendance of the Directors:

(i) The Company's Board of Directors play a primary role in ensuring good governance and functioning of the Company. All the required information is placed before the Board. The Board reviews from time to time compliance reports of all the laws applicable to the Company. The members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

During the year ended on31st March, 2018, the Board of Directors had four (4) meetings - 13thMay 2017, 08th August, 2017, 11th November, 2017 and 12thFebruary, 2018.

(ii) The attendance record of the Directors at the Board Meetings during the year ended 31st March, 2018 and the last Annual General Meeting (AGM) is as under:

S.No.	Name of the Director	No. of Board Meetings Attended	Attendance at the Last AGM
1.	Smt. Aruna Makhan	4 out of 4	No
2.	Shri N G Khaitan	4 out of 4	No
3.	Shri Gaurav Goel	2 out of 4	No
4.	Shri K C Jain	4 out of 4	Yes
5.	Smt Vidula Jalan	4 out of 4	Yes
6.	Shri A V Jalan	4 out of 4	Yes

c) Shares and Convertible Instruments held by Directors

Details of Shareholding of Directors as on 31st March, 2018 in the Company are as under:

S.No.	Name of the Director	No. of Equity Shares
1.	Smt Aruna Makhan	Nil
2.	Shri N G Khaitan	440
3.	Shri Gaurav Goel	Nil
4.	Shri K C Jain	6840
5.	Smt Vidula Jalan	76100
6.	Shri A V Jalan	40000

The Company has no convertible instrument pending as on 31st March, 2018.

d) Familiarisation programme imparted to Independent Directors

The details of programmes for familiarisation of independent Directors with the Company, their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and other related matters are put on the website of the Company at the link: http://www. mangalamcement.com/pdf/familiarisation _programme.pdf.

e) Code of Conduct

The Company has laid down a Code of Conduct applicable to all Board Members, Key Managerial Personnel and Senior Management Personnel for avoidance of conflicts of interest between each of the above individuals and the Company. All the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct as at the end of each Financial Year. The required declarations in respect of the financial year 2017-18 have been received from them. There were no materially significant transaction as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year with Board Members, Key Managerial Personnel and Senior Management Personnel, including their relatives that had or could have had a potential conflict with the interest of the Company at large.

The Code of Conduct is available on the website of the Company.

III. COMMITTEES OF THE BOARD:

A. Audit Committee:

✓ The Audit Committee consists of four Non-Executive Directors among which three are Independent Directors. The terms of reference to the Audit Committee are as per the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. These broadly include review of financial reporting systems, internal control systems, ensuring compliance with regulatory guidelines, discussions on quarterly/half yearly/annual financial results, interaction with statutory, internal and cost auditors and appointment and removal of Internal Auditors.

✓ During the year ended 31st March, 2018, the Audit Committee held 4 meetings - 13th May 2017, 08th August, 2017, 11th November, 2017 and 12th February, 2018.

✓ Details of the composition of the Audit Committee and the attendance at the Meetings held are as follows.

S.No.	Name of the Director	Position	Meetings attended
1.	Shri N. G. Khaitan	Chairman	4 out of 4
2.	Smt. Aruna Makhan	Member	4 out of 4
3.	Shri Gaurav Goel	Member	2 out of 4
4.	Shri K. C. Jain	Member	4 out of 4

✓ At the invitation of the Committee, Internal Auditors, Cost Auditors, Statutory Auditors, the Chief Financial Officer and the Company Secretary (who acts as the Secretary to the Audit Committee) also attends the meetings as and when required to respond to the queries raised at the Committee Meetings.

✓ **Terms & Reference of Audit Committee**

The following are the terms of reference for the Audit Committee which cover the powers, role and responsibility of the Audit Committee,

i) Overview of the Company's financial reporting process and financial information disclosures;

ii) Review with the Management of the annual and quarterly financial statements before submission to the Board;

iii) Review with the Management of the internal and external Audit Reports and the adequacy of internal control systems over financial reporting and the effectiveness of its operations

iv) Review of the adequacy and effectiveness of accounting and financial controls of the Company compliance with the Company's policies and applicable laws and regulations;

v) Recommending the appointment and removal of internal and statutory Auditors and their remuneration;

vi) Review and monitoring of the auditors' independence and performance, and effectiveness of the audit process;

vii) Approval of transactions of the Company with related parties and any subsequent modification of such transactions;

viii) Evaluation of internal financial controls and the process of evaluation of enterprise-wide risk and its mitigation.

ix) Review the functioning of the whistle blower mechanism.

x) Approval of appointment of the Chief Financial Officer and other Key Managerial Personnel after assessing the qualifications, experience and background, etc. of the candidate.

xi) Review of utilization of proceeds raised from public/rights issues, if any.

B. Nomination and Remuneration Committee:

✓ During the year ended 31st March, 2018, the Nomination and Remuneration Committee held 2 meetings - 13th May, 2017and 08th August, 2017.

✓ Details of the composition of the Nomination and Remuneration Committee and the attendance at the Meetings held are as follows.

S.No.	Name of the Director	Position	Meetings attended
1.	Shri N. G. Khaitan	Chairman	2 out of 2
2.	Smt. Aruna Makhan	Member	2 out of 2
3.	Shri Gaurav Goel	Member	1 out of 2

✓ **Terms & Reference of the Committee :**

i. Formulation of the criteria for determining qualification, positive attributes and independence of Directors.

ii. Recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees in accordance with the provisions of the Section 178(4) of the Companies, 2013.

iii. Formulation of criteria for evaluation of the Independent Directors and the Board and carrying out an evaluation of every Director's performance;

iv. Devising a policy on Board's diversity;

v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

✓ Details of the sitting fee, commission and remuneration paid to the Directors during the year ended 31st March, 2018 are as under:

(In ₹)

Sr. No	Name of the Director	Salary	Commission Payable for the year	Perquisites & Others	Sitting Fee paid during the year	Total
1.	Smt. Aruna Makhan	-	400000	-	500000	900000
2.	Shri N. G. Khaitan	-	400000	-	280000	680000
3.	Shri Gaurav Goel	-	400000	-	330000	730000
4.	Shri K. C. Jain	-	400000	-	290000	690000
5.	Smt Vidula Jalan	9600000	1650000	3041177	-	14291177
6.	Shri A. V. Jalan	9600000	1650000	4547023	-	15797023

Board Evaluation :

Pursuant to the provisions of the Companies Act, 2013 and in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Key Managerial Personnel. The Directors expressed their satisfaction with the evaluation process.

C. Stakeholder Relationship Committee:

The Stakeholder Relationship Committee of the Directors consists of two Independent Directors and one Non-Executive Director.Stakeholder Relationship Committee meetings were held on 08th August, 2017 and 12thFebruary, 2018. Details of the attendance at the meetings held are as follows :

S.No.	Name of the Director	Position	Meetings attended
1.	Shri Gaurav Goel	Chairman	1 out of 2
2.	Shri Aruna Makhan	Member	2 out of 2
3.	Shri K. C. Jain	Member	2 out of 2

Shri Swadesh Agrawal, Company Secretary is designated as the Compliance Officer for the redressal of the shareholders' grievances.

The committee supervises the redressal of shareholders' and investors' grievances, transfer of shares, non-receipt of annual report, non - receipt of declared dividends and related matters. The committee also oversees the performance of the registrar and transfer agent, recommends measures for overall improvement in the quality of investors' services, approves issue of duplicate/split/consolidation of share certificates and reviews all matters connected with the securities' transfers.

In order to provide efficient and timely services to the investors, the board has delegated the power of approval of issue of duplicate / split / consolidation of share certificates, transfer of shares, transmission of shares, dematerialisation / rematerialisation of shares to the company secretary.

The position as on 31st March, 2018 of the shareholders' complaints received and redressed during the financial year:

Nature of Complaint	Complaints received from			Total complaints Received During 2017-18	Total redressed	No. of grievances outstanding as on 31.3.2018
	Investors Directly	Stock Exchanges & SEBI	ROC			
Non-receipt of Dividend warrant(s)	5	Nil	Nil	5	5	Nil
Non-receipt of Share Certificate(s)/ after transfer/demat	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Duplicate Share certificate(s)	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Annual Report(s)	4	Nil	Nil	4	4	Nil
TOTAL	**9**	**Nil**	**Nil**	**9**	**9**	**Nil**

D. Share Transfer Committee:

The Committee comprising Smt. Aruna Makhan, Shri Gaurav Goel and Shri K.C.Jain, Directors of the Company. Smt. Aruna Makhan is the Chairperson of the Committee. The Committee has been given the powers to deal with all the matters related to transfer, transmission, issuance of duplicate certificates, split and/or consolidation requests. In addition, the Company Secretary and certain officials of the Company have been given the powers to endorse registration of share transfers and transmission of share certificates. The Committee meets at frequent intervals as and when required.

E. Corporate Social Responsibility (CSR) Committee

The Committee comprises of 3 Members. During the period under review, the Committee met twice i.e. on 13th May, 2017 and 12th February, 2018.

The Corporate Social Responsibility Committee consists of the following members :-

S.No.	Name of the Director	Position	Meetings attended
1.	Smt. Vidula Jalan	Chairperson	2 of 2
2.	Shri A. V. Jalan	Member	2 of 2
3.	Shri Gaurav Goel	Member	0 of 2

The Committee is primarily responsible for formulating and recommending to the Board a Corporate Social Responsibility (CSR) Policy and monitoring from time to time, the expenditure required to be incurred on the activities of CSR and monitoring the related projects undertaken.

Shri Swadesh Agrawal, Company Secretary acts as the Secretary to the Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Share Transfer Committee and CSR Committee.

F. Committee for Investments

The Committee was constituted to take decisions on investment of surplus funds of the Company. Investment Committee meetings was held on 08th August, 2017.The details of composition and of the meetings held are as under:

S.No.	Name of the Director	Position	Meetings attended
1.	Shri N. G. Khaitan	Chairman	1 out of 1
2.	Shri A. V. Jalan	Member	1 out of 1
3.	Smt. Vidula Jalan	Member	1 out of 1

IV. Annual General Meeting:

a) Details of the AGMs held during the past 3 years are as under:

AGM	Financial Year	Day, Date and time	Venue
39th	2014-15	Monday, 17.08.2015 at 11.30 AM	Club Hall, Mangalam Cement Ltd. Adityanagar 326520, Morak, Dist. Kota, Rajasthan.
40th	2015-16	Monday, 19.09.2016 at 11.30 AM	-do-
41st	2016-17	Saturday, 02.09.2017 at 11.30 AM	-do-

b) All the resolutions, including Special Resolutions set out in the respective Notices were passed by shareholders in their General Meetings.

c) Postal Ballot :

i. Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and any other applicable provisions of the Companies Act, 2013, as amended from time to time, the Company has passed 2 Special Resolutions through Postal Ballot conducted during the year 2017-18 as per Postal Ballot notice dated 12th February, 2018, the result of which were announced on 13th March, 2018, details of which are as follows:

Sr. No.	Particulars of Resolution	Type of resolution	Votes polled	Votes in favour	Votes against
1.	Issue of Non-Convertible Debentures on Private Placement Basis	Special	11846567	11839228	7339
2.	Authority to Create Charge and / or Mortgages on the Assets of the Company	Special	11846432	11839168	7264

ii. Mr. Pradip Pincha, a Practicing Company Secretary(FCS - 5369) was appointed as the Scrutinizer by the Board of Directors of the Company to conduct the aforesaid Postal Ballot process in fair and transparent manner.

iii. Procedure for Postal Ballot:

In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Secretarial Standard - 2 (SS2), the Company provides electronic voting (e-voting) facility to all its members, to enable them to cast their votes electronically. The Company engages the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting.

Postal Ballot Notice ("Notice") containing the proposed resolution(s) and explanatory statement are sent electronically to all the members whose email address is registered with the Company/their Depository Participant. The Company also dispatches the Notices and Postal Ballot Form ("Form") alongwith postage prepaid envelope to its members whose email addresses are not registered through permitted mode of dispatch. Further, the Company also gives option to the members to cast their vote electronically instead of dispatching the Form. The Forms received upto the last day notified in the Notice and the votes cast on the e-voting platform within specified time are considered by the Scrutinizer.The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.The Scrutinizer submits his report to the Chairman or any other person authorized by him in writing, who on the basis of the report announces the results. The results are also displayed on the Company's website (www.mangalamcement.com) besides being communicated to the stock exchanges.

d) Resolutions to be passed at the ensuing Annual General Meeting of the Company are not proposed to be put through postal ballot. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.

e) Presently there is no proposal for passing any Resolution through Postal Ballot in the ensuring AGM.

V. Means of Communication:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These financial results are normally published in Business Standard and Dainik Bhaskar / Rajasthan Pratrika. These results are also available on the website of the Company, BSE Limited and National Stock Exchange of India Limited. The Company also holds conference calls for investors from time to time.

VI. Subsidiary Company:

The Company does not have any subsidiary company.

VII. CEO/CFO Certification

The CEO and the CFO of the Company have certified to the Board with regard to the compliance by them in terms of the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a certificate forms part of Annual Report.

VIII. Disclosures:

a) All related party transactions have been entered into in the ordinary course of business and were also placed periodically before the Audit Committee in summary form. There were no material individual transaction with related parties which were not in the normal course of business required to be placed before the audit committee nor were there any transaction that may have had a potential conflict with the interests of the Company. All individual transactions with related parties or others were at arm's length.

b) During the year under review, the Company sought legal and professional advices on need basis from M/s Khaitan & Co. and M/s Khaitan & CO. LLP, the firms in which Non Executive - Independent Director of the Company i.e. Mr. N G Khaitan is a partner and paid a sum of Rs. 11.63 Lacs and Rs. 15.79 Lacs respectivelyas fees. The amount paid does not form a significant portion of the revenue of M/s Khaitan & Co.and M/s Khaitan & CO. LLP and thus is not considered material to impinge upon the independence of Mr. N G Khaitan. Accordingly, there is no pecuniary relationship or transactions of Non-Executive Independent Director vis-à-vis the Company which has potential conflict with the interests of the Company at large.

c) All mandatory accounting standards have been followed in the preparation of financial statements and no deviation has taken place.

d) A well-defined Risk Management Policy covering assessment, mitigation, monitoring and review of enterprise-wide risk, has been approved by the Board.

e) No money was raised by the Company through any public issue, rights issue, preferential issue etc in the last financial year.

f) (i) All pecuniary relationship or transactions of the non-executive directors vis-a-vis the Company have been disclosed in this Report.

(ii) The Company has two Executive Directors whose appointment and remuneration have been approved by the Board in terms of resolution passed by the shareholders. The remuneration paid/payable to them is mentioned in this report.

(iii) The number of shares held by each director is mentioned in this report.

g) (i) The Management Discussion and Analysis Report forms part of the Annual Report to the Shareholders and it includes discussion on matters stated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) There were no material financial and commercial transactions by senior management as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 where they have personal interest that may have a potential conflict with the interests of the Company any requiring disclosure by them to the Board of Directors.

h) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

i) The Company has complied and disclosed all mandatory corporate governance requirements under regulation 17 to 27 and sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

j) Disclosures in Relation to the Appointments and Re-appointments of Directors pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

Shri Anshuman Vikram Jalan (Din: 01455782) is an Executive Director of the Company. He is a B. Com (Hons.) from St. Xavier's College, Kolkata. Besides, he has completed a management course in marketing and corporate finance from the London School of Economics, UK. Being involved in the management of manufacturing companies since 1998, he has gained a rich experience in business administration.

He joined the board of Mangalam Cement Ltd. on 30th July, 2009. The public Companies in which he holds directorship are M/s Pilani Investment and Industries Corporation Ltd. and M/s Vidula Consultancy Services Ltd. He is also the Member of Audit Committee of M/s Pilani Investment and Industries Corp. Ltd.

Shares held in the Company	:	40,000 Equity Shares
Relationship with other Directors the	:	Smt. Vidula Jalan, Executive Director wife of Shri Anshuman Vikram Jalan

IX. Code of Conduct for Prohibition of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code is applicable to all the Directors/Officers and Designated Employees. The Code also aims to prevent dealing in the shares by persons having access to unpublished information.

X. Whistle Blower Policy

The Board of Directors has adopted a Whistle Blower Policy and is available on the Company's website at www.mangalamcement.com

XI. Management Discussion and Analysis Report

The Management Discussion and Analysis Report is attached and forms part of the Annual Report.

XII. General Shareholders' Information:

(a) **42nd Annual General Meeting:**

Date, Time and Venue

Day and Date	:	Saturday, 08th September, 2018
Time	:	11.30 AM
Venue	:	Club Hall, Basant Vihar, Mangalam Cement Ltd, Adityanagar 326520, Morak, Dist. Kota (Rajasthan)

(b) **Book Closure:**

From 02nd September, 2018 to 08th September, 2018, both the days inclusive.

(c) **Dividend Payment Date**

On approval by the Shareholders in the Annual General Meeting, the dividend will be paid to the shareholders within the statutory time limit.

(d) **Financial Calendar 2018-2019:**

(i)	Financial Year	1st April, 2018 to 31st March, 2019
(ii)	First Quarterly Results for Quarter ending 30th June, 2018	On or before 14th August, 2018
(iii)	Second Quarterly Results for the quarter ending 30th Sept, 2018	On or before 14th November, 2018
(iv)	Third Quarterly Results for the Quarter ending 31st December, 2018	On or before 14th February, 2019
(v)	Annual Results for the Year ending 31st March, 2019	On or before 30th May, 2019

(e) **Listing of Securities:**

Equity shares of the Company are listed at the following Stock Exchanges:

S.No.	Name of the Stock Exchange	Stock Code
1.	BSE Ltd, Phiroze Jeejeebhoy towers, Dalal Street, Mumbai 400001	502157
2.	National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051	MANGLMCEM

- ISIN No of the Company Equity Shares in Demat Form: INE 347A01017

(f) **Listing Fee:**

Company has paid the listing fee for the year 2018-19 to all the Stock Exchanges where the securities are listed. There are no arrears in payment of Listing Fees.

(g) **Depository Connectivity:**

National Securities Depository Limited and Central Depository Services (India) Limited

(h) **Market Price Data:**

a. The high/low market price of the Equity Shares during the year 2017-18 at the BSE Limited and at National Stock Exchange of India Ltd, were as under:

(In ₹ per Share)

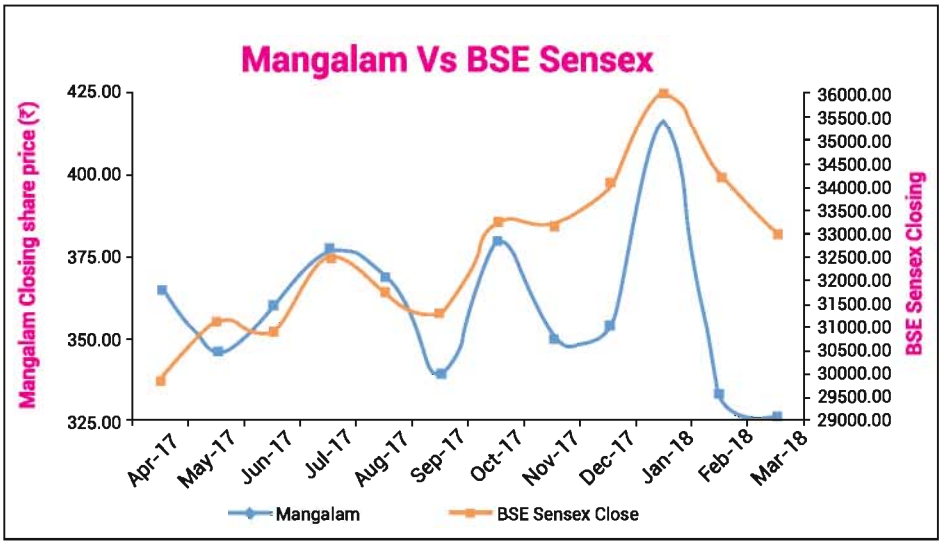
Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
Apr-17	390.00	328.15	391.00	329.00
May-17	378.00	329.00	377.00	329.20
Jun-17	385.35	345.05	386.95	343.00
Jul-17	407.00	354.50	407.70	352.50
Aug-17	382.95	330.00	381.70	328.20
Sep-17	387.00	325.00	382.50	326.15
Oct-17	386.40	333.35	388.20	333.00
Nov-17	400.00	345.00	400.00	343.30
Dec-17	361.95	333.50	364.75	335.20
Jan-18	479.55	348.00	479.60	345.20
Feb-18	417.00	311.00	419.80	328.00
Mar-18	340.00	297.30	343.00	294.00

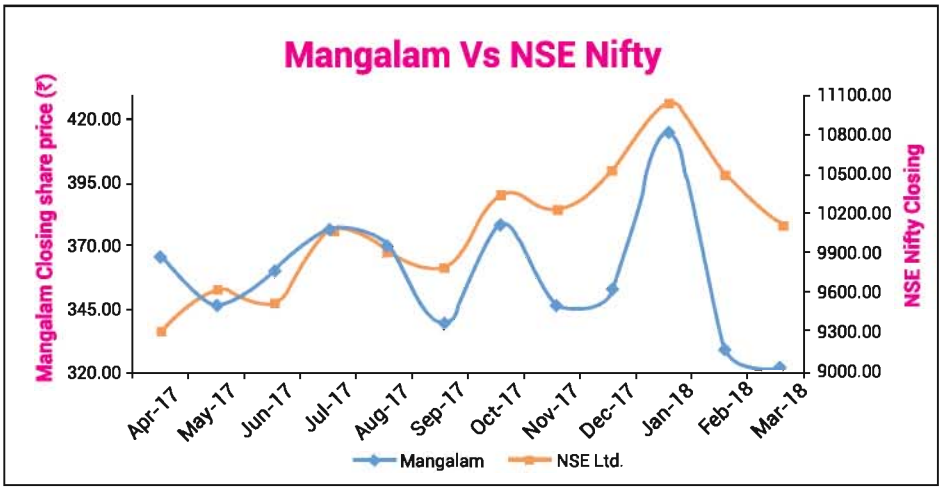
b. The Company's closing share price movement during the Financial Year 2017-18 on BSEL and NSEL vis-à-vis respective indices:

(i) **Share Transfer Agents:**
MAS Services Ltd,
T-34, 2nd Floor,
Okhla Industrial Area, Phase II,
New Delhi 110020
Tel. No. 011-26387281 / 82 / 83. Fax No.011-26387384
Email: mas_serv@yahoo.com
Website: www.masserv.com

(j) **Share Transfer System:**
Share transfer work of physical segment is attended by the Company's Registrar & Share Transfer Agents within the prescribed period under the law and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All share transfers etc. are approved by Committee of Directors which meets periodically.

In the case of Shares held in Electronic Form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.





(k) **Distribution of shareholding:**
The shareholding distribution of equity shares as on 31st March, 2018 is given below.

S.No.	No. of Equity Shares	No. of shareholders	No. of shares	Percentage of Shareholding
1.	1 to 500	17712	1968584	7.37
2.	501 to 1000	888	703548	2.64
3.	1001 to 2000	416	628141	2.35
4.	2001 to 3000	137	351780	1.32
5.	3001 to 4000	70	251452	0.94
6.	4001 to 5000	61	290420	1.09
7.	5001 to 10,000	88	638410	2.39
8.	10001 and above	117	21861445	81.90
	Total	**19489**	**26693780**	**100.00**

(l) **Shareholding Pattern as at 31st March, 2018:**

S.No	Category	No. of Equity shares	Percentage
1.	Promoters	4407090	16.51
2.	Resident Individuals/HUF's	9752397	36.53
3.	Body Corporate/Trusts/Partnerships	7958883	29.82
4.	Mutual Funds, Banks, NBFCand Govt Institutions/ Insurance Companies/Clearing Members	884783	3.31
5.	FIIs, NRIs, OCBs	3584919	13.43
6.	IEPF	105708	0.40
	Total	**26693780**	**100.00**

(m) **Dematerialisation of Shares**
As on 31st March, 2018, 98.73% of the Company's total equity shares representing 2,63,56,098 shares were held in dematerialized form and balance 1.27% representing 3,37,682shares were held in physical form.

(n) **Reconciliation of Share Capital Audit**
As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.

(o) **Outstanding GDR'S/ ADR'S/ Warrants or any other Convertible Instruments, Conversion Date and Likely Impact on Equity:**

During the year 2017-18, there were no outstanding GDR's/ADR's/Warrants or any other Convertible instruments, which would have an impact on the equity of the Company.

(p) **Commodity Price/Foreign Exchange Risk and Hedging Activities :**

During the year 2017-18, there are no significant commodity price risk, further necessary steps are being taken to minimize foreign exchange risks.

(q) **Communication / Registered Office and Morak Plant Address:**
Adityanagar 326520, Morak, Dist. Kota (Rajasthan)
Tel. No. 07459-233127, Fax: 07459-232036
Website: www.mangalamcement.com
CIN: L26943RJ1976PLC001705
Email: shares@mangalamcement.com

(r) **Aligarh Plant :** K/1, CDF Complex, UPSIDC Industrial Area, Anoopsahar Road, Cherat, Aligarh, Uttar Pradesh

(s) **Corporate Office :** Birla Building, 10th Floor, 9/1, R. N. Mukherjee Road, Kolkata 700001
Tel. No. 033 2243 8706/07, Fax: 033 22438709
Email: kolkata@mangalamcement.com

XIII. COMPLIANCE CERTIFICATE FROM AUDITOR

The Company has obtained a certificate from the Auditor of the Company confirming that it is in compliance with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XIV. NON- MANDATORY REQUIREMENTS

a. **The Board**
An office for the use of the Chairman is made available whenever required.

b. **Shareholders' Rights:-**
The Quarterly and Half yearly financial results including summary of the significant events are published in the newspapers and are also posted on the website, as such, the same are not being sent to shareholders of the Company.

c. **Modified Opinion in Auditors Report: -**
During the year under report, the Company financial statement does not contain any modified audit opinion.

d. **Separate post of Chairman & CEO**
At present there is no separate post of Chairman but the Board of Directors appoints a Chairman among themselves pursuant to the Articles of Association of the Company and the Companies Act, 2013. The Company have two Wholetime Directors on the Board.

e. **Reporting of Internal Auditors**
The Internal auditor periodically reports to the Audit Committee

Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

Date : May 15, 2018
Place : New Delhi

CEO AND CFO CERTIFICATION

To,
The Board of Directors,
Mangalam Cement Limited

We, to the best of our knowledge and belief, certify that;

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and that of the best of our knowledge and belief;

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violating the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company, pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken, propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee that there are no;

   (i) significant changes in internal controls for financial reporting, during the year;

   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements, and;

   (iii) instances of significant fraud of which we have become aware and the involvement there in, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

	YASWANT MISHRA President (Corporate) & Chief Financial Officer	**A. V. JALAN** Executive Director
Place: New Delhi Date: May 15, 2018		

DECLARATION BY THE CEO REGARDING COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

This is to confirm that the code of conduct for all board members and senior management personnel of the Company has been circulated to the concerned persons of the Company and the Company has received affirmation of compliance with the code of conduct from the members of the board of directors and the senior management personnel of the Company and there is no non-compliance thereof during the year ended 31st March, 2018.

Place: New Delhi
Date: May 15, 2018

A. V. JALAN
Executive Director

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Mangalam Cement Ltd

We have examined the compliance of conditions of Corporate Governance by Mangalam Cement Ltd, for the year ended 31st March, 2018, as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Singhi & Co.
Chartered Accountants,
Firm Registration No. 302049E

(B. K. Sipani)
Partner
M. No.088926

Place: New Delhi
Date: May 15, 2018

Annexure - 6

EXTRACT OF NOMINATION AND REMUNERATION POLICY

A. Introduction

This policy on Nomination and Remuneration of Directors, Managerial Personnel and Senior Management has been formulated subject to the provisions of Section 178 of the Companies Act, 2013 (the Act) and the Listing agreement with the Stock Exchanges by the Nomination and Remuneration Committee of Directors of the Company in pursuance of the Company's policy to pay equitable remuneration to them in terms of the provisions of Section 178 of the Act and the Listing agreement with the Stock Exchanges, as amended from time to time

B. Terms of Reference

The Board of Directors of the Company at its meeting held on 13th May, 2014 reconstituted the existing "Remuneration Committee" of Directors as "Nomination & Remuneration Committee" of Directors (the Committee) with the following terms of reference.

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees in accordance with provisions of Section 178(4) of the Act;
3. Formulation of criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every Director's performance;
4. Devising a policy on Board diversity;
5. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

C. Criteria for recommending a person to become Director:

The Committee shall take into consideration the following criteria of qualification, positive attributes and independence for recommending to the Board for appointment of a Director;

1. **Qualification & Experience:**
   The incumbent shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, research, corporate governance, education, community service or other disciplines.

2. **Attributes/Qualities:**
   The incumbent Director may possess one or more of the following attributes/qualities:
   - Respect for the strong willingness to imbibe the Company's Core Values.
   - Honesty and professional integrity.
   - Strategic capability with business vision.
   - Entrepreneurial spirit and track record of achievement.
   - Ability to be independent and capable of lateral thinking.
   - Reasonable financial expertise.
   - Have contacts in fields of the business/corporate world/Finance/Chambers of commerce and industry.
   - Can effectively review and challenge the performance of management.

3. In case the proposed appointee is an Independent Director, he should fulfil the criteria for appointment as Independent Director as per the provisions of the Act, Listing Agreement with Stock Exchange and other applicable laws & regulations.

4. The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.

D. Director's Compensation

The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.

E. Evaluation

The Board will review the performance of a Director as per the structure of performance evaluation. (As per Annexure-I).

F. Board Diversity

The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board. It will be Committee's endeavor to have atleast one Director from the following fields:

a) Accounting Corporate Finance

b) Legal and Corporate Laws

c) Business, Management and Corporate Strategy

G. Eligibility Criteria & Remuneration of Key Managerial Personnel and other Senior Management Personnel

The eligibility criteria for appointment of key managerial personnel and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of key managerial personnel shall be filled by senior personnel having relevant qualifications and experience.

The Compensation structure for Key Managerial Personnel and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks.

The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

Date : May 15, 2018
Place : New Delhi

Independent Auditor's Report

To
The Members of Mangalam Cement Limited
Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial Statement of **Mangalam Cement Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind-AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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, 2018, its Profit including other comprehensive Income its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to Note No 32.5 regarding coal valuing Rs. 1512.64 Lacs included in inventory of Stores and Spares sent for processing and is lying with a vendor for long time. Due to financial difficulty, vendor could not supply the material but the Company is hopeful of recovery.

Our opinion is not modified in respect of the above matter.

Other Matter

The financial statements of the Company for the year ended 31st March 2017 has been audited by previous auditor who expressed and unmodified opinion on May 13, 2017.

Our Opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

1. As required by the Companies' (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A statements on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. (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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

   (e) The matters about coal sent for processing as described under the emphasis of matters paragraph above, in our opinion, shall have no adverse effect on the functioning of the Company.

(f) On the basis of written representations received from the directors as on 31st March'2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(g) 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"; and

(h) With respect to the other matters to be included in the Auditors' 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:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 32.3 of the Financial Statements.

b. The Company has made provision, wherever required under the applicable law or accounting standards, for material foreseeable losses, on long term contracts including derivative contracts.

c. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For SINGHI & CO.
Chartered Accountants,
Firm Registration No. 302049E

(B. K. SIPANI)
Partner
M. No.088926

Place: New Delhi
Date: May 15, 2018

Annexure–A to the Auditor's Report

Annexure referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re:Mangalam Cement Limited)

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except in case of certain assets where the same is in process of updation.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, fixed assets were verified during the year. The discrepancies noticed on such physical verification were not material.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.

ii. The management has conducted physical verification of inventories except stock lying with third parties during the year at reasonable interval and no material discrepancies were noticed on such physical verification.

iii. The Company has granted unsecured loans to a company covered in register maintained under section 189 of the Companies Act,2013. The terms and conditions on which the loans were granted to above company were not, prima facie, prejudicial to the interest of the Company. The Company has stipulated schedule of repayment of principal including interest thereon. Accordingly, payment of principal and interest is not overdue. The Company has not granted loan to firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of section 186 of the Companies Act, 2013 with respect of loan granted and investment made. According to information and explains given by the management, no loan or guarantee or security under section 185 and no guarantee and security under section 186 of the Companies Act, 2013 have been given or outstanding during the year.

(v) The Company has not accepted any deposits covered under section 76 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. (a) According to the records of the Company, the Company is regular in depositing amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service Tax, Duty of customs, Duty of excise, Value Added Tax, Cess and other material statutory dues with the appropriate authorities.There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.

(b) According to the records of the Company there are no dues outstanding on account of Income-tax, Sales-tax, Value Added Tax, Service Tax, Duty of customs, Duty of excise and Cess on account of any dispute except the followings :

Name of Statute	Nature of Dues	Amount (₹ in Lacs)*	Period to which the amount related	Forum where matter is pending
Central Excise Act	Cenvat	1722.42	2006 to 2013	High Court
1944		80.90	2005 to 2016	Commissioner (Appeals)
		106.06	2013 to 2016	Deputy Commissioner
		7.69	2016-17	Superintendent
	Excise Duty	26.22	2007-08	CESTAT
		4780.18	2008 to 2017	Commissioner
		125.94	2008 to 2016	Asst. Commissioner
Income Tax Act, 1961	Income Tax	69.00	AY 2010-11 to 2012-13	CIT(Appeals)
Sales Tax (Rajasthan)	Sales-tax Incentive and interest thereon	4161.84	2003-08	High Court
	RVAT	2.00	2007-08	Rajasthan Tax Board
Finance act, 1994	Service Tax	206.01	2005 to 2011	Supreme Court
		38.35	2008-09	High Court
		520.64	2013 to 2017	Commissioner
		403.97	2013 to 2016	Commissioner (Appeals)
		112.31	2010 to 2015	Addl. Commissioner
		31.85	2011 to 2017	Asst. Commissioner
		0.39	2013-14	Superintendent

viii. The Company has not defaulted in repayment of dues to banks. The Company did not have any borrowing from any financial institution or Government and dues to debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Further in our opinion and explanations given to us, term loans were applied for the purpose for which loans were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers and employees has been noticed or reported during the year.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with directors. Therefore, the provisions 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 SINGHI & CO.
Chartered Accountants,
Firm Registration No. 302049E

B. K. SIPANI
Partner
M. No.088926

Place: New Delhi
Date: May 15, 2018

Annexure - B to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of Mangalam Cement Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind-AS 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 Ind-AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind-AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind-AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 however same need to be further strengthened.

For SINGHI & CO.
Chartered Accountants,
Firm Registration No. 302049E

B. K. SIPANI
Partner
M. No.088926

Place: New Delhi
Date: May 15, 2018

Balance Sheet

as at 31st March, 2018

(₹ in Lacs)

Particulars	Note No.	As at March 31st, 2018	As at March 31st, 2017
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	1	81,990.88	80,294.70
(b) Capital work-in-progress		509.21	4,876.73
(c) Other Intangible assets		1,137.35	1,063.80
(d) Financial assets			
(i) Investments	2	2,459.58	2,253.18
(ii) Others financial assets	3	972.21	869.56
(e) Other non-current assets	4	2,725.99	2,244.85
Total-Non current assets		**89,795.22**	**91,602.82**
(2) Current assets			
(a) Inventories	5	11,190.71	10,157.38
(b) Financial assets			
(i) Investments	6	1,102.71	554.45
(ii) Trade receivables	7	3,649.14	3,434.00
(iii) Cash and cash equivalents	8	991.68	790.32
(iv) Bank balances other than (iii) above	9	1,255.29	1,715.35
(v) Loans and Deposits	10	3,370.00	1,870.00
(vi) Others	11	834.08	594.86
(c) Current tax assets (Net)	12	560.79	325.27
(d) Other current assets	13	9,222.45	10,261.83
Total-Current assets		**32,176.85**	**29,703.46**
TOTAL ASSETS		**121,972.07**	**121,306.28**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	14	2,669.38	2,669.38
(b) Other equity		48,827.44	47,930.59
Total-Equity		**51,496.82**	**50,599.97**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	18,854.88	22,800.03
(ii) Other financial liabilities	16	3,900.14	3,890.01
(b) Provisions	17	1,865.45	1,679.46
(c) Deferred tax liabilities (Net)	18	4,177.68	3,683.29
Total-Non current liabilities		**28,798.15**	**32,052.79**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	9,158.63	7,143.96
(ii) Trade payables	20	14,353.11	12,608.28
(iii) Other financial liabilities	21	10,449.61	10,830.74
(b) Other current liabilities	22	5,576.40	6,075.33
(c) Provisions	23	2,139.35	1,995.21
Total-Current liabilities		**41,677.10**	**38,653.52**
TOTAL EQUITY AND LIABILITIES		**121,972.07**	**121,306.28**

Accounting Policies and Notes to Financial Statements **32**

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

As per our report of even date
FOR **SINGHI & CO.**
Chartered Accountants
Firm Reg. No. 302049E
B.K.Sipani
Partner
M.No. 088926
New Delhi
May 15, 2018

Swadesh Agrawal
Company Secretary

Yaswant Mishra
President (Corporate) & CFO

Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

Statement of Profit and Loss

for the Year ended 31st March, 2018

(₹ in Lacs)

Particulars	Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
I INCOME			
Revenue from operations	24	112,532.47	104,503.83
Other income	25	2,415.76	2,068.43
Total Income (I)		**114,948.23**	**106,572.26**
II EXPENSES			
Cost of materials consumed		19,888.78	15,336.34
Changes in inventories of finished goods and work-in-progress	26	(472.18)	1,800.88
Employee benefits expense	27	8,808.08	7,793.95
Finance costs	28	4,727.28	4,748.94
Depreciation and amortization expense	1	4,421.11	4,031.46
Other expenses	29	75,679.33	67,813.38
Total Expenses (II)		**113,052.40**	**101,524.95**
III Profit / (Loss) before Exceptional Item and tax (I-II)		**1,895.83**	**5,047.31**
Exceptional item		-	-
IV Profit / (Loss) before tax		**1,895.83**	**5,047.31**
V Tax expense :	30		
Current tax/MAT		295.31	853.00
MAT Credit		(295.31)	(853.00)
Income Tax Expenditure For Earlier Year (Net)		(3.67)	-
Deferred tax		761.31	1,383.84
VI Profit / (Loss) for the Year (IV-V)		**1,138.19**	**3,663.47**
VII Other Comprehensive Income (net of tax)	31		
Items that will not be reclassified subsequently to Profit and Loss			
Remeasurment of the net defined benefit liability/asset (net of tax)		45.29	(305.39)
Equity instrument through Comprehensive Income		(45.67)	77.68
Total-Other Comprehensive Income (net of tax) (VII)		**(0.38)**	**(227.71)**
VIII Total Comprehensive Income for the Year (VI+VII)		**1,137.81**	**3,435.76**
Earnings per equity share			
[Nominal Value per share: ₹10 (2016-17: ₹10)]			
(a) Basic - ₹		**4.26**	**13.72**
(b) Diluted - ₹		**4.26**	**13.72**

Accounting Policies and Notes to Financial Statements **32**

The accompanying notes are an integral part of the financial statements.
As per our report of even date

FOR **SINGHI & CO.**
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B.K.Sipani
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A V Jalan, Executive Director

Cash Flow Statement

for the Year ended 31st March, 2018

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit / (Loss) before taxation and extraordinary items	1895.83	5047.31
Adjustments for:		
Depreciation and Amortisation Expense	4421.11	4031.46
Finance Costs	4727.28	4366.08
Interest income	(692.28)	(578.85)
(Profit) / Loss on sale of Property, Plant and Equipment (Net)	(0.33)	(0.60)
Net Gain on Foreign currency transactions and translations	(514.84)	(863.62)
Gain / Loss on Sale of Investments	(48.26)	(54.45)
Gain / Loss on Interest Rate Swap	(81.64)	(189.02)
Operating profit before working capital Changes	**9706.87**	**11758.31**
Changes in Working Capital		
Increase/ (decrease) in Trade payables	1744.93	1484.86
Increase/ (decrease) in Other financial liability	(333.32)	(712.02)
Increase/ (decrease) in Non-financial liability	(498.93)	2744.22
Increase/ (decrease) in Provisions	399.73	(1480.02)
(Increase)/ decrease in Trade receivables	(215.14)	39.17
(Increase)/ decrease in inventories	(1033.33)	1435.99
(Increase)/ decrease in other financial assets	286.72	212.51
(Increase)/ decrease in loans and deposits	(1500.00)	(600.00)
(Increase)/ decrease in other non financial assets	558.24	1569.89
Less: Taxes paid	(527.16)	(113.92)
Net cash flows from operating activites (A)	**8588.61**	**16338.99**
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment (Net)	(1926.38)	(9090.35)
Sale of Property, Plant and Equipment (Net)	103.39	347.19
Purchase of investments	(2300.00)	(1000.00)
Sale of investments	1800.00	500.00
Investment in Non Current Bank Fixed deposit	(81.84)	(5.29)
Investment in other Bank Deposits	449.89	(23.64)
Interest received	230.24	214.64
Net cash flows used in investing activities (B)	**(1724.70)**	**(9057.45)**
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest and financial charges	(4741.22)	(4459.87)
Dividend paid (including corporate dividend tax)	(240.96)	(175.51)
Proceeds from long /short term borrowings	4850.00	3900.00
Repayment of long /short term borrowings	(8545.04)	(7201.48)
Increase in Cash Credit	2014.67	203.23
Net cash flows used is financing activities (C)	**(6662.55)**	**(7733.63)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**201.36**	**(452.09)**
Cash and cash equivalents at the beginning of the year	790.32	1242.41
Cash and cash equivalents at the end of the year	**991.68**	**790.32**

Cash Flow Statement

for the Year ended 31st March, 2018

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the Statement of Cash Flows.

Notes

1. The above cash flow statement has been prepared under the Indirect Method as set out in IND AS - 7
2. Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.
3. Figure in brackets indicates cash outgo

(₹ in Lacs)

	Year ended 31st March, 2018	Year ended 31st March, 2017
4. Components of cash and cash equivalents		
Cash in hand	15.51	7.74
Cheques / Drafts on hand	0.53	-
Bank balances		
- Current account	975.64	782.58
	991.68	**790.32**

This is the Cash Flow Statement referred to in our report of even date.

FOR **SINGHI & CO.**
Chartered Accountants
Firm Reg. No. 302049E
B.K.Sipani
Partner
M.No. 088926
New Delhi
May 15, 2018

Swadesh Agrawal
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Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

Statement of Changes in Equity

for the Year ended 31st March, 2018

A. Equity Share Capital

Issued, subscribed and paid up	**Number of Shares**	**Value (₹ In Lacs)**
Equity Shares of Rs. 10 each		
Balance at 1st April, 2017	26,693,780	2,669.38
Equity share capital issued during the year	-	-
Balance at March 31, 2018	**26,693,780**	**2,669.38**

B. Other Equity

(₹ in Lacs)

	Reserve and Surplus						Other comprehensive income		
Particulars	**Capital Reserve**	**Capital Redemption Reserve**	**Preference Share Capital Redemption Reserve**	**Revaluation Reserve**	**General Reserve**	**Retained Earning**	**Equity Instrument through other comprehensive Income**	**Acturial Gain / (Loss) on Defined Benefit Obligation**	**Total**
Balance as at 1st April,2017	20.22	155.30	20.00	-	6,513.15	41,407.72	128.06	(313.86)	47,930.59
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-		-	45.29	45.29
Equity Instrument through other comprehensive income,net of tax effect	-	-	-	-	-		(45.67)	-	(45.67)
Dividend & Dividend Distribution Tax Paid	-	-	-	-	-	(240.96)	-	-	(240.96)
Profit/(Loss) for the year	-	-	-	-	-	1,138.19			1,138.19
Balance as at 31st March, 2018	**20.22**	**155.30**	**20.00**	**-**	**6,513.15**	**42,304.95**	**82.39**	**(268.57)**	**48,827.44**

The accompanying notes referred to above form an integral part of the Financial Statements
As per our report of even date.

FOR **SINGHI & CO.**
Chartered Accountants
Firm Reg. No. 302049E
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M.No. 088926
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Notes

forming part of the Financial Statements

Note No. 1

A. Property, Plant and Equipment (₹ in Lacs)

	Land	Leasehold Land	Buildings	Plants & Machinery	Furniture & Fittings	Vehicles	Office Equipments	Railway Siding	Total
Cost									
As at 1st April, 2017	1566.40	1849.91	6550.21	73367.39	129.38	443.85	14.87	3623.35	87545.36
Additions	127.99	-	182.88	5425.73	28.61	295.32	30.66	-	6091.19
Disposals/Deductions	-	55.86	-	29.00	3.97	31.07	0.01	-	119.91
As at 31st March, 2018	**1694.39**	**1794.05**	**6733.09**	**78764.12**	**154.02**	**708.10**	**45.52**	**3623.35**	**93516.64**
Depreciation									
As at 1st April, 2017	-	0.02	452.41	6205.80	35.12	126.37	5.52	425.42	7250.66
Charge for the year	-	0.01	296.68	3669.49	16.99	69.86	3.98	234.95	4291.96
Disposals/Deductions	-	-	-	3.78	0.80	12.28	-	-	16.86
As at 31st March, 2018	**-**	**0.03**	**749.09**	**9871.51**	**51.31**	**183.95**	**9.50**	**660.37**	**11525.76**
Net Block									
As at 31st March, 2018	**1694.39**	**1794.02**	**5984.00**	**68892.61**	**102.71**	**524.15**	**36.02**	**2962.98**	**81990.88**
As at 31st March, 2017	**1566.40**	**1849.89**	**6097.80**	**67161.59**	**94.26**	**317.48**	**9.35**	**3197.93**	**80294.70**

Notes
forming part of the Financial Statements

B. INTANGIBLE ASSETS

(₹ in Lacs)

	Computer Softwares	Mining Right (Land)	Total
Gross Block			
As at 1st April, 2017	560.39	929.06	1489.45
Additions	24.59	178.12	202.71
Disposals/Deductions	-	-	-
As at 31st March, 2018	**584.98**	**1107.18**	**1692.16**
Amortisation			
As at 1st April, 2017	141.12	284.53	425.65
Charge for the year	120.86	8.30	129.16
Disposals/Deductions	-	-	-
As at 31st March, 2018	**261.98**	**292.83**	**554.81**
Net Block			
As at 31st March, 2018	**323.00**	**814.35**	**1137.35**
As at 31st March, 2017	**419.27**	**644.53**	**1063.80**

Note :

Property, Plant and Equipment given as security for borrowing, refer note 15.

Notes
forming part of the Financial Statements

Note No. 2

Non Current Investments (₹ in Lacs)

	31st March, 2018	31st March, 2017
Non Trade:		
Quoted		
Investments in Equity Instruments carried at fair value through other comprehensive income 6,50,000 (previous year 6,50,000) Fully paid up Equity shares of ₹10/- each of Mangalam Timber Products Ltd. (Related party)	144.95	186.55
Unquoted		
Investments in Preference shares at fair value through profit & loss 34,47,000 (previous year 34,47,000) 7.5% Non-Cumulative Redeemable Preference shares of ₹100/-each of Mangalam Timber Products Ltd.*	2,314.63	2,066.63
	2,459.58	**2,253.18**
Aggregate cost of Quoted Investments	110.02	110.02
Aggregate Market Value of Quoted Investments	144.95	186.55
Aggregate cost of unquoted Investments	3,447.00	3,447.00
Investment carried at fair value through profit & loss	2,314.63	2,066.63
Investment carried at fair value through other comprehensive income	144.95	186.55

* Redeemable at par within a period not exceeding nine years from date of allotment i.e. 10th October 2012. In the event of liquidation the preference shareholders are eligible to receive the paid up value of the preference share, if any, out of the remaining assets of the company in preference to equity shareholders.

Note No. 3

Other Non Current Financial Assets (₹ in Lacs)

	31st March, 2018	31st March, 2017
Unsecured, considered good :		
Deposits with Government Department and Others	824.23	823.59
Interest accrued on Fixed Deposits with bank	9.24	33.49
Balances with bank on margin money accounts	94.32	12.48
Advance Recoverable in cash or in kind	0.73	-
Interest Rate Swap	43.69	-
	972.21	**869.56**

Margin money Deposit given as security :

Margin money deposit of Rs. 94.32 (Previous year Rs. 12.48) are pledged with banks against bank guarantee and overdraft facilities.

Note No. 4

Other Non Current Assets (₹ in Lacs)

	31st March, 2018	31st March, 2017
Unsecured, considered good :		
Capital Advances	2,585.04	2,108.51
Prepaid Expenses	140.95	136.34
	2,725.99	**2,244.85**

Notes
forming part of the Financial Statements

Note No. 5

Inventories (₹ in Lacs)

	31st March, 2018	31st March, 2017
At lower of cost and net realisable value		
Raw Materials	1,128.83	1,096.65
Work-in-Progress	2,098.64	1,464.71
Finished Goods [Including Goods in Transit ₹ 607.61(Previous year ₹ 312.58)]	899.01	974.19
Stores and Spare [Including Goods in Transit ₹ 1645.72 (Previous year ₹ 1513.48)]	7,054.69	6,525.72
At net realisable value		
Scrap & Waste	9.54	96.11
	11,190.71	**10,157.38**

Note No. 6

Current Investments (₹ in Lacs)

	31st March, 2018	31st March, 2017
Carried at fair value through Profit & Loss		
Unquoted Mutual Funds		
Reliance Money Manager fund (Growth)	241.96	225.86
SBI Ultra Short Term Debt Fund (Growth)	64.66	60.58
Kotak Treasury Advantage Fund (Growth)	291.69	268.01
Reliance Medium Term Fund	3.99	-
ABSL Cash Manager (Growth)	500.41	-
	1,102.71	**554.45**

Aggregate amount of Unquoted Investments, market value of Quoted Investments and aggregate provision for diminution in value of Investments are given below :

Aggregate cost of unquoted investments	1,083.46	516.93
Aggregate market value of unquoted investments	1,102.71	554.45
Aggregate amount of impairment in value of investments	-	-

Note No. 7

Trade receivables (₹ in Lacs)

	31st March, 2018	31st March, 2017
Secured, Considered good	1,313.28	841.41
Unsecured, Considered good	2,335.86	2,592.59
	3,649.14	**3,434.00**

Note No. 8

Cash and Cash Equivalents (₹ in Lacs)

	31st March, 2018	31st March, 2017
Balances with bank		
On Current Accounts	975.64	782.58
Cheque/Draft on hand	0.53	-
Cash in hand	15.51	7.74
	991.68	**790.32**

Notes
forming part of the Financial Statements

Note No. 9

Other Bank balances (₹ in Lacs)

	31st March, 2018	31st March, 2017
Balances with Banks		
Deposits with initial maturity more than 3 months	1,076.71	1,039.43
Other Bank Balances :		
Earmarked Balances		
On Margin Money Accounts	120.35	607.52
On Unpaid Dividend Accounts	58.23	68.40
	1,255.29	**1,715.35**

Note No. 10

Loans and deposits (₹ in Lacs)

	31st March, 2018	31st March, 2017
Unsecured, considered good		
Inter Corporate Deposits		
(i) Related Party	2,000.00	1,100.00
(ii) Others	1,370.00	770.00
	3,370.00	**1,870.00**

Note No. 11

Other Current Financial Assets (₹ in Lacs)

	31st March, 2018	31st March, 2017
Unsecured, considered good		
Deposits with Governement Department and Others	3.95	3.77
Interest Accrued on Fixed Deposits & Others	497.82	427.27
Interest accrued on ICD to related party	319.97	152.23
Advance recoverable in cash or in kind	12.34	11.59
	834.08	**594.86**

Note No. 12

Current Tax Assets (Net) (₹ in Lacs)

	31st March, 2018	31st March, 2017
Advance Income tax / Refund Receivable	560.79	325.27
	560.79	**325.27**

Note No. 13

Other current assets (₹ in Lacs)

	31st March, 2018	31st March, 2017
Unsecured, considered good		
Advances recoverable in cash or in kind	9,020.74	10,005.44
Prepaid expenses	201.71	256.39
	9,222.45	**10,261.83**

Notes
forming part of the Financial Statements

Note No. 14

SHARE CAPITAL (₹ in Lacs)

	31st March, 2018	31st March, 2017
Authorised		
40000000 (Previous Year : 40000000) Equity Shares of ₹10 each	4,000.00	4,000.00
	4,000.00	**4,000.00**
Issued, Subscribed and Paid up		
26693780 (Previous Year : 26693780) Equity Shares of ₹ 10/- each fully paid up	2669.38	2669.38
	2,669.38	**2,669.38**

	31st March, 2018	31st March, 2017
Note :		
1 Reconciliation of the number of Equity Shares Outstanding		
Number of Equity Shares Outstanding at the beginning of the year	26693780	26693780
Number of Equity Shares Outstanding at the end of the year	26693780	26693780

2 Shares held by each shareholder holding more than 5 percent shares

Name of shareholders	No. of Shares	%	No. of Shares	%
Camden Industries Ltd.	3019563	11.31	3819563	14.31
Century Textiles & Industries Ltd.	2220500	8.32	2220500	8.32
India Capital Fund Ltd.	1972418	7.39	1972418	7.39
Sachin Bansal	1422827	5.33	-	-

3 Terms/rights, Preferences and restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each fully paid up share carries one vote. Dividend, if any, proposed by the Board of Directors is subject to approval of shareholders in an annual general meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their shareholding.

Note No. 15

Non Current Borrowings (₹ in Lacs)

	31st March, 2018	31st March, 2017
Secured :-		
Term Loan From banks		
Indian Rupee Loan From HDFC Bank Ltd.-I	1,875.00	4,375.00
Indian Rupee Loan From HDFC Bank Ltd-II	4,242.35	5,200.00
Indian Rupee Loan From State Bank of India	1,500.00	3,500.00
Indian Rupee Loan From Indusind Bank	7,500.00	3,050.00
Foreign Currency loan from DBS Bank Ltd.*	3,737.53	6,675.03
	18,854.88	**22,800.03**

Note :-

(1) Indian Rupee Loan From HDFC Bank Ltd.-I

Secured by:	A first paripassu charge on entire fixed assets (both movable and immovable, present and future). A second pari passu charge on entire current assets of the company (present and future).
Repayment Terms:	20 equal quarterly instalments started from 9th February, 2015
Rate of interest:	HDFC Bank Base Rate plus spread equivalent to difference between 11% p.a. and HDFC Base Rate at the time of first drawdown.

(2) Indian Rupee Loan From HDFC Bank Ltd-II

Secured by:	A first paripassu charge on entire fixed assets (both movable and immovable, present and future). A second pari passu charge on entire current assets of the company (present and future).
Repayment Terms:	20 equal quarterly instalments started from 30.06.2017 to 31.03.2022 at quarter end from the date of initial disbursement i.e. with a moritorium of 2 years from the date of 1st disbursement.
Rate of interest:	Fixed interest of 10.15% p.a. for first year. Reset at every anniversary from first day of disbursement at HDFC Bank Base Rate+15bps.

(3) Indian Rupee Loan From State Bank of India

Secured by:	A first paripassu charge on entire fixed assets (both movable and immovable, present and future). A second pari passu charge on entire current assets of the company (present and future).
Repayment Terms:	20 equal quarterly instalments started from 31st March, 2015
Rate of interest:	1.30% per annum above base rate.

(4) Indian Rupee Loan From Indusind Bank

Secured by:	A first paripassu charge on entire fixed assets (both movable and immovable, present and future). A second pari passu charge on current assets of the company (both present and future).
Repayment Terms:	16 structured quarterly installment after a moratorium of 2 years repayment to commence from 27th month from the date of 1st disbursement.
Rate of interest:	1st year MCLR +0.05% MCLR as on the date of disbursement.

(5) Foreign Currency loan from DBS Bank Ltd.

Secured by:	A first paripassu charge on entire fixed assets (both movable and immovable, present and future). A second pari passu charge on entire current assets of the company (present and future).
Repayment Terms:	18 quarterly instalments started from 27th November, 2015
Rate of interest:	Libor+2.60%

* Fully hedged by foreign exchange forward contracts having same maturity with DBS Bank Ltd which is net of ₹ 1140.78 (previous year ₹ 1429.80) mark to market at year end.

Note No. 16

Other Non Current Financial Liabilities (₹ in Lacs)

	31st March, 2018	31st March, 2017
Retention money	15.33	29.29
Deposits (from stockist and others)	3,884.81	3,822.76
Interest Rate Swap	-	37.96
	3,900.14	**3,890.01**

Note No. 17

Non Current Provisions (₹ in Lacs)

	31st March, 2018	31st March, 2017
Employee Benefits (Refer Note No. 32.9)	1,217.65	1,101.07
Provision for Site Restoration	647.80	578.39
	1,865.45	**1,679.46**

Notes
forming part of the Financial Statements

Note No. 18

Deferred tax liabilities (Net) (₹ in Lacs)

	31st March, 2018	31st March, 2017
(a) Deferred tax liability being tax impact on -		
(i) Property, plant and equipment: Impact of difference in depreciation in tax accounts and depreciation/amortization for financial reporting	15,245.42	14,413.01
(ii) Others	2,056.44	2,193.09
Total (a)	**17,301.86**	**16,606.10**
(b) Deferred tax assets being tax impact on -		
(i) Expenses allowable on payment basis under the Income Tax Act	1,587.17	1,512.90
(ii) Unabsorbed Depreciation and Carried forward tax losses	8,382.80	8,308.50
(iii) Others	1,100.90	1,343.41
(iv) MAT Credit Entitlement	2,053.31	1,758.00
Total (b)	**13,124.18**	**12,922.81**
(c) Net Deferred Tax Liabilities (a) – (b)	**4,177.68**	**3,683.29**

The Company has recognised deferred tax assets on unabsorbed depreciations, carried forward tax losses and MAT Credit Entitlement. The Company has MAT Credit Entitlement, unabsorbed depreciations and incurred the tax losses due to substantial expansion in earlier financial years. The Company has concluded that the deferred tax assets on MAT Credit Entitlement, unabsorbed depreciations and carried forward tax losses will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The Company is expected to generate taxable income in near future. The MAT Credit Entitlement, unabsorbed depreciation and tax losses can be carried forward as per local tax regulations and the Company expects to recover the same in due course.

Note No. 19

Current Borrowings (₹ in Lacs)

	31st March, 2018	31st March, 2017
From Bank :-		
Secured		
- Working Capital Loan from banks *	6,658.63	2,143.96
Unsecured Loan		
- Loan from Kotak Mahindra Bank Ltd.	2,500.00	-
- Commercial Paper	-	5,000.00
	9,158.63	**7,143.96**

* Secured against a first pari passu charge over entire Current Assets, both present and future and second pari passu charge over the entire Fixed Assets,both present and future.

Note No. 20

Trade payables (₹ in Lacs)

	31st March, 2018	31st March, 2017
Micro and Small Enterprises (Refer Note No. 32.8)	1.27	31.61
Others	14,351.84	12,576.67
	14,353.11	**12,608.28**

Notes
forming part of the Financial Statements

Note No. 21

Other Financial Liabilities (₹ in Lacs)

	31st March, 2018	31st March, 2017
Current Maturites of long term loan from banks	9,166.32	9,141.93
Interest accrued	27.51	41.45
Unpaid Dividends	58.23	68.40
Liabilities for Capital Goods	188.80	229.75
Security Deposit and Retention Money	1,008.75	1,349.21
	10,449.61	**10,830.74**

Note No. 22

Other current liabilities (₹ in Lacs)

	31st March, 2018	31st March, 2017
Statutory Dues	3,839.73	3,868.72
Advances from Customers	1,736.67	2,206.61
	5,576.40	**6,075.33**

Note No. 23

Current Provisions (₹ in Lacs)

	31st March, 2018	31st March, 2017
Employee Benefits (Refer Note No. 32.9)	692.05	725.40
Others *	1,447.30	1269.81
	2,139.35	**1,995.21**

*** Movement of Provision for Others**

Opening Balance	1,269.81	1,269.81
Addition during the year	575.96	-
Paid during the year	398.47	-
Closing Balance	1,447.30	1,269.81

Note No. 24

Revenue from operations (₹ in Lacs)

	31st March, 2018	31st March, 2017
Sale of products		
Cement	1,12,116.31	1,02,769.68
Clinker	24.82	1,347.41
Other operating revenues	391.34	386.74
	1,12,532.47	**1,04,503.83**

Notes
forming part of the Financial Statements

Note No. 25

Other income (₹ in Lacs)

	31st March, 2018	31st March, 2017
Interest Income :		
- on Bank Deposits	385.36	280.73
- from Others	58.92	76.70
Profit on sale of Mutual Fund	66.53	16.93
Net Gain on Foreign currency transactions and translations	0.10	3.37
Profit on sale of Property, plant and equipment (net)	0.33	0.60
Gain on Exchange Fluctuation (Borrowings)	514.74	860.25
Gain on Fair valuation of Investments through Profit & Loss	229.73	258.94
Gain on Fair valuation of Interest rate swap	81.64	189.02
Unspent Liabilities written back	680.31	294.19
Miscellaneous Income	398.10	87.70
	2,415.76	**2,068.43**

Note No. 26

Changes in inventories of finished goods and work-in-progress (₹ In Lacs)

	31st March, 2018	31st March, 2017
Opening Stock		
Finished Goods	974.19	1,322.83
Work-in-Progress	1,464.70	2,916.94
Scrap & waste	96.11	96.11
	2,535.00	**4,335.88**
Closing Stock		
Finished Goods	899.00	974.19
Work-in-Progress	2098.64	1464.70
Scrap & waste	9.54	96.11
	3,007.18	**2,535.00**
Decrease / (Increase) in inventories	**(472.18)**	**1,800.88**

Note No. 27

Employee benefits expense (₹ In Lacs)

	31st March, 2018	31st March, 2017
Salaries, Wages, Bonus and Allowances	7,438.16	6,454.71
Contribution to Provident, gratuity and other funds	1,204.94	1,165.64
Staff welfare expenses	164.98	173.60
	8,808.08	**7,793.95**

Notes
forming part of the Financial Statements

Note No. 28

Finance costs (₹ In Lacs)

	31st March, 2018	31st March, 2017
Interest Expenses	3,199.28	3,621.80
Loss on Fair valuation of Option Contracts	289.02	238.24
Other Borrowing costs	1,238.98	888.90
	4,727.28	**4,748.94**

Note No. 29

Other expenses (₹ In Lacs)

		31st March, 2018		31st March, 2017
Stores and Spares consumed		2,511.47		2,347.46
Power and Fuel		29,940.87		19,944.47
Rent		495.93		355.67
Repairs and Maintenance				
Plant and Machinery	2,279.03		1,453.70	
Buildings	274.17		385.19	
Others	71.59	2,624.79	60.18	1,899.07
Insurance		97.21		81.95
Excise duty		3,918.50		14,029.00
Rates and Taxes		274.92		544.35
Research & Development		-		65.87
Packing Expenses		4,306.07		3,302.41
Freight, Forwarding etc.		28,420.62		22,191.92
Commission & Brokerage to Selling Agents		978.82		849.29
Corporate Social Responsibility Expenditure		70.81		52.12
Directors fees		14.45		19.53
Directors Commission		49.00		113.00
Remunaration to Auditors :				
(a) Statutory Auditor				
Audit Fees		12.50		11.00
Tax Audit Fee		2.50		2.19
Certification & Other services*		5.66		3.93
Out of pocket expenses		1.02		0.74
(b) Cost Auditor				
Audit Fee		1.15		1.06
Other services		0.05		0.47
Out of pocket expenses		0.17		0.09
Miscellaneous		1,952.82		1,997.79
		75,679.33		**67,813.38**

* Including to previous auditor Rs. 1.53

Notes
forming part of the Financial Statements

Note No. 30

Income tax expense (₹ In Lacs)

	31st March, 2018	31st March, 2017
Current Income tax :		
Current tax	295.31	853.00
Tax related to earlier year	(3.67)	-
MAT Credit Entitlment	(295.31)	(853.00)
Net Current tax	**(3.67)**	**-**
Deferred tax	761.31	1,383.84
Tax expenses reported	**757.64**	**1,383.84**
Reconcilation of tax expenses and accounting profit		
Net Profit before tax	1,895.83	5,047.31
Enacted tax rates (in %)	34.61	34.61
Computed tax expenses	656.11	1,746.78
Increase/(reduction) in taxes on account of:		
Previous year tax adjustments	(3.67)	-
Change in tax rate	59.64	-
Deferred tax of previous years	23.32	(15.21)
Other non deductible expenses	27.07	33.97
Income chargeble to tax not included in Statement of Profit and Loss		54.81
Income not taxable /exempt from tax	(4.83)	(0.21)
Additional Benefit on research and development expenses and Investment allowance	-	(436.30)
Income tax expense reported	**757.64**	**1,383.84**
Effective Tax Rate	**39.96%**	**27.42%**

Note No. 31

Other Comprehensive Income (net of tax) (₹ In Lacs)

	31st March, 2018	31st March, 2017
Remeasuring of defined benefit plans	69.61	(467.01)
Tax effect on above	(24.32)	161.62
Net gains / (loss) on Fair value through Other Comprehensive		
Income (OCI) - Equity Instruments	(41.60)	77.68
Tax effect on above	(4.07)	-
	(0.38)	**(227.71)**

NOTE 32

Significant Accounting Policies and Notes on Accounts as at and for the year ended on 31st March 2018

32.1. Corporate Information

Mangalam Cement Limited ('MCL' or 'the Company') is a public limited company domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the Bombay Stock Exchange ('BSE'), in India. The registered office of the Company is at Aditya Nagar, Morak -326520, Kota (Rajasthan). The Company is principally engaged in manufacturing of Cement in India. These financial statements are prepared in Indian rupees.

These financial statements were authorised for issue by the Board of Directors at their meeting held on 15th May, 2018.

32.2 Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

32.2.1 Basis of preparation (Compliance with Ind-AS)

The financial statements have been prepared in accordance with all material respects with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standard Rules), 2015 notified under section 133 of Companies Act, 2013 and Companies (Indian Accounting Standard) Amendment Rules, 2016 and other relevant provisions of the Companies Act, 2013.

Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

32.2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis except certain insurance claims which are accounted for on receipt basis on account of uncertainties and the following items, which are measured on following basis on each reporting date:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value

- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;

- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- **Level 3** inputs are unobservable inputs for the asset or liability.

32.2.3 Functional and presentation currency

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs, unless otherwise indicated.

32.2.4 Significant accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Classification of leases into finance and operating lease
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of fixed assets
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Impairment of financial assets: key assumptions used in estimating recoverable cash flows
- In determining the fair value of the mine restoration obligation the Company uses technical estimates to determine the expected cost to restore the mines and the expected timing of these costs. Discount rates are determined based on expected rate of return.

32.2.5 Classification of Assets and Liabilities as Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:

- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.

32.2.6 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment. Any gain on disposal of property, plant and equipment is recognised in Statement of Profit and loss.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation on fixed assets is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

Capital work-in-progress

Capital work-in-progress assets in the course of construction for production or/and supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

Disposal of assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

32.2.7 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective individual estimated useful life on a straight line method. The useful lives of intangible assets are as follows:

a) Mining rights are amortised over the period of the leases.
b) Computer software is amortised over a period of 5 years.

Cost of Site restoration is capitalised as Intangible Assets under the head "Mining Rights". Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired, impairment loss is recognised in the statement of profit & loss.

32.2.8 Non-current assets (or disposal groups) held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated

32.2.9 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

32.2.10 Research and Development Expenses

Revenue expenditure on Research and Development is charged as expenses under the head "Research and Development" in the year in which it is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalised and depreciated according to the policy followed by the Company.

32.2.11 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use or sale.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

32.2.12 Foreign currency transactions

Transactions in foreign currencies are recorded by the Company at their respective functional currency considering exchange rates prevailing on the date of transactions qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss except exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

32.2.13 Employee benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

a) Provident fund

b) Super Annuation Fund

c. Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

• service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

• net interest expense or income; and

• remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

d. Other long-term employee benefits

The company has long term employment benefit plans i.e. accumulated leave. The liability for accumulated

leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

32.2.14 Revenue Recognition

a. The Company recognises revenue from sale of goods when the titles have been passed at which time all the following conditions are satisfied:

   i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

   ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

   iii) the amount of revenue can be measured reliably;

   iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and

   v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

   Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc. Shipping and handling amounts invoiced to customers are included in revenue and the related shipping and handling costs incurred are included in freight and forwarding expenses when the Company is acting as principal in the shipping and handling arrangement. Sales include excise duty, wherever applicable and are net of Sales Tax / Goods and Service Tax.

b. Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Claim on insurance companies and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.

c. Interest income on deposits is recognised on a time proportion basis.

d. Dividend income is recognised when the right to receive dividend is established.

32.2.15 Government Grants and Subsidies

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

When the grant relate to an asset, it is recognised as income in equal amounts over the expected useful life of related assets.

32.2.16 Inventories

i. Inventories are valued as follows :

Raw materials, stores and spares : Lower of cost and net realisable value. Cost is determined on a weighted average basis. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

Work-in-progress, finished goods and traded goods : Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads.

Waste : At net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

ii. Provision for obsolete/ old inventories is made, wherever required.

32.2.17 Mining Restoration

Mine restoration expenditure is provided for in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards site restoration at the time of vacation of mine. The unwinding of the discount is expensed as incurred and recognised as a finance cost in the Statement of Profit and Loss. The cost estimates are reviewed periodically and adjusted as appropriate. Changes in the estimated future costs or discount rate applied are added to or deducted from the site restoration cost.

32.2.18 Provisions and contingencies, Contingent liabilities and Contingent Assets

Based on the best estimate, provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

32.2.19 Measurement of fair value

a. Financial instruments

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b. Marketable and non-marketable equity securities

Fair value for listed shares is based on quoted market

prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow-based models.

c. **Derivatives**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value provided by the respective banks. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

32.2.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and interest rate swaps.

a. **Financial Assets**

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classifications

The company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

Finacial Assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

* it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
* the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Finacial Assets at fair value through Other Comprehensive Income (FVOCI)

Finacial Assets with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

Finacial Assets at fair value through profit and loss (FVTPL)

Any Finacial Assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

b. **Equity Instruments**

All equity instruments in scope of Ind AS 109 are measured at fair value. On initial recognition an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

* The rights to receive cash flows from the asset have expired, or
* The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised)

and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

c. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below :

Financial Liabilities measured at amortised cost
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

De-recognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

32.2.21 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

combination.

Credit of Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

32.2.22 Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the percentage value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

32.2.23 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

32.2.24 Earning Per Share

Basic Earnings per equity shares are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effect of all diluted potential equity shares.

32.2.25 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

32.2.26 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

a. Amendment to Ind AS 21

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the requirements of the amendment and the effect on the financial statements will be given in due course.

b. Amendment to Ind AS 115

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

i. Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

ii. Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company is evaluating the requirements of the amendment and the effect on the financial statements will be given in due course.

NOTES ON ACCOUNTS

Note No. 32.3

Contingent Liabilities and Commitments :

i. Contingent Liabilities (not provided for) in respect of :

(₹ In Lacs)

(a) Claims against the Company not acknowledged as debts-	31st March, 2018	31st March, 2017
- Demand raised by Income tax Department for Direct tax	649.78	2,062.93
- Demand raised by Excise Department for various matters	8,224.80	5,857.72
- Demand for Sales Tax and Entry Tax	1,045.35	358.22
- Demand for Differential Royalty on Lime Stone	851.81	851.81
- Others	1,310.02	758.36

(b) The Jute Packaging (Compulsory use in Packing Commodities) Act 1987 was stayed by the Rajasthan High Court in 1997. However, the Jute Commissioner issued a show cause notice on 14.08.2002 for non-use of Jute Packaging Material. This has been challenged by the Company and the amount involved is not quantifiable.

(c) Rajasthan Sales-tax Authorities has raised demand Rs. 3890.17 (Previous year Rs. 3890.17) and interest thereon Rs. 4246.48 (Previous year Rs. 4246.48) against Sales-tax incentive claimed by the Company in earlier years relying upon direction of BIFR dated 31.05.2007. On appeal, Rajasthan Tax Board has given order in favour of the Company. However, Commercial taxes department has filed revision before Hon'ble Rajasthan High Court against the order.

The Company has engaged competent professional advisors to defend its positions against all disputed claims/notices and the Company is hopeful of favorable decisions and expect no outflow of resources, hence no provision is made in the books of accounts.

ii. Commitments:

(₹ In Lacs)

	31st March, 2018	31st March, 2017
(a) Estimated amount of Contracts remaining to be executed on Capital Account (Net of advances) not provided for	5,448.70	335.40

(b) The Company has availed certain Government subsidies. As per the terms and conditions, the Company has to continue production for specified number of years and other conditions failing which amount of fubsidies availed alongwith interest, penalty etc. will have to be refunded.

Note No. 32.4

Events occurring after Balance Sheet Date :

Proposed Dividend

The Board of Directors has proposed a dividend of Rs. 0.50 (Full value) (previous year Rs. 0.75) (Full value) per equity shares of Rs. 10 each and the total proposed dividend amounts to Rs. 133.47 Lacs (previous year Rs. 200.20 Lacs) and corporate dividend tax to be Rs. 27.44 Lacs (previous year Rs. 40.76 Lacs) and same is subject to approval of shareholders at the ensuing Annual General Meeting.

Note No. 32.5

Inventory includes coal valuing Rs. 1512.64 Lacs (previous year Rs. 1512.64 Lacs) sent for processing lying with a vendor for long time. Due to financial difficulty, vendor could not supply the material but the Company is hopeful of recovery.

Note No. 32.6

Revenue expenditure on Research and Development amounting to Rs. Nil (Previous year Rs. 65.87 lacs) is shown in the Statement of Profit & Loss.

Note No. 32.7

Other operating Revenue includes investment subsidy and employment generation subsidy agreegating Rs. 391.34 Lacs (Previous Year Rs. 386.84 Lacs).

Notes
forming part of the Financial Statements

Note No. 32.8

Details of dues to Micro and Small Enterprise as per MSMED Act, 2006 as per the information available and to the extended identified by the Company :

(₹ In Lacs)

	31st March, 2018	31st March, 2017
(i) Principal amount remaining unpaid at the end of the accounting year	1. 27	31.61
(ii) Interest due thereon	Nil	Nil
Interest paid by the buyer in terms of section 16 of MSMED Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed date	Nil	Nil
Interest due and payable for the period of delay in making the payments (which have been paid but beyond the due date during the year) but without adding interest specified under this Act	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the financial year	Nil	Nil
The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid	Nil	Nil

Note No. 32.9

Employee Defined Benefits :

A. Defined Contribution Plans

The Company makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

(₹ In Lacs)

Particulars	31st March, 2018	31st March, 2017
i. Contribution to Superannuation fund	340.57	325.82
ii. Contribution to Govt. Provident fund	502.87	480.76

B. Defined Benifit Plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity liabilty is being contributed to Group Gratuity cum Life Assurance Schemes administered by the LIC of India. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(₹ In Lacs)

Particulars	31st March, 2018	31st March, 2017
I. Reconciliation of Defined Benefit Obligations (DBO)		
Present value of DBO at the beginning of period	2,119.84	1,885.39
Current service cost	150.06	143.92
Interest cost	155.81	150.83
Past Service Cost	141.31	-
Actuarial (Gains)/Losses	(57.05)	163.18
Benefits paid	(242.06)	(223.48)
Present value of DBO at the end of period	2,267.91	2,119.84
II. Reconciliation of Fair Value of plan assets during the year		
Plan assets at the beginning of period	1,794.11	1,761.77
Expected return on plan assets	131.87	140.95
Actuarial Gains/(Losses)	12.57	(10.75)
Company contribution	325.47	125.62
Benefits paid	(242.06)	(223.48)
Plan assets at the end of period	2,021.96	1,794.11

(₹ In Lacs)

Particulars		31st March, 2018	31st March, 2017
III.	**Reconciliation of fair value of assets and obligation**		
	Present value of Defined Benefit Obligation	2,267.91	2,119.84
	Fair value on plan assets	2,021.96	1,794.11
	Status[Surplus/(Deficit)]	(245.95)	(325.73)
	Net asset/(liability) recognised in the Balance Sheet	(245.95)	(325.73)
IV.	**Expenses recognised during the year**		
	Current service cost	291.37	143.92
	Net Interest cost	23.94	9.89
	Total expenses recognised in the Statement of Profit & Loss	315.31	153.81
V.	**Other Comprehensive Income**		
	Re- measurements of the net defined benefit liability/(assets)		
	Actuarial (gain)/loss for the year on DBO	(57.05)	163.18
	Actuarial (gain)/loss for the year on Asset	(12.57)	10.75
VI.	**Major category of plan assets as a % of the total plan assets**		
	Interest based scheme with Insurance companies	100%	100%
VII.	**Actuarial assumptions**		
	Discount rate (%)	7.73	7.35
	Rate of escalation in salary (per annum) (%)	5.50	5.50
	Mortality table (IALM)	2006-08	2006-08
VIII.	**Sensitivity analysis**		
	Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.		
	Discount Rate - 0.50 % increase	(73.37)	(73.16)
	Discount Rate - 0.50 % decrease	78.32	78.08
	Change in salary increase - 0.50 % increase	79.64	79.10
	Change in salary increase - 0.50 % decrease	(75.22)	(74.74)

IX. Description of Risk Exposures :

"Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A) Salary Increases – Higher than expected increase in salary will increase the defined benefit obligation.

B) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.

C) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumption in the valuation can impact the liabilities.

D) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Notes
forming part of the Financial Statements

Note No. 32.10
Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one broad business segment viz. "Cement" and substantially sale of the product is within the country. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

Note No. 32.11
Related Party Transactions

Sl. No.	Particulars		Name	Designation
I.	**List of related parties**			
	A	Key Management Personnel	(1) Shri A.V. Jalan	Executive Director
			(2) Smt. Vidula Jalan	Executive Director
	B	Additional KMPs (Pursuant to Ind AS 24)	(1) Smt. Aruna Makhan	Independent & Non Executive Director
			(2) Shri N G Khaitan	Independent & Non Executive Director
			(3) Shri Gaurav Goel	Independent & Non Executive Director
			(4) Shri Amal Ganguli (For Financial Year 16-17)	Independent & Non Executive Director
			(5) Shri K C Jain	Non Executive Director
	C	Associates Companies & Enterprises in which Key Management Personal is able to exercise significant influence	(1) Vidula Consultancy Service Ltd.	
			(2) Mangalam Timber Products Ltd.	

II. Transactions with related parties:

(₹ In Lacs)

Particulars	31st March, 2018	31st March, 2017
Remuneration to KMP #		
- Short term employee benefits	279.04	304.42
- Defined Contribution Plan	51.84	45.36

The amount related to gratuity cannot be ascertained separately since they are included in the contribution in respect made to the insurance company on a group basis for all employees together. As the liability for leave encashment are provided on actuarial basis for the Company as a whole, hence not included as above.

b. Rent Expenses		
- Mangalam Timber Products Ltd.	120.00	10.50
c. Dividend Paid		
- Vidula Consultancy Services Ltd.	0.10	0.07
- Shri A.V. Jalan	0.08	0.05
- Smt. Vidula Jalan	0.45	0.30
d. Interest Income		
- Mangalam Timber Products Ltd.	173.00	52.55
e. ICD Given		
- Mangalam Timber Products Ltd.	900.00	600.00

III. Closing Balances :

(₹ In Lacs)

Particulars	31st March, 2018	31st March, 2017
Managerial Remuneration		
Anshuman Vikram Jalan	3.91	2.53
Vidula Jalan	6.38	4.10
Director Commission		
Shri A.V. Jalan	16.50	39.00
Smt. Vidula Jalan	16.50	39.00
Smt. Aruna Makhan	3.60	6.30
Shri N G Khaitan	3.60	6.30
Shri Gaurav Goel	3.60	6.30
Shri Amal Ganguli	-	6.30
Shri K C Jain	3.60	6.30
I.C.D. Given		
Mangalam Timber Products Limited	2,000.00	1,100.00
Interest Accrued		
Mangalam Timber Products Limited	319.97	152.23

Note No. 32.12

Capital Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2018 and March 31, 2017.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

The Company monitors capital using gearing ratio, which is net debt divided by total capital as under :

(₹ In Lacs)

Particulars	31st March, 2018	31st March, 2017
Loans and borrowings	37,179.83	39,085.92
Less : cash and cash equivalents	991.68	790.32
Net debts	**36,188.15**	**38,295.60**
Equity Share Capital	2,669.38	2,669.38
Other Equity	48,827.44	47,930.59
Total capital	**51,496.82**	**50,999.97**
Capital and net debt	**87,684.97**	**89,295.57**
Gearing ratio	**41%**	**43%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest bearing loans and borrowing for reported periods.

Note No. 32.13

Financial Instrument – Fair Value and Risk Management

I. Fair Value Measurement

A. Financial Instrument by category

(₹ In Lacs)

Particulars	31st March, 2018			31st March, 2017		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments						
- Non Current	2,314.63	144.95	-	2,066.63	186.55	-
- Current	1,102.71	-	-	554.45	-	-
Trade Receivables	-	-	3,649.14	-	-	3,434.00
Cash and Cash Equivalents	-	-	991.68	-	-	790.32
Other Bank Balances	-	-	1,255.29	-	-	1,715.35
Loans	-	-	3,370.00	-	-	1,870.00
Other Financial Assets						
- Non Current	43.69	-	928.52	-	-	869.56
- Current	-	-	834.08	-	-	594.86
Financial Liabilities						
Borrowings						
- Non Current	3,737.53	-	15,117.35	6,675.03	-	16,125.00
- Current	-	-	9,158.63	-	-	7,143.96
Trade Payables	-	-	14,353.11	-	-	12,608.28
Other Financial Liabilities						
- Non Current	-	-	3,900.14	37.96	-	3,852.05
- Current	3,252.21	-	7,197.40	3,279.89	-	7,550.85

B. Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:

a. Recognised and measured at fair value and

b. measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial Instruments at FVTPL

(₹ In Lacs)

Particulars	As of 31st March, 2018	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in preference Share	2,314.63	-	-	2,314.63
Investment in Mutual Fund	1,102.71	1,102.71	-	-
Interest Rate Swap	43.69	-	43.69	-
Liabilities				
Borrowings and Other Financial Liabilities	6,989.74	-	6,989.74	-

(₹ In Lacs)

Particulars	As of 31st March, 2017	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in preference Share	2,066.63	-	-	2,066.63
Investment in Mutual Fund	554.45	554.45	-	-
Liabilities				
Interest Rate Swap	37.96	-	37.96	-
Borrowings and Other Financial Liabilities	9,916.96	-	9,916.96	-

Financial Instruments at FVOCI

(₹ In Lacs)

Particulars	As of 31st March, 2018	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in equity instruments	144.95	144.95	-	-

(₹ In Lacs)

Particulars	As of 31st March, 2017	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in equity instruments	186.55	186.55	-	-

Financial Instruments at Amortised Cost

(₹ In Lacs)

	31st March, 2018		31st March, 2017	
Particulars	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial Assets designated at Amortized Cost				
Cash and Cash Equivalent	991.68	991.68	790.32	790.32
Other Bank Balances	1,255.29	1,255.29	1,659.43	1,659.43
Trade Receivables	3,649.14	3,649.14	3,434.00	3,434.00
Loan	3,370.00	3,370.00	1,870.00	1,870.00
Other Financial assets	1,762.60	1,762.60	1,464.42	1,464.42
Financial Liabilities designated at amortised cost				
Borrowing	24,275.98	24,275.98	23,268.72	23,268.72
Trade payables	14,353.11	14,353.11	12,608.28	12,608.28
Other Financial Liabilities	11,097.54	11,097.54	11,440.86	11,440.86

Level 1 : Hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined as per valuation provided by the bank
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities and preference shares, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

Fair value measurements using significant unobservable inputs (level 3)

(₹ In Lacs)

Particulars	31st March, 2018	31st March, 2017
	Unlisted preference shares	
Opening balance	2,066.63	1,845.20
Acquisitions	-	-
Gains/(loss) recognized in Statement of Profit & Loss	248.00	212.43
Closing balance	2,314.63	2,066.63

Valuation inputs and relationships to fair value

(₹ In Lacs)

Type of Financial Instruments	Fair Value as at		Significant unobservable	Discounting Rate	Sensitivity
	31st March, 2018	31st March, 2017			
Unquoted Preference shares	2,314.63	2,066.63	Risk-adjusted discount rate	12%	Change of (+) 50/ (-) 50 basis points - Fair value would changes by (-) 28.19 and (+) 43.80 respectively

Valuation Process

The Company gets the valuations performed from an independent valuer, required for financial reporting purposes, including level 3 fair values.

The main level 3 inputs for unlisted preference shares used by the Company are derived and evaluated as follows:

- Risk adjusted discount rates are estimated based on expected cash inflows arising from the instrument and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

Note No. 32.14

Financial risk management objective and policies

"The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk; and
- Market risk"

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of property defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual ob1ligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic market. The Management impact analysis shows credit risk and impact assessment as low.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available. Sale limits are established for each customer and reviewed periodically.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

In monitoring customer credit risk, customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties.

The ageing analysis of the receivables has been considered from the date the invoice falls due

(₹ In Lacs)

Particulars	Neither due nor impaired (including unbilled)	Up to 6 months	6 to 12 months	Above 12 months	Total
As at 31st March , 2018	85.15	3,344.30	123.11	96.58	3,649.14
As at 31st March , 2017	71.22	3,162.30	128.93	71.55	3,434.00

During the year, the Company has made no write-offs of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The Company management also pursue all legal option for recovery of dues wherever necessary based on its internal assessment.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing Arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period :

(₹ In Lacs)

Particulars	31st March, 2018	31st March, 2017
Floating rate		
Expiring within one year (bank overdraft and other facilities)	1,482.12	6,446.21
Expiring beyond one year (bank loans)	Nil	4,850.00

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Indian rupee and have an average maturity within a year.

Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ In Lacs)

Financial Liabilities	0-1 year	2-5 year	6-10 year	Above 10 years
As at 31st March 2018				
Borrowings	9,158.63	18,854.88	-	-
Trade Payables	14,353.11	-	-	-
Other financial liabilities	10,449.61	3,900.14	-	-
Total	**33,961.35**	**22,641.34**	**-**	**-**
As at 31st March 2017				
Borrowings	7,143.96	21,824.03	976.00	-
Trade Payables	12,608.28	-	-	-
Other financial liabilities	10,830.74	3,890.01	-	-
Total	**30,582.98**	**25,714.04**	**976.00**	**-**

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the Rs. cash flows of highly probable forecast transactions by hedging the foreign exchange inflows on regular basis. The Company also take help from external consultants who for views on the currency rates in volatile foreign exchange markets.

Currency risks related to the principal amounts of the Company's foreign currency payables, have been partially hedged using forward contracts taken by the Company.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. To protect itself from the volatility prevailing, the Company maintain its long term borrowing on fixed interest rate through interest rate swap instrument for borrowings in foreign currency, in which it agrees to exchange at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows.

Particulars	Increase/ decrease in basis points	Effect on profit before tax
31st March, 2018	50 basis point	151.04
31st March, 2017	50 basis point	135.23

Notes
forming part of the Financial Statements

Note No. 32.15

Earning Per Share (EPS):

(₹ in Lacs)

		31st March, 2018	31st March, 2017
Net Profit for the year		1,138.19	3,663.47
Weighted average of equity shares	Nos.	2,66,93,780	2,66,93,780
Nominal value of equity shares	in rupees	10.00	10.00
Basic/Diluted EPS	**in rupees**	**4.26**	**13.72**

Note No. 32.16

Derivative instruments and unhedged foreign currency exposure

(₹ in Lacs)

		31st March, 2018	31st March, 2017
(a) Derivative outstanding as at the reporting date			
Option Contract to buy USD	Foreign Currency in lacs	17.52	22.07
Interest Swaps	Foreign Currency in lacs	0.67	0.59
(b) Particulars of unhedged foreign currency exposure as at the reporting date			
Trade Payable - EURO	Foreign Currency in lacs	0.27	-

Note No. 32.17

Operating Leases

The Company's significant leasing arrangements are in respect of operating leases of premises for warehouse. These leasing arrangements, which are cancellable, are typically for a period of 11 months or are usually renewable on mutually agreeable terms. The Company has recognized expense amounting to Rs. 495.93 lacs (Previous year Rs. 355.67 lacs).

Note No. 32.18

Borrowing costs

During the year, the Company has capitalized borrowing cost amounting to Rs. 60.00 Lacs (Previous year Rs. 266.90 Lacs). The capitalized rate used to determine the amount of borrowing cost to be capitalized is weighted average interest rate applicable to the borrowing during the year is 9.15% (Previous year 9.69%).

Note No. 32.19

Other Disclosures

a. Disclosure as specified in Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

(₹ in Lacs)

Particulars	March 31, 2018		March 31, 2017	
	Closing Balance	Maximum Balance Outstanding	Closing Balance	Maximum Balance Outstanding
Others				
Mangalam Timber Products Ltd.	2,319.97	2,319.97	1,252.23	1,252.23

Notes
forming part of the Financial Statements

b. Disclosure relating to loans or security given by the Company as per requirements of section 186 (4) to the Companies Act'2013

(₹ in Lacs)

Particulars	Investment made / Loan given during the year	Balance of Investment/ Loan as at 31 March, 2018	Rate of Interest	Purpose	Maturity Period
Investment made					
Mangalam Timber Products Ltd.	-	2,459.58	Not	-	Not
	(-)	(2,253.18)	Applicable		Applicable
Loan given					
Mangalam Timber Products Ltd.	900.00	2,000.00	10% to 11% p.a.	Business	March, 2020
	(600.00)	(1,100.00)	(10% to 11% p.a.)	Purpose	

(previous year figures have been given in bracket)

Note No. 32.20

Previous year's figures have been regrouped and rearranged wherever necessary.

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

As per our report of even date

FOR **SINGHI & CO.**
Chartered Accountants
Firm Reg. No. 302049E
B.K.Sipani
Partner
M.No. 088926
New Delhi
May 15, 2018

Swadesh Agrawal
Company Secretary

Yaswant Mishra
President (Corporate) & CFO

Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director
Vidula Jalan, Executive Director
A V Jalan, Executive Director

The Group Logo - As represented by the 21st Century Atlas

Atlas, the Titan - Collective Strength

Atlas, bearer of the heavens is synonymous with vast, all encompassing strength and is used to symbolise the Group's own collective strength. It reflects the combined qualities of astute and dynamic management while emphasising the Group's tenacity, consistency, reliability and overall leadership.

The Sun - Enlightenment and Growth

The Sun, as a source of infinite energy and inspiration, is used here in conjunction with the Atlas head to represent the vitality and powerful presence of the Group - both in its industrial prowess and its financial, technological and intellectual skills.

The Earth Segments - Diversified Activities

Each of the latitudes around the Titan represent various sections- industrial, agricultural, financial and other activities of the Group. As with the infinite variety of the world, so is the strength of the Group, made up of its diverse activities.

The Globe - Global Vision

The Group's global presence and vision is reflected in the entirety of the Earth's sphere.

The Base - Solid Foundations

The strength of the entire edifice depends upon the strength of the foundation embedded in the bedrock, represented here by the Group Name.

The Symmetry - The Resilience, Versatility and Stability

Seen in its entirety, each of the elements - Atlas, the Sun, the Earth divisions, the Globe and the Base, together sum up a well conceptualised and balanced conglomerate.

Strong Foundation • Sustained Growth • Proven Leadership

www.mangalamcement.com

MANGALAM CEMENT LIMITED

CIN: L26943RJ1976PLC001705
Regd. Office: P.O. Aditya Nagar-326520, Morak, Distt. Kota (Rajasthan)
Phone: 07459-233127; Fax: 07459-232036
E-mail: shares@mangalamcement.com
Website: www.mangalamcement.com

Notice

To The Members

NOTICE is hereby given that the 42nd Annual General Meeting of Mangalam Cement Limited (CIN: L26943RJ1976PLC001705) will be held on Saturday, the 08th September, 2018, at 11:30 A.M. at the Club Hall of Mangalam Cement Ltd, Basant Vihar, Adityanagar 326520, Morak, Dist. Kota (Rajasthan) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2018.
3. To appoint a Director in place of Shri Anshuman Vikram Jalan (DIN: 01455782) who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

SPECIAL BUSINESS:

4. To approve the payment of Remuneration by way of commission to Non - Executive Directors of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution.**

   "RESOLVED THAT pursuant to the provisions of Sections 197 and 198 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as applicable, and subject to all other approvals, as may be required, the consent of the members be and is hereby accorded to make payment of commission in such amounts or proportions and in such manner and in all respects as the Board of Directors may from time to time determine, to its Non-Executive Directors (i.e. Directors other than Managing Directors and/or the Wholetime Directors) at a rate not exceeding 1% (one percent) per annum of the net profit of the Company but not exceeding Rs. 7.00 Lacs (Rupees Seven Lacs Only) to each of the Non-Executive Director (NED) of the Company for a period of three years w.e.f. 1st April, 2018 in every financial year computed in the manner referred to in Section 198 of the said Act, in addition to the sitting fee for attending the meeting of the Board of Directors or Committees thereof and reimbursement of expenses in accordance with the relevant provisions of the Article of Association of the Company and the statutory regulations for the time being in force."

5. To approve the remuneration of the Cost Auditor for the financial year ending 31st March, 2019 and in this regard, to consider and, if thought fit to pass, with or without modification(s) the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s J. K. Kabra & Co., the Cost Auditors appointed by the Board of Directors of the Company for the financial year ending 31st March, 2019, be paid the remuneration as set out in the statement annexed to the Notice.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary to give effect to this resolution."

Registered Office:
P.O.Adityanagar 326520,
Morak, Dist.Kota (Rajasthan)
May 15, 2018

By Order of the Board,

Swadesh Agrawal
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.

   Members / Proxies/ Authorised Representatives should bring the duly filled Attendance Slip at the Annual General Meeting. Corporate Members are requested to send a certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.

2. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.

3. The Register of members and Share Transfer Books of the Company shall remain closed from 02 nd September, 2018 to 08 th September, 2018 both the days inclusive on account of Annual General Meeting and dividend payment.

4. The payment of dividend, if declared at the said meeting, will be made to those shareholders whose names shall appear on the company's Register of Members on 01st September, 2018 or to their nominees. In respect of shareholding in dematerialized form, dividend will be paid to the beneficial owners as per details to be furnished by the Depositories for the purpose. Dividend Warrants will be dispatched or credit will be given under National Electronic Clearing Services (NECS) as the case may be within the stipulated time frame as specified in the Companies Act, 2013.

5. Dividend in respect of shares held in dematerialized form shall be credited to the beneficial owner's bank account directly through NECS subject to availability of bank account details and 9 digits code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

   Shareholders holding shares in physical form and desirous of availing NECS facility, should provide the bank details and 9 digits' code number in NECS Mandate Proforma. Shareholders who have already given their Bank details to avail the NECS facility should furnish the same only if there is any change.

6. The NECS Mandate Proforma can be obtained from the Company's Share Transfer Agents, M/sMAS Services Ltd at the address mentioned herein-below in Note.

7. Pursuant to the provisions of Section 205A read with Section 205C of the Companies Act, 1956 and Sections 124 and 125 ofthe Companies Act, 2013, dividends for the financial year ended 31st March, 2011 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education and Protection Fund' ("IEPF") constituted by the Central Govemment. Members, who have not uncashed their dividend, warrant(s) for the Financial Year ended 31st March, 2011 or any subsequent Financial Year(s) are urged to claim such amount from the Share Department of the Company/Registrar and Share Transfer Agent.

8. Members are requested to note that no claim shall lie against the Company or the aforesaid fund in respect of any amount of dividend remaining unclaimed / unpaid for a period of 7 years from the date they became due for payment.

9. In terms of provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write to the Company's Share Transfer Agents, M/s MAS Services Ltd, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi 110020, for nomination form quoting their folio number. Shareholders holding shares in dematerialized form should write to their Depository Participant for the purpose.

10. Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company's Share Transfer Agents at the address mentioned hereinabove in Note to consolidate their holding in one folio.

11. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agents at the address mentioned hereinabove in Note 7 quoting their folio number. Shareholders holding shares in dematerialized form, should intimate change of their address, if any, to the Depository participant.

12. As per Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Regulations, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system from a place other than venue of AGM (remote e-voting) under an arrangement with National Securities Depository Limited ("NSDL") as specified more fully in the instructions hereunder provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 01st September, 2018, i.e. the cut-off date are entitled to vote on the Resolutions set forth in this Notice. The Remote e-voting period will commence at 10.00 a.m. on Wednesday, 05th September, 2018 and will end at 05.00 p.m. on Friday, 07th September, 2018. The Notice of the Meeting will also be available on the Company's website: www.mangalamcement.com and the website of NSDL: www.evoting.nsdl.com.

13. The procedure and instructions for e-voting as given in the Notice of the 42nd Annual General Meeting are again reproduced hereunder for easy reference :

I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):

a. Open e-mail and open PDF file viz."MCL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.

b. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/.

c. Click on Shareholder-Login.

d. Put user ID and password as initial password noted in step above. Click Login.

e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

g. Select "EVEN" of "Mangalam Cement Limited".

h. Now you are ready for remote e-voting as Cast Vote page opens.

i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

j. Upon confirmation, the message "Vote cast successfully" will be displayed.

k. Once you have voted on the resolution, you will not be allowed to modify your vote.

l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to ppincha@gmail.com with a copy marked to evoting@nsdl.co.in.

II. In case of Members receiving Physical copy of Notice of 42nd Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)

a. Initial password is provided in the box overleaf.

b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 01st September, 2018.

E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 01st September, 2018, will be provided the notice through mail or by post after the cut-off date. Such members may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

H. Shri Pradeep Pincha, Practicing Company Secretary (Membership No. FCS-5369 & CP No. 4426), Proprietor M/s. P Pincha & Associates, Company Secretaries has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

I. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

J. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

K. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.mangalamcement.com and on the website of NSDL

immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to the BSE Limited and the National Stock Exchange of India Limited.

14. Reappointment of Shri Anshuman Vikram Jalan, Director Retiring by Rotation

Information about the Appointees pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Shri Anshuman Vikram Jalan (Din: 01455782) is an Executive Director of the Company. He is a B. Com (Hons.) from St. Xavier's College, Kolkata. Besides, he has completed a management course in marketing and corporate finance from the London School of Economics, UK. Being involved in the management of manufacturing companies since 1998, he has gained a rich experience in business administration.

He joined the board of Mangalam Cement Limited on 30th July, 2009. The public Companies in which he holds directorship are M/s Pilani Investment and Industries Corporation Ltd. and M/s Vidula Consultancy Services Ltd. He is also the Member of Audit Committee of M/s Pilani Investment and Industries Corporation Limited

Shares held in the Company	:	40,000 Equity Shares
Relationship with other Directors	:	Smt. Vidula Jalan, Executive Director is the wife of Shri Anshuman Vikram Jalan

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")

Item No. 04

Section 197 of the Companies Act, 2013 provides that in the case of Director who are neither managing director nor whole-time director/executive director may by way of special resolution, authorise payment of commission in addition to the fee for attending the meetings of the Board where such Directors are rendering useful advice to the Company. To retain such Non-Executive Director, it is desirable that they should be paid commission @ 1% of the net profit of the Company not exceeding Rs. 7.00 Lacs (Rupees Seven Lacs Only) to each of the Director in any financial year, except the Managing Director and Executive Directors. The shareholders in their Annual General Meeting held on 17th August, 2015 had approved payment of commission @ 1% of the net profits of the Company but not exceeding 7.0 Lacs to each of the Non-Executive Directors of the Company for a period of three years. This period of three years completes on 31st March, 2018. Hence the proposed resolution seeks authority for such payment to the Non-Executive Directors for a period of three years effective from 01st April, 2018.

Therefore, the Board of Directors in the best interest of the Company, recommends the special resolution set out at item no. 4 of this Notice, for approval by the shareholders.

All the Directors of the Company (except Smt. Vidula Jalan and Shri Anshuman Vikram Jalan, Executive Directors and the Key Managerial Personnel and their respective relatives) are interested in the Resolution to the extent the remuneration is payable to them in accordance with the proposed resolution.

Item No. 05

The Board on the recommendation of the Audit Committee has approved the re-appointment of M/s. J K Kabra & Co.,Cost Accountants, New Delhi as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 pursuant to Section 148 of the Companies Act, 2013 on a remuneration of Rs.1,20,000/- (Rupees One Lac Twenty Thousand only)plus service taxes applicable and out of pocket expenses.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel or their relatives are interested in the above resolution.

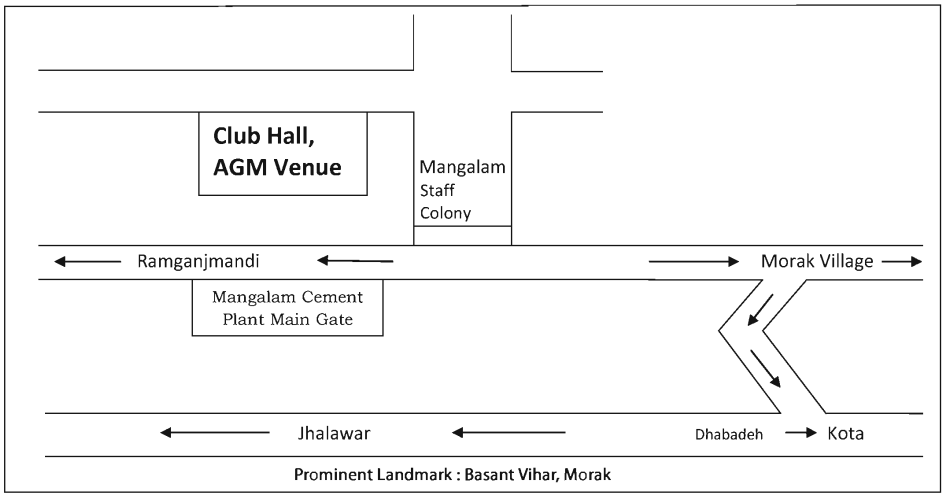
The Board of Directors recommends the resolution for your approval.

Registered Office:
P.O. Adityanagar 326520,
Morak, Dist. Kota (Rajasthan)
May 15, 2018

By Order of the Board,

Swadesh Agrawal
Company Secretary

Route Map for AGM Hall - Club Hall, Mangalam Cement Limited



MANGALAM CEMENT LTD.

CIN : L26943RJ1976PLC001705
Regd. Office : P.O. Aditya Nagar - 326520, Morak, Distt. Kota (Rajasthan)
Phone : 07459-233127, Fax : 07459-232036
Email : shares@mangalamcement.com Website : www.mangalamcement.com

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN	NO. OF SHARES

The e-voting facility will be available during the following voting period:

Commencement of e-voting	**From 10.00 a.m. (IST) on September 05, 2018**
End of e-voting	**Upto 05.00 p.m. (IST) on September 07, 2018**

- **The cut-off date (i.e. the record date) for the purpose of e-voting is September 01, 2018.**
- **Please refer to the attached AGM Notice for instructions on E-Voting.**

---------- TEAR HERE ----------

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ATTENDANCE SLIP

Regd. Folio No. / DP ID - Client ID : _____

Name & Address of First/Sole Shareholder : _____

No. of Shares held : _____

I hereby record my presence at the 42nd Annual General Meeting of the Company to be held on Saturday, the 8th September, 2018 at 11.30 a.m. at the Club Hall of Mangalam Cement Ltd, Basant Vihar, Adityanagar-326520, Morak, Dist. Kota (Rajasthan).

_____
Signature of Member/Proxy

Notes:

a) Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.

b) Member / Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.

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PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

MGT 11

Folio / DP ID-Client ID No. :

Name of the Member(s) & Address :

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

(1) Name :
Address:
E-mail id: Signature_____, or failing him;

(2) Name :
Address:
E-mail id: Signature_____, or failing him;

(3) Name :
Address:
E-mail id: Signature_____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual General Meeting of the Company, to be held on Saturday, the 8th September, 2018 at 11.30 a.m. at the Club Hall of Mangalam Cement Ltd, Basant Vihar, Adityanagar-326520, Morak, Dist. Kota (Rajasthan)., and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description
1.	To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.
2.	To declare dividend on Equity Shares for the year ended 31st March, 2018.
3.	To appoint a Director in place of Shri Anshuman Vikram Jalan (DIN: 01455782) who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4.	To approve the payment of Remuneration by way of commission to Non - Executive Directors of the Company.
5.	To approve the remuneration of the Cost Auditor for the financial year ending 31st March, 2019.

Signed this---------- day of---------- 2018

Signature of Shareholder----------

Signature of Proxy holder(s) ----------

Affix Revenue Stamp

Notes :

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. **For the Resolutions, Explanatory Statements and notes, please refer to the Notice of the 42nd Annual General Meeting.**

The procedure and instructions for e-voting as given in the Notice of the 42nd Annual General Meeting are again reproduced hereunder for easy reference:

I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):

a. Open e-mail and open PDF file viz."MCL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
b. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/.
c. Click on Shareholder-Login.
d. Put user ID and password as initial password noted in step (a) above. Click Login.
e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
g. Select "EVEN" of "**Mangalam Cement Ltd**.".
h. Now you are ready for remote e-voting as Cast Vote page opens.
i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
j. Upon confirmation, the message "Vote cast successfully" will be displayed.
k. Once you have voted on the resolution, you will not be allowed to modify your vote.
l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to ppincha@gmail.com with a copy marked to evoting@nsdl.co.in.

II. In case of Members receiving Physical copy of Notice of 42nd Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)

a. Initial password is provided in the box overleaf.
b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 1st September, 2018.

E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 1st September, 2018, will be provided the notice through mail or by post after the cut-off date. Such members may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

H. Shri Pradeep Pincha, Practicing Company Secretary (Membership No. FCS-5369 & CP No. 4426), Proprietor, M/s. P. Pincha & Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

I. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

J. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

K. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.mangalamcement.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited, Mumbai and The National Stock Exchange of India Ltd.