

BHEEMA CEMENTS LTD

www.bheemacements.co.in

Regd. Office : 6-3-652/C/A, Flat 5 A, "KAUTILYA" Amrutha Estates, Beside Medinova, Somajiguda, Hyd-082.
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040-23317939 info@bheemacements.co.in

8th July 2018

The Secretary
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400001

Dear Sir,

Sub: Submission of Company's 38th Annual Report (FY 2016-17)

Ref: BSE Script Code: 518017

With reference to the above mentioned subject please find enclosed herewith the 38th Annual Report (FY 2016-17) of our company for your kind information and record.

Thanking You,

Yours Truly,

For Bheema Cements Limited


S Chandra Mohan
Executive Chairman





BHEEMA CEMENTS LIMITED

**Manufacturers of
BHEEMA CEMENTS**

SUPER GRADE

43 & 53 Grade

**38th Annual General Meeting
Annual Report 2016-17**

CONTENTS

	Page
Corporate Information	1
Notice	2
Directors' Report	8
Management Discussion and Analysis Report	16
Independent Auditors' Report	20
Secretarial Audit Report	29
Corporate Governance Report	33
Compliance Certificate Regarding Compliance of Conditions of Corporate Governance	42
Extract of Annual Return	43
MD/CFO Certificate	50
Balance Sheet	52
Statement of Profit and Loss	53
Notes to the Financial Statements	62
Significant Accounting Policies	62
Cash Flow Statement	70
Attendance Slip and Proxy Form	71

GREEN INITIATIVE

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies Act. As per the Section 101 read with Rule 18 of Companies (Management and Administration) Rules, 2014 of Companies Act, 2013. A member of Company can receive notice in electronic mode via email. Your Company has decided to join the MCA in its environment friendly initiative. Henceforth, the Company proposes to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at: complianceofficer@bheemacements.co.in

We solicit your valuable co-operation and support in our endeavors to contribute our bit to the environment.

CORPORATE INFORMATION

M/s BHEEMA CEMENTS LIMITED
(CIN - L26942TG1978PLC002315)

BOARD OF DIRECTORS

Sri S. Chandra Mohan	Executive Chairman
Sri S.Kishore Chandra	Managing Director
Smt. Ameeta Trehan	Independent Director
Sri M.H.S.P.Prasad	Independent Director
Sri S.Karthik Sarath Chandra	Joint Managing Director and Chief Executive Officer
Sri Josyula Ramu	Whole Time Director (17 th August 2017 till 28 th May 2018)

AUDITORS

A. Ramachandra Rao & Co.,
Chartered Accountants
3-6-369/A/11, Himayatnagar,
Hyderabad - 500029.

COST AUDITORS

Asutosh and Associates,
Priyabrata Sahoo Partner H.No.37-
103/1/1,202,2nd Floor,
Nagarjuna Arcade, Neredmet x Road,
Secunderabad - 500056

BANKERS/FINANCIAL INSTITUTIONS

Corporation Bank
JM Financial Asset Reconstruction Company Ltd,
Mumbai

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
306, Right Wing, Amrutha Ville, Opp: Yashoda
Hospital, Somajiguda, Rajbhavan Road,
Hyderabad - 500082.

REGISTERED OFFICE

6-3-652/C/A, Flat 5A, "Kautilya", Amrutha
Estates, Somajiguda, Hyderabad - 500082,
Telangana, India

WORKS

Ramapuram, Mellacheruvu Mandal,
Suryapet District, Telangana - 508246

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting (AGM) of the Members of **BHEEMA CEMENTS LIMITED** (CIN: L26942TG1978PLC002315) will be held on 21st Day of August 2018 at 10 a.m. at Hotel Shree Venkateswara, 6-1-74, Lakadikapul, Hyderabad - 500004, Telangana, India to transact the following business.

ORDINARY BUSINESS

1. **To receive, consider and adopt the financial statements of the company for the year ended 31st March, 2017, along with the reports of the Board of Directors and Auditors thereon**
2. **To Re-Appoint Sri S Chandra Mohan (DIN: 00974855) as a director, who retires by rotation, and being eligible offers himself for Re-Appointment**
3. **To Appoint the Statutory Auditors M/s. Sastri & Shah, Chartered Accountants, who are eligible appointment 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and their corresponding rules framed thereunder, as amended, from time to time, M/s Sastri & Shah (FRN: 0036425), Chartered Accountants, Hyderabad who have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 38th Annual General Meeting up to the conclusion of 43rd Annual General Meeting of the Company i.e. FY 2021-22 (subject to ratification by the members at every subsequent AGM), at such remuneration as may be decided by the Board of Directors of the Company”

SPECIAL BUSINESS

4. **To ratify the remuneration payable to cost auditors, Asutosh & Associates., cost accountants for the Financial Year 2017-18**

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 Asutosh Associates, the Cost Auditors (Firm Registration No. 00258) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2017-18, be paid a remuneration of Rs. 30,000 (Rupees Thirty Thousand only) per annum plus out of pocket expenses, at actual and applicable taxes.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution”

By order of the Board
For BHEEMA CEMENTS LIMITED

Sd/-
S.Chandra Mohan
Executive Chairman

Place: Hyderabad
Date: 30th June 2018

NOTES:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out in the Notice and Secretarial Standard on General Meetings (SS-2), wherever applicable, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON BEHALF OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORMS SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
3. The Register of members and Share Transfer Books of the Company shall remain closed from 14th August 2018 to 21st August 2018 (both days inclusive)
4. A person can act as proxy on behalf of Members of not exceeding fifty (50) and holding in the aggregating not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the company carrying voting rights then such proxy shall not act as proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority as applicable.
5. Members desiring any information are requested to write to the Company at its Registered Office, 6-3-652/C/A, Flat 5A, Kautilya, Amrutha Estates, Somajiguda, Hyderabad - 500082 at least one week prior to the date of the Annual General Meeting to enable the Management to keep the information ready.
6. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. The annual report is available on Company's website www.bheemacements.in .The annual report has been sent to all the members. If any of the member who has not received the Annual Report can send a request to the Company at 6-3-652/C/A, Flat 5A, Kautilya Amrutha Estates, Somajiguda, Hyderabad - 500082.
8. Members/Beneficial Owners/Proxies should bring the attendance slips duly filled in for attending the meeting.
9. Members/Beneficial Owners are requested to bring Annual Report with them for the Annual General Meeting. No copies of Annual Report will be distributed at the meeting.
10. Brief details of the directors, who are being appointed / re-appointed, are annexed hereto as per the requirements of Regulation 36(3) of SEBI (LODR) Regulations, 2015.
11. The shares of the Company listed on BSE Limited but trading suspended.
12. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are **BIGSHARE SERVICES PRIVATE LIMITED** having their Registered Office at 306, Right Wing, Amrutha Ville, Opp: Yashoda Hospital, Somajiguda, Raj Bhavan Road, Hyderabad - 500082.
13. **VOTING THROUGH ELECTRONIC MEANS**
 - i. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (LODR) Regulations, 2015 the company is pleased to provide Members` facility to exercise their right to vote at the 37th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). It may be noted that using of this e-voting facility is optional.
 - ii. P. Surya Prakash, Whole Time Practicing Secretary, R&A Associates (ACS: 18803, C.P.No.11142) 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.
 - iii. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 14th August, 2018

- iv. 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, i.e. 14th August, 2018 only shall be entitled to avail the facility of remote e-voting and voting at AGM through polling paper.
- v. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 14th August, 2018, may obtain the User ID and password by writing to Bigshare at bsshyd1@bigshareonline.com or contact 040-40144582. However, if the person is already registered for remote evoting then the existing user ID and password can be used for casting vote.
- vi. The facility for voting through polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through polling paper.
- vii. The remote e-voting facility will be available during the following period:
COMMENCEMENT OF REMOTE E-VOTING : FROM 9.00 A.M. (IST) ON 18th August, 2018
END OF REMOTE E-VOTING : UP TO 5.00 P.M. (IST) ON 20th August, 2018
 The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting Module shall be disabled by CDSL upon expiry of aforesaid period.
- viii. The Scrutinizer, after scrutinizing the votes cast at the meeting through ballot first and thereafter through remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company. The results shall simultaneously be communicated to BSE Limited.
- ix. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 21st August, 2018.

INSTRUCTION FOR E-VOTING

- (i) The voting period begins on 18th August, 2018 at 9:00 AM (IST) and ends on 20th August, 2018 at 5:00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <BHEEMA CEMENTS LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to
- (xv) change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of

the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
14. All documents referred to in the accompanying notice and statement pursuant to Section 102(1) of the Companies Act 2013 will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 38thAGM of the Company.
15. The Companies Act, 2013 provides for the facility of nomination to the holders of Shares in a Company. Accordingly, members can avail the facility of nomination in respect of their shares held either singly or jointly. Members desiring to avail this facility are requested to fill up the prescribed nomination form and send the same to the Registered Office of the Company. (The forms are available at the Regd. Office of the Company).

By order of the Board
For BHEEMA CEMENTS LIMITED

Place: Hyderabad
Date: 30th June 2018

Sd/-
S.Chandra Mohan
Executive Chairman

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

The following Explanatory Statement sets out all the material facts relating to the Special Business under the accompanying Notice dated 30th June, 2018:

IN RESPECT TO ITEM NO. 4:

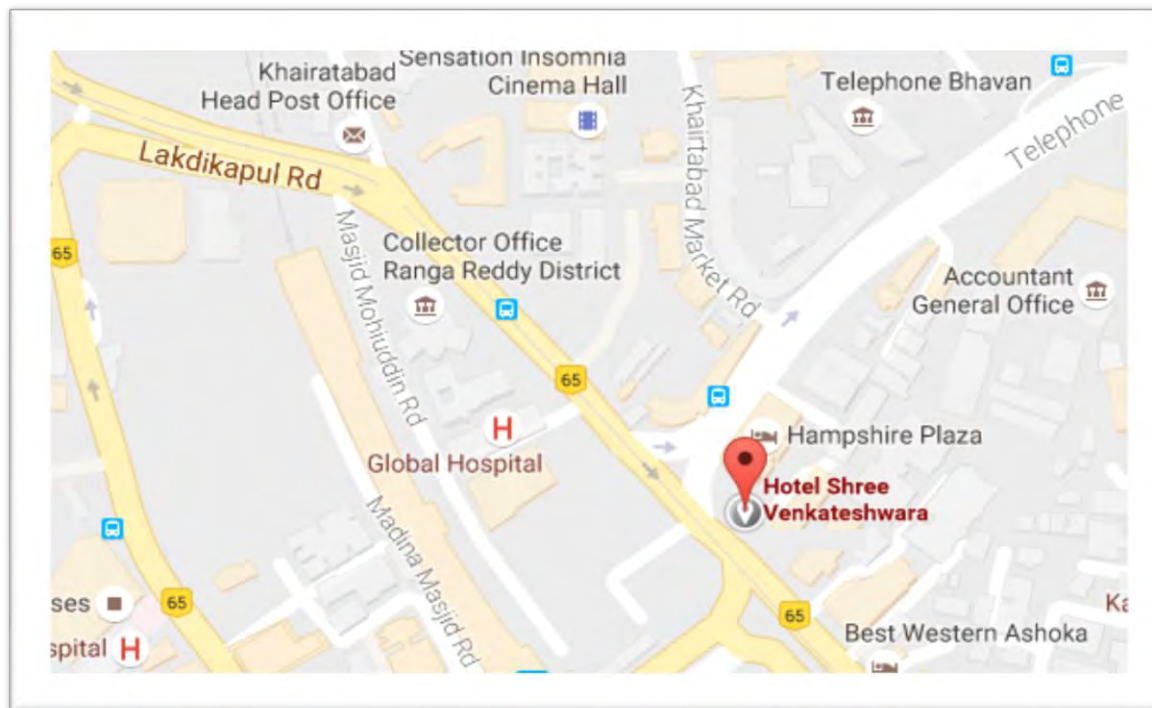
The Board, on the recommendation of the Audit Committee, has approved the re-appointment of M/s Asutosh Associates, Cost Accountants, as cost auditors at a remuneration of Rs. 30,000 /-(Rupees thirty thousand only) per annum plus out of pocket expenses, at actuals and applicable taxes, to conduct the audit of the cost records of the Company for the financial year 2017-18.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 4 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members

None of the Directors/Key Managerial Personnel of the Company and their relatives are, concerned or interested in the resolution set out at item No. 4 of the notice.

IN TERMS OF THE REQUIREMENTS OF THE SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF THE COMPANY SECRETARIES OF INDIA, ROUTE MAP FOR THE LOCATION OF THE VENUE OF THE 38TH ANNUAL GENERAL MEETING IS GIVEN BELOW:



Map Information:

Source/ Author: Google Maps

Copyright Date: 2018

Title of Map: Hotel Shree Venkateswara

Map Type: Street Map

URL: <https://goo.gl/maps/eVkXLuHnwjn>

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are presenting the 38th Annual Report together with the Audited Statement of Accounts of your Company for the year ended 31st March 2017

1. FINANCIAL RESULTS:

The Financial highlights for the year under review are given below:

(Rs. in lakhs)		
Particulars	FY 2016-17	FY 2015-16
Sales and Other Income	10.68	577.98
EBIDTA	-878.90	-149.05
Interest	152.71	148.30
Depreciation	0	0
Profit Before Tax	-878.90	-149.05
Provision for Tax*	0	0
Profit After Tax	-878.90	-149.05
Net Worth	77,16	85,95

2. OPERATIONS:

There were no plant operations and hence no production and sales were recorded. There were only expenditure incurred during this period for the up keeping of the plant & company as a whole.

3. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

As per the requirements Section 134(3) (I) of the Companies Act, 2013, we declare that, there are below significant material changes and commitments affecting financial position of the Company between 31st March, 2017 and the date of Board's Report.

- 1) Funds from Investors for the Revival of the company. The management is positive that the revival of the unit shall take place and that the Investor shall have to disburse the funds for financial restructuring and revival of plant operations.
- 2) There are ongoing legal cases between JMFARC and Bheema Cements Limited at DRT and NCLT.

4. CHANGE IN THE NATURE OF BUSINESS:

As per the requirements Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014, we want to declare that, there is no significant change in the nature of business of the Company during the last financial year.

5. SHARE CAPITAL AND CLASSIFICATION OF COMPANY:

The authorized capital of the Company as on 31st March, 2017 was Rs. 78,00,00,000/- divided into 4,20,00,000 equity shares of Rs.10/- each and 36,00,000 preferential shares of Rs. 100 each.

The Subscribed, Issued and Paid-up capital of the Company as on 31st March, 2017 was Rs.55,70,35,600/- divided into 5,57,03,560 equity shares of Rs. 10/- each.

6. DIVIDEND

Our directors express their inability to recommend any dividend for the financial year 2016-2017 due to no operation in the business.

7. FIXED DEPOSITS:

Your Company has not accepted/invited any deposits from the public for the year under review as per Section 73 of the Companies Act, 2013 and the rules made there under.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. RETIREMENT BY ROTATION:

Pursuant to provisions of the Companies Act, 2013, Sri S Chandra Mohan (DIN: 00974855) Director will retire at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his re-appointment.

B. APPOINTMENT:

- ☞ Sri S.Kishore Chandra* as the Managing Director of the Company
- ☞ Smt. Ameeta Trehan* as Additional director categorised as Independent Director cum Woman Director of the Company
- ☞ Sri Majeti Hari Sekhara Purna Prasad* as Additional director categorised as Independent Director of the Company.
- ☞ Sri S.Karthik Sarath Chandra* as the Whole time director designated as Joint Managing Director and Chief Executive Officer of the Company
- ☞ Sri Josyula Ramu as Whole Time Director of the Company**

**appointed by the Board of Director in its Meeting held on 26th May, 2016.*

*** appointed by the Board of Director in its Meeting held on 17th August 2017*

C. CESSATION:

- ☞ Sri Josyula Ramu has resigned as Whole Time Director of the Company w.e.f. 28th May 2018 citing personal reasons.

D. FAMILIARIZATION PROGRAM:

The Independent Director were inducted into the Board and attended an orientation program. Further at the time of appointment they were issued a formal letter of appointment, outlining their duty, responsibilities, role and functions.

E. EVALUATION OF THE BOARD'S PERFORMANCE:

As per provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015, The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual directors which includes criteria for performance evaluation of executive and non-executive director.

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

F. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, in terms of the provisions of Regulation 34 of the SEBI (LODR) Regulations, 2015, presented in a separate section forming part of the Annual Report. *Annexure I*

G. REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is attached to this report as *Annexure II*.

H. DECLARATION BY INDEPENDENT DIRECTORS:

In accordance with Section 149(7) of the Companies Act, 2013, each Independent Director has confirmed to the Company that he or she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015..

I. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) **THAT** in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) **THAT** the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) **THAT** the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) **THAT** the directors had prepared the annual accounts on a going concern basis;
- (e) **THAT** the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) **THAT** the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

J. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Board of Directors of the Company have adopted Whistle Blower Policy. This policy is formulated to provide an opportunity to employees to raise concerns and to access the Audit Committee in good faith, in case they observe unethical and improper practices or any other wrongful conduct in the Company, to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those employees.

There were no complaints received during the year 2016-17.

9. AUDITORS & AUDITORS' REPORT:

A. STATUTORY AUDITORS:

The shareholders at their 35th AGM held on 24th May 2016, approved the re-appointment of M/s. A.Ramachandra Rao & Co., Chartered Accountants, Hyderabad (Firm Registration No : 002857S), as statutory auditors of the Company, to hold office from the conclusion of the 35th AGM up to the conclusion of the 38thAGM.

Hence, the Audit Committee and the Board of Directors recommended the appointment of M/s Sastri & Shah, Chartered Accountants (FRN: 003642S) for a period of five years until the conclusion of 43rd AGM.

In terms of first proviso of Section 139 of the Companies Act, 2013, the appointment of the auditors is subject to approval/ratification by the shareholders at every AGM. Accordingly, the statutory auditors, M/s. Sastri & Shah, Chartered Accountants, have confirmed their eligibility under Section

141 of the Companies Act, 2013, Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

The Audit Committee and the Board of Directors recommend the appointment of M/s. A. Ramachandra Rao & Co., Chartered Accountants, as statutory auditors of the Company from the conclusion of the 35thAGM till the conclusion of the 38thAGM, subject to ratification by the shareholders.

The Statutory Auditors' Report contain the below qualifications:

The Statutory Audit report for the financial year 2016-17 is annexed herewith as *Annexure III* to this Report.

Management Replies

	<p>a) Note No. 25.II which explain the circumstances that lead to accumulated losses and the circumstances that are mitigating the same and the reasons based on which the accounts have been prepared on Going Concern Basis. In our opinion, the withdrawal of the sanction letter issued by the ARC will have an effect on the Going Concern Status of the Company. Notwithstanding the fact that the company has not been operating, has been incurring losses and has not been able to service its debts during the current year as well as during the previous year, the financial statements of the Company have been prepared on Going Concern Basis.</p> <p>Management Reply</p> <p>As the pre-conditions mentioned in the sanction letter of JMFARC issued on 11th March have not been fulfilled as they were untenable and also as there has been lapse of time, etc, the sanction letter was withdrawn. Hence, the company was searching for investors since then. In November 2016 there has been Demonetization announced by PM country wide and due to this the company lost 6 months valuable time. Finally in Nov 2017 Mr J Ramu (HNI) has joined the board to infuse the necessary capital to revive the unit and the company is very much confident that the revival of the company shall take place with required capital raised for One Time Settlement with the secured lenders at a low financial cost which can permit the cash flows.</p>
	<p>b) Note No. 25.III which explain the circumstances leading to non-provision of the interest on term loans. We are of the opinion that the interest on term loans should have been provided till the time a formal communication is received from the lender bank fixing the final liability agreed for settlement. Based on the information provided to us, the amount of such interest not provided in the accounts works out to Rs.4429 Lacs for the year and cumulatively Rs7870 Lacs.</p> <p>We are also of the opinion that the Company should have provided for the interest on the loans assigned to the ARC from the cut-off date as per the letter sanction till 31st March 2017 as per the terms and conditions provided in the sanction letter issued by ARC. The impact of non-provision of interest on the loans assigned to the ARC (based on the sanction letter issued by ARC) is that the loss for the year is understated by the above referred amount and the Liabilities are lower to that extent.</p> <p>Management Reply</p> <p>In view of assignment of Several Bank dues to the Asset Reconstruction Company and finalization of terms with the ARC resulting in restructuring of dues substantially lower than the dues, company considered appropriate not to provide interest. There also has been OTS proposal being discussed with JMFARC. Regarding Corp Bank dues the bank has agreed for settlement of dues substantially lower. However, any shortfall or excess will be accounted after the final settlement with the ARC & the bank.</p>
	<p>c) Further, in view of the fact that the sanction letter issued by the ARC in March 2016 stands withdrawn</p>

	<p><i>subsequent to the date of balance sheet, in our opinion, the total liabilities dues to various banks should have been restored to and accounted at the amounts originally due to such banks including interest not provided and interest and other liabilities reversed in earlier years. Further, in our opinion, the total amounts outstanding would be due immediately and hence they should have been classified as current liabilities. Based on information provided and explanations offered to us, such liabilities should have been accounted at Rs.38,699 lakhs instead of Rs.20,758 lakhs. As a result the loss of the company is understated by Rs.17,941 (previous year Rs.14,421) and the liabilities have been understated on this account by Rs.17,941 (previous year Rs.14,421).</i></p> <p>Management Reply</p> <p>Even though the sanction letter has been withdrawn by JMFARC, there has been no schedule of payment given by JMFARC, also during the past 2 years there were several instances of discussions of revival via raising working capital through banks, JMFARC providing additional loan by way of 3rd party collateral, etc. Hence, the payment to be made to JMFARC should not be classified as immediately due. Also, there have been several discussions on OTS with secured lenders and that the amount payable to them would be substantially lower. There is no default by the company with regard to dues payable to JMFARC as there is no payment schedule. Management is not agreeing with emphasis by statutory auditors in their report that there is default.</p>
	<p>Note No.25.IV <i>which explains the circumstances in which the Deferred Tax Liability has not been provided for the current financial year and the reversal of provision for earlier years during the previous financial year. In the absence of adequate information we are not able to quantify the effect of such non provision for the current year but the accumulated losses have been understated till the previous financial year by an amount of Rs.395.09 lakhs and the liabilities had been understated by that amount due to reversal of provision for earlier years during the previous financial years.</i></p> <p>Management Reply</p> <p>As there have been no operations of the company during the past 3 years, the management is of the opinion that the deferred tax liability should not be provided for the years FY14-15, FY15-16 & FY16-17. Hence, the deferred tax liability provided in the FY 14-15 has been reversed in the FY15-16.</p>
	<p>d) <i>Note No.25.V which explains the circumstances in which the liabilities towards power bills amounting to Rs. 381.55 Lacs, for the period April 2014 to September 2014, have been reversed during previous financial year based on a representation made to the South Power Distribution Company of Telangana Limited (DISCOM). We are of the opinion that the reversal of provision should have been done based only on a communication from the DISCOM about the withdrawal of such charges. The impact of the reversal of power charges of the previous year is that the loss the current year is Nil (previous year lower by Rs. 381.55 Lacs) and the liabilities are understated by an equal amount.</i></p> <p>Management Reply</p> <p>The DISCOM has billed M/s Bheema Cements Ltd for an excess amount of Rs 381.55 lacs in the form of MD, CMD charges & Penalties even after the plant shutdown from March 4th 2014 till September 2014. BCL management has submitted the proposal to Industries Dept, Government of Telangana for wavier of these charges as the plant has been shutdown. The company is still negotiating with DISCOM and expected to get a positive resolution.</p>
	<p>Note No. 25.VI <i>which explains the circumstances in which the salaries for the current year are provided at less than contracted values. We are of the opinion that the provision of salaries at less than contracted values is based on management's perception only and not on any agreement with the concerned parties and hence the salaries should have been provided at full as per the contracted values. Based on information provided to us, the amount not so provided is Rs. 174.20 Lacs (Previous Year Rs 253.30 lacs) and the liabilities</i></p>

	<p><i>are understated by an equal amount.</i></p> <p>Management Reply As there were no plant operations during the past 4 years, the management is of the opinion for the year FY16-17, only the basic salaries & other statutory provisions to be accounted as part of salaries & wages. After the complete revival of the company, the management shall consider for making provision for balance salary & wages.</p>
	<p>e) Note No. 25.VIII which explains the reasons for non-provision of depreciation during the year. We are of the opinion that though the Company did not carry operations during the year, depreciation should have been provided due to efflux of time. Non-provision of depreciation has resulted in understatement of expenditure by Rs.1,225.33 lakhs (previous year Rs. 1,442.90 lakhs) and overstatement of fixed assets by an equivalent amount.</p> <p>Management Reply As it is new machinery and as there was no physical deterioration of the Plant & Machinery due to efflux of time and as there were no operations, hence depreciation was not provided.</p>
	<p>f) Note No.25 XIX regarding non-provision of gratuity and provision for leave encashment, the impact of which is not ascertainable in the absence of adequate information.</p> <p>Management Reply After the plant operations are revived, provision for gratuity and leave encashment shall be made. At present it is not ascertainable for want of details.</p>
	<p>g) Note No.25.VII which explains that the balances of Sundry Debtors, Sundry Creditors, Loans including deposits and advances are subject to confirmation from and reconciliation with the relevant parties as on the date of balance sheet date. We are not in a position to certify the amounts at which such balances are receivables and payable.</p> <p>Management Reply The various balances of Sundry Debtors, Creditors & loans are mostly carry forwarded entries from FY13-14 as the plant was not operational since then. For the revival of the unit after FY13-14, the various funds have been raised since then and these balances would be confirmed in FY 17-18 audit.</p>
	<p>h) We invite attention to Note No. XXI of the financial statements which stipulate that the company has disposed of used assets which are under charge during the year. This may have impact on the contractual obligations of the Company with Banks and other secured lenders.</p> <p>Management Reply The scrap material was sold which was not part of the main manufacturing line (after expansion) and these funds were utilized for payment of salaries, diesel for DG set etc.</p>

B. SECRETARIAL AUDITOR:

The Company has appointed P.Surya Prakash, R&A Associates as Secretarial Auditor. The Secretarial Audit Report (SAR) for the financial year 2016-17 is annexed herewith as *Annexure IV* to this Report.

The board took note of the qualifications in the SAR. The board is reforming the existing internal control systems and compliance team of the company in order to ensure foremost compliance of the applicable rules, law and regulations applicable to the company. Management is taking necessary steps to regularize the violations including filing of application with BSE Ltd for revocation of suspension of trading.

C. COSTAUDITORS:

The Board of Directors on the recommendation of the Audit Committee, appointed M/s Asutosh &

Associates, as the Cost Auditors of the Company for the Financial Year 2017-18 under section 148 of the Companies Act, 2013. M/s Asutosh and Associates have confirmed that their appointment is within the limits of section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Companies Act, 2013.

10. TRANSFER TO RESERVES:

The Company is not required to transfer any amount to the General Reserve.

11. HUMAN RESOURCES :

The Company has suspended the operations with effect from March 2014 and in view of the long period of suspension of operations there has been higher attrition of human resources.

12. CORPORATE GOVERNANCE:

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with Corporate Governance is annexed to the Report on Corporate Governance.

The Company has complied with the requirements about code of conduct for Board members and Senior Management Personnel.

Pursuant to Schedule V of SEBI (LODR) Regulations, 2015 the declaration signed by the Managing Director affirming compliance of the Code of Conduct by the Directors and Senior Management personnel of the Company for the financial year 2016-17 is annexed and forms part of the Corporate Governance Report *Annexure V*.

13. CORPORATE SOCIAL RESPONSIBILITY :

The Company was not required to constitute a CSR Committee as the Company has not met any of the thresholds mentioned in Section 135 of the Companies Act, 2013 during the financial year under review. Hence reporting about policy on Corporate Social Responsibility and the initiatives taken are not applicable to the Company. Company is running a School at the factory premises for 250 students.

14. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is enclosed herewith in separate section *Annexure - VI*.

No employee was in receipt of remuneration exceeding Rs. 1,02,00,000/- or more per annum or Rs. 8,50,000/- or more per month as the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence the disclosure as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required.

15. RELATED PARTY TRANSACTIONS :

The company has provided for remuneration to the Chairman, Managing Director, and Whole Time Director among the key management personnel of Rs.24.00 Lacs each as approved by members and Ex MD remuneration Rs. 3.48 Lacs (Previous Year of Rs. 9.60 Lacs each) respectively. In addition, the Company has provided Rs.5.05 Lacs (Previous Year Rs.0.72 Lacs) as Directors Sitting fee to all the Directors.

Further, the Company has provided for remuneration during the year was Rs 6 Lacs to one relatives of Key Management Personnel.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not made any loan, given guarantee, provided security or made investments pursuant to the provisions of Section 186 of Companies Act, 2013 other than the normal course of business.

17. DISCLOSURES:

A. EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company is annexed herewith as *Annexure IX* to this Report.

B. COMPOSITION OF AUDIT COMMITTEE:

The Audit Committee comprises Sri K. R. Chari (Chairman), Sri S.V. Reddy and Sri S. Chandra Mohan as members until May 2016.

From May 2016 onwards, It was re-constituted by Sri M H S P Prasad (Chairman), Smt Ameeta Trehan and Sri S. Chandra Mohan as members.

All the recommendations made by the Audit Committee were accepted by the Board.

C. NUMBER OF BOARD MEETINGS:

The Board of Directors of the Company met 9 (Nine) times during the year. For further details, please refer report on Corporate Governance.

D. LISTING OF SHARES:

The equity share of the Company is listed with Bombay Stock Exchange (BSE). Listing fees was paid for the financial year 2016-17. Share Trading is suspended. The company with the financial support of JMFARC is in the process of completion of revocation of suspension of the shares in BSE.

On September 2, 2015, Securities & Exchange Board of India issued SEBI (LODR), Regulations 2015 streamlining the provisions of the Listing Agreement for different segments of Capital markets to ensure better enforcement, hence enforcing the Companies to enter into fresh Listing Agreement with the stock exchanges where the shares are listed.

18. RISK MANAGEMENT:

The Board of your company has formulated a risk management policy in connection with the risk that the organization faces in its day to day business such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory etc.

The board reviews the policy in regular interval.

19. FRAUD REPORTING:

Pursuant to Companies Amendment Bill, 2014 there was no case of fraud that has been reported to the Audit Committee or Board during the year.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, is not applicable since there is no such activity at present being pursued by the Company.
Annexure X

21. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. The Company has no subsidiaries, joint ventures or associate companies.
- b. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- c. The Company has in place adequate internal financial controls with reference to financial statements. These controls ensure the accuracy and completeness of the accounting records and preparation of reliable financial statements.

22. POLICY ON SEXUAL HARASSMENT:

There were no complaints/cases pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

23. ACKNOWLEDGEMENTS :

Your Directors wish to take this opportunity to express their grateful appreciation and deep sense of gratitude to secured lenders & various Departments of Central and State Governments and Statutory Auditors, Cost Auditors, & Consultants for their valuable guidance and co-operation extended during the year and look forward to their continued support in future. Your Directors would like to thank all the Share Holders, Vendors, Dealers and Consumers for the confidence reposed in the Company and its management.

Your Directors wish to place on record the deep sense of appreciation of the devoted services rendered by the Executives, Staff and Workers of the Company at all levels.

For and on behalf of the Board
of BHEEMA CEMENTS LIMITED

Sd/-

S. Chandra Mohan
Executive Chairman

Place: Hyderabad
Date: 30th June 2018

ANNEXURE - I

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments:

Cement is indispensable for nation building and has a direct linkage with the nation's health and growth. The Indian economy has certainly performed creditably compared to most developed and emerging markets of the world in the past year. With a current production capacity of around 366 million tonnes (MT), India is the second largest producer of cement in the world and fueled by growth in the infrastructure sector, the capacity is expected to increase. Even as the economy has made progress, this has yet to show a positive impact on significant demand revival and improved corporate earnings.

Overview & Operations of the Company:

Your Company is primarily engaged in manufacture and sale of Cement including Ordinary Portland Cement and Portland Pozzolana Cement. In the domestic market the company operates through a network of dealers and agents for sale of its products. Its major markets include Telangana, Andhra Pradesh, Tamilnadu, Orissa, Kerala, Chhattisgarh, Karnataka, Pondicherry, Andaman & Nicobar and other nearby states. The word "BHEEMA" has captured a sizeable market place in the country.

Opportunities and Threats:

Cement consumption and demand in India has been growing during the last few years due to

Government's continuous thrust on infrastructure development. Increase in construction activities of buildings for housing, institutions, and factories; and infrastructure development is key to drive the growth in demand for cement and construction materials. The construction activities are bound to pick up the pace based on the government focus on "Industrial Corridors" and "Industrial Townships" etc., New capital city in A.P, Polavaram Dam Project & Satellite cities across India which will lead to increased infrastructure development activities – New Express highways, new projects in private sector like IT.

The threats of the Industry arise from rising input costs, restricted availability of coal from domestic market, restricted wagon availability and increase in logistics costs due to increase in fuel cost and railway freight.

Future Outlook:

While the Government's commitment of fiscal conservatism and higher expenditure on salaries on account of Pay Commission may likely to have an impact on capital expenditure, it is also expected to lead to demand generation. India has to remain competitive and be able to pass on the benefits to its domestic audience for inclusive and sustained growth. The Government's focus on infrastructure and 'Make in India' are well-placed and the planned expenditure/initiatives will surely benefit the cement industry. Investments in education, training, manufacturing and infrastructure are the need of the hour. We expect much of this incremental demand to come from Government-backed projects. Concretization of roads, dedicated freight corridors, development of Smart Cities, Metro Rail projects, construction of toilets under 'Swachh Bharat Abhiyan' are major thrust areas which can drive cement consumption. Given the enormous need for infrastructure and housing, which require large quantities of cement as a basic building material, the prospect of industry over the medium term is bright. Consistent increase in demand should absorb the excess supply and also improve the utilization of the industry.

Risks and Concerns:

Risk management has always been an integral part of the corporate strategy which complements the organizational capabilities with business opportunities, robust planning and execution. The market conditions, the selling price has picked up nicely during the year under review and at present the price has come down by a margin. The series of recent increase in interest rates, fuel prices and key raw materials are the major constraining factors for increase in demand and have significant impact on the profitability margins of the industry. The threats of the Industry arise from rising input costs, restricted availability of coal from domestic market, restricted wagon availability and increase in logistics costs due to increase in fuel cost and railway freight.

Internal Control Systems and their adequacy:

The Company has adequate system of Internal Financial Controls in place. It had adopted policies and procedures regarding financial and operating functions for ensuring the orderly and efficient conduct of its business including adherence to Company's assets, prevention & detection of frauds and errors and timely preparation of reliable financial information

Cautionary Statement:

Statement in this "Management Discussion & Analysis" may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations including global and Indian demand and supply conditions, increased installed capacities, finished goods prices, raw materials supply and availability and their prices, cyclical demand and pricing in the company's markets, changes in Government regulations, tax regimes, besides other factors such as litigations and labor negotiations.

REMUNERATION POLICY

1. INTRODUCTION:

Bheema Cements Limited (BCL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. SCOPE AND EXCLUSION:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. TERMS AND REFERENCES:

In this Policy, the following terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Key Managerial Personnel**” means:

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Company secretary;
- (iii) the Whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

“**Nomination and Remuneration Committee**” means the committee constituted by BCL Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

4. POLICY:

A. Criteria for Appointment of Non-Executive Directors & Independent Directors

- a) The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.
- b) In case of appointment of Independent Directors, the Nomination & Remuneration (N&R) Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c) The N&R committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act 2013.
- d) In case of re-appointment of Non-Executive Directors & Independent Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration of Non-Executive Directors & Independent Directors

- i. A Non-Executive Director & Independent Director shall be entitled to receive sitting fees, travelling expenses and incidental expenses for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 including any amendment or modification thereto as may be in force;
- ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

B. Criteria for Appointment of Executive Directors and Key Managerial Personnel (KMP)

For the purpose of appointment of any Executive Director and Key Managerial Personnel (KMP), the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee shall also ensure that the incumbent fulfils such other criteria as laid down under the Companies Act, 2013 read with Rules made there under or other applicable laws.

Remuneration of Executive Directors & KMP

- i. The Board, on the recommendation of the Nomination and Remuneration (N&R) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits prescribed under Companies Act, 2013 including any statutory modification or amendment thereto as may be in force, subject to approval by the shareholders in General Meeting.
- ii. The Board, on the recommendation of the N&R Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- iii. The remuneration of the Executive Directors and KMP may be broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.

C. Remuneration to Other Employees:

- i. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.
- ii. The remuneration may be divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus.

Independent Auditor's Report

To
**The Members of
Bheema Cements Limited.**

Report on the Financial Statements

We have audited the accompanying financial statements of Bheema Cements Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the 'financial statements').

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for qualified opinion

We draw attention to

- i) **Note No. 25.II** which explain the circumstances that lead to accumulated losses and the circumstances that are mitigating the same and the reasons based on which the accounts have been prepared on Going Concern Basis. In our opinion, the withdrawal of the sanction letter issued by the ARC will have an effect on the Going Concern Status of the Company. Notwithstanding the fact that the company has not been operating, has been incurring losses and has not been able to service its debts during the current year as well as during the previous year, the financial statements of the Company have been prepared on Going Concern Basis.
- j) **Note No. 25.III** which explain the circumstances leading to non-provision of the interest on term loans. We are of the opinion that the interest on term loans should have been provided till the time a formal communication is received from the lender bank fixing the final liability agreed for settlement. Based on the information provided to us, the amount of such interest not provided in the accounts works out to Rs.4429 Lacs for the year and cumulatively Rs7870Lacs.

We are also of the opinion that the Company should have provided for the interest on the loans assigned to the ARC from the cut-off date as per the letter sanction till 31st March 2017 as per the terms and conditions provided in the sanction letter issued by ARC. The impact of non-provision of interest on the loans assigned to the ARC (based on the sanction letter issued by ARC) is that the loss for the year is understated by the above referred amount and the Liabilities are lower to that extent.

- k) Further, in view of the fact that the sanction letter issued by the ARC in March 2016 stands withdrawn subsequent to the date of balance sheet, in our opinion, the total liabilities dues to various banks should have been restored to and accounted at the amounts originally due to such banks including interest not provided and interest and other liabilities reversed in earlier years. Further, in our opinion, the total amounts outstanding would be due immediately and hence they should have been classified as current liabilities. Based on information provided and explanations offered to us, such liabilities should have been accounted at Rs.38,699 lakhs instead of Rs.20,758 lakhs. As a result the loss of the company is understated by Rs.17,941 (previous year Rs.14,421) and the liabilities have been understated on this account by Rs.17,941 (previous year Rs.14,421).
- l) **Note No.25.IV** which explains the circumstances in which the Deferred Tax Liability has not been provided for the current financial year and the reversal of provision for earlier years during the previous financial year. In the absence of adequate information we are not able to quantify the effect of such non provision for the current year but the accumulated losses have been understated till the previous financial year by an amount of Rs.395.09 lakhs and the liabilities had been understated by that amount due to reversal of provision for earlier years during the previous financial years.
- m) **Note No.25.V** which explains the circumstances in which the liabilities towards power bills amounting to Rs. 381.55 Lacs, for the period April 2014 to September 2014, have been reversed during previous financial year based on a representation made to the South Power Distribution Company of Telangana Limited (DISCOM). We are of the opinion that the reversal of provision should have been done based only on a communication from the DISCOM about the withdrawal of such charges. The impact of the reversal of power charges of the previous year is that the loss the current year is Nil (previous year lower by Rs. 381.55 Lacs) and the liabilities are understated by an equal amount.

- n) **Note No. 25.VI** which explains the circumstances in which the salaries for the current year are provided at less than contracted values. We are of the opinion that the provision of salaries at less than contracted values is based on management's perception only and not on any agreement with the concerned parties and hence the salaries should have been provided at full as per the contracted values. Based on information provided to us, the amount not so provided is Rs. 174.20 Lacs (Previous Year Rs 253.30 lacs) and the liabilities are understated by an equal amount.
- o) **Note No. 25.VIII** which explains the reasons for non-provision of depreciation during the year. We are of the opinion that though the Company did not carry operations during the year, depreciation should have been provided due to efflux of time. Non-provision of depreciation has resulted in understatement of expenditure by Rs.1,225.33 lakhs (previous year Rs. 1,442.90 lakhs) and overstatement of fixed assets by an equivalent amount.
- p) **Note No.25 XIX** regarding non-provision of gratuity and provision for leave encashment, the impact of which is not ascertainable in the absence of adequate information.
- q) **Note No.25.VII** which explains that the balances of Sundry Debtors, Sundry Creditors, Loans including deposits and advances are subject to confirmation from and reconciliation with the relevant parties as on the date of balance sheet date. We are not in a position to certify the amounts at which such balances are receivables and payable.
- r) We invite attention to Note No. XXI of the financial statements which stipulate that the company has disposed of used assets which are under charge during the year. This may have impact on the contractual obligations of the Company with Banks and other secured lenders.

Qualified Opinion

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

- (a) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2017;*
- (b) in the case of the statement of profit and loss, of the loss for the year ended on that date; and*
- (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.*

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 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 statement on the matters specified in paragraphs 3 and 4 of the Order.

Report on other Legal and Regulatory Requirements

2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) As required under Section 143(3)(i) we annex our report on the Internal Financial Controls over Financial Reporting
- f) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our information and according to the best of information provided and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement as referred to in Note 25.I to the financial statements;
 - ii. Based on the information provided to us, The Company has not entered into any derivative contracts.
 - iii. No amount is outstanding to be transferred to the Investor Education and Protection Fund as on the date of balance sheet.

Place: Hyderabad
Date: 06/11/2017

For A.Ramachandra Rao & Co
Chartered Accountants
ICAI FRN:002857S

Sd/-
(P.S.R.V.V.Surya Rao)
Partner
Membership No.: 202367

ANNEXURE TO THE AUDITORS' REPORT
(Ref. Bheema Cements Limited)
(Of even date referred to in Para 1 of our Standalone Financial Statements Report)

- (i) In respect of its fixed assets:
 - a) Based on the information provided explanations offered to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information

- b) As explained to us, the physical verification of fixed assets could not be carried out during the year, as the factory and operations of the Company have been suspended since March 2014. Based on the information provided and explanations offered to us, the Company has maintained proper records of fixed assets and we are not in a position to comment whether any material discrepancies noticed as the verification could not be taken up during the year. We have been explained that the physical verification will be taken up afresh after resumption of operations and thereupon the effect, if needed, for any material discrepancies will be given in the books of account;
- c) According to the information provided to us and explanations offered to us, as the title deeds of the immovable properties are in the custody of the ARC (JM Financial Asset Reconstruction Company Private Limited) on the takeover of the dues from the Banks and we are unable to verify the same, as the same could not be made available to us.
- (ii) As explained to us, physical verification of inventories could not be carried out during the year, as the factory and operations of the company have been suspended since March, 2014. Based on the information provided and explanations offered to us, the Company has maintained proper records of inventories and we are not in a position to comment whether any material discrepancies noticed as the verification could not be taken up during the year. We have been explained that the physical verification will be taken up afresh after resumption of operations and thereupon the effect, if needed, for any material discrepancies will be given in the books of account;
- (iii) Based on the information and explanations provided to us, the company has not granted unsecured loans, to the companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained u/s Sec. 189 of the Companies Act, 2013 and hence clauses 3(iii) (a) (b) and (c) are not applicable to the Company for the year.
- (iv) Based on the information and explanations provided to us, the Company has not granted / taken loans, investments, guarantees, nor offered security / taken security from parties covered under Section 185 and 186 of the Companies Act, 2013 and hence clauses 3(iv) is not applicable to the Company for the year.
- (v) Based on the information and explanations provided to us, the Company has not accepted deposits from the public during the year and hence, in our opinion, clause 3(v) of the Order is not applicable to the Company for the year.
- (vi) The Central Government has prescribed the maintenance of Cost Records under the Companies (Cost Records and Audit) Rules, 2014 under Section 148(1)(d) of the Companies Act, 2013 and the since the operations of the company have been suspended for more than two years, we are unable to verify whether the cost records as prescribed have been have been maintained by the Company.
- (vii) In respect of statutory dues:
- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, VAT, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise and other statutory dues have not been regularly deposited with the appropriate authorities. According to the information provided and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as of March 31, 2016 for a period of more than six months from the date of they becoming payable except to the extent shown below:

Sl No	Name of the Statute	Nature of Dues	Amount - Rs	Period to which it relates
1	Central Excise Act	Excise Duty	2,60,20,374	March 2013 and April 2013
2	Central Excise Act	Service Tax	90,00,493	From 1.4.2013 onwards
3	Income Tax Act	TDS	19,640,686	1/4/2013 to 31/3/2017
4	EPF Act	Provident Fund	20,595,101	oct-13 to 31-03-2017
5	Professional Tax Act	Professional Tax	858,550	1/12/2013 to 31/3/2017
6	ESI Act	ESI	1,226,263	November 2013 to March 2017
7	Mines & Mineral Development Act	Royalty on Limestone	4,63,12,194	01/08/2012 to 31/3/2017
8	APVAT Act	VAT	15,93,09,830	01/08/2012 to 31/3/2017
9	Central Sales Tax Act	CST	2,37,10,534	01/08/2012 to 31/3/2017
10	Karnataka VAT Act	VAT	2,68,925	01/08/2012 to 31/3/2017
11	Maharashtra VAT Act	VAT	14,77,845	01/08/2012 to 31/3/2017
12	Orissa VAT Act	VAT	1,17,487	01/08/2012 to 31/3/2017

(c) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, VAT which have not been deposited as on 31st March 2016 on account of disputes are as given below:

Sl No	Name of the Statute	Nature of Dues	Amount - Rs	Period to which it relates	Forum where the dispute is pending
1	Central Excise Act	Excise Duty	4,12,88,113/-	04/06 to 9/10	CESTAT Bangalore
2	Customs Act	Customs Duty	50,48,700/-	17-3-12 to 28-02-13	Commissioner, C&CE Guntur
3	Income Tax Act	Income Tax	31,56,000	AY 1994-95	Hon'ble High Court of Andhra Pradesh

(viii) Based on the information provided and explanation given to us, we are of the opinion that the Company has defaulted in repayment of dues to Banks or Financial Institutions as per details given below:

Name of the Bank	Principal Due - Rs Lacs	Due Period
Term Loan Capacity Expansion		
JMFARC - ICICI Bank	946.05	QE Sept'13, QE Dec'13, QE Mar'14, and FY 2014-15 & 2015-16 & 2016-17
JMFARC - State Bank of Hyderabad	1199.56	QE Jun'13, QE Sept'13, QE Dec'13, QE Mar'14 and FY 2014-15 & 2015-16 & 2016-17
JMFARC - United Bank of India	943.92	
Total	3089.53	
Additional Term Loans		
Corporation Bank	146.30	QE Dec'13, QE Mar'14, FY 2014-15 & 2015-16 & 2016-17
JMFARC - ICICI Bank	153.75	QE Sept'13, QE Dec'13, QE Mar'14, and FY 2014-15 & 2015-16 & 2016-17
JMFARC - Oriental Bank of Commerce	22.42	QE Dec'13, QE Mar'14, FY 2014-15 & 2015-16 & 2016-17
JMFARC - State Bank of Hyderabad	248.03	QE Jun'13, QE Sept'13, QE Dec'13, QE Mar'14 and FY 2014-15 & 2015-16 & 2016-17
JMFARC - United Bank of India	204.80	
Total	775.30	
Grand Total	3864.83	

- (ix) Based on the information provided and explanations offered to us, the Company has not raised monies by way of Initial Public Offer or Further Public Offer, including debt instruments, during the current year. However, the term loans due to the Banks were assigned to an ARC during the previous financial year, which is only a substitution of debt, and in our opinion the same does not amount to raising of any money by way of term loans and accordingly clause 3(ix) of the Order is not applicable to the Company for the year.
- (x) Based on the information provided and explanations offered to us, in our opinion, no material fraud on or by the Company by its Officers or employees has been noticed or reported during the year.
- (xi) Based on the information provided and explanations offered to us, in our opinion the Company has provided for managerial remuneration in accordance with provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.
- (xii) Based on the information provided and explanations offered to us, the Company is not Nidhi Company in terms of the Nidhi Rules, 2014 and hence clause 3(xii) of the Order is not applicable to the Company for the year.
- (xiii) Based on the information provided and explanations offered to us, the transactions with related parties are in compliance of Section 177 and 188 of the Companies Act, 2013 wherever applicable and the disclosures required under the relevant Accounting Standards have been made in the Financial Statements.
- (xiv) Based on the information provided and explanations offered to us, the Company has not made any preferential allotment / private placement of shares or fully / partly convertible debentures during the year under review and hence clause 3(xiv) of the Order is not applicable to the Company for the year.
- (xv) Based on the information provided and explanations offered to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the period under review and hence clause No. 3(xv) of the Order is not applicable to the Company for the year.
- (xvi) Based on the information provided and explanations offered to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence clause 3 (xvi) of the Order is not applicable to the Company for the year.

Place: Hyderabad
Date: 06/11/2017

For A.Ramachandra Rao & Co
Chartered Accountants
ICAI FRN:002857S

Sd/-
(P.S.R.V.V.Surya Rao)
Partner
Membership No.: 202367

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE
ON THE FINANCIAL STATEMENTS OF
Bheema Cements Limited
(Refer Para 2.2 (e)of our report of even date)**

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

We have audited the internal financial controls over financial reporting of M/sBheema Cements Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Unit for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Unit's management is responsible for establishing and maintaining internal financial controls based on, the internal control over financial reporting criteria established by the Unit considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Unit'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 Unit's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Unit's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Unit's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A Unit'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 Unit;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Unit are being made only in accordance with authorisations of management and directors of the Unit; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Unit's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis of Qualified Opinion

According to the information provided to us and explanations offered to us, the Company has suspended operations since March 2014 and most of the employees have left the company. The Company is running skeletal operations ever since. In view of this the Company did not have an appropriate internal control system in the financial reporting because of which the operations were conducted without following established processes / procedures

A material weakness is a deficiency or a combination of deficiencies, in internal Financial Control over financial reporting such that is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matters described in the basis for qualified opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017.

Place: Hyderabad

Date: 06/11/2017

For A.Ramachandra Rao & Co

Chartered Accountants

ICAI FRN:002857S

Sd/-

(P.S.R.V.V.Surya Rao)

Partner

Membership No.: 202367

SECRETARIAL AUDIT REPORT**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017.

[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
 Bheema Cements Limited,
 6-3-652/C/A, FLAT 5A,
 Kautilya, Amrutha Estates, Somajiguda,
 Hyderabad-500082, Telangana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Bheema Cements Limited (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment; **(Not applicable to the Company during the Audit Period);**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)(with effect from 1st December, 2015)
- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; **(Not applicable to the Company during the Audit Period);**
- g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- h) 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; **(Not applicable to the Company during the Audit Period);**
- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period).**

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- a) *The Company has not convened any meeting of Independent Directors exclusively during the financial year 2016-17 as required under Section 149 of the Companies Act, 2013 read with Schedule IV (Code for Independent Directors).*
- b) *Company has not appointed any Internal Auditor for the Company as required under provisions of Section 138 of the Companies Act, 2013.*
- c) *As per the provisions of Section 178 of the Companies Act, 2013 Nomination and Remuneration Committee shall consist of 3 or more Non - executive Directors out of which not less than one - half shall be independent Directors. However, the composition of the committee is not as per the requirement of the provisions.*
- d) *The Company has failed to appoint a Company Secretary (CS) and Chief Financial Officer (CFO) as required under Section 203 of the Companies Act, 2013.*
- e) *The Company has not filed Balance sheet with Registrar of Companies (ROC) in e-form AOC-4 [XBRL] for financial year 2015-16 pursuant to Section 137 of the Companies Act, 2013.*
- f) *The Company has not filed e-form MR-1 for the appointment of Key Managerial Personal pursuant to Section 196 read with Section 197 of the Companies Act, 2013.*

The Company has failed to comply with the requirements under SEBI (LODR) Regulations, 2015 during the reporting period out of which major non-compliances are as follows: -

- *Regulation 7 (3)- The Company has not submitted Compliance Certificate certifying maintaining physical & electronic transfer facility for the half year ended 30th September, 2016 and submitted for the half year ended 31st March, 2017 with delay for the period under review.*
- *Regulation 13 (3) – The Company not submitted Statement of Investor complaints for the first two quarters of the financial year and submitted for the third and fourth quarter with delay for the period under review.*
- *Regulation 19: The Company has failed to comply with the requirements of the clause for constitution of Nomination and Remuneration Committee shall comprise of all non-executive Directors.*
- *Regulation 27 (2) - The Company not submitted Corporate Governance Report for the first two quarters of the financial year and submitted for the third and fourth quarter with delay for the period under review.*
- *Regulation 29 – The Company has not submitted advance notice of the Board Meeting dates to the stock exchange in which certain important business matters were considered during the period under review.*
- *Regulation 31 - The Company not submitted Shareholding Pattern for the first two quarters of the financial year and submitted for the third and fourth quarter with delay for the period under review.*
- *Regulation 33 – The Company has not submitted financial results for all four quarters during the period under review.*
- *Regulation 40(9) – The Company has not submitted Certificate from a practicing Company Secretary for the half year ended 30th September, 2016 and submitted via e-mail to stock exchange for the quarter ending 31st March, 2017 with delay for the period under review.*
- *Regulation 30- The Company has not submitted outcome of the Board meetings in which certain important decisions were made.*

g) The Company has failed to comply with the requirement under Depositories Act, 1996 during the reporting period as follows:

- *Regulation 55A: The Company has not submitted Reconciliation of Share Capital Audit Report for the quarter ended 30th June, 2016 and 30th September, 2016 and submitted for the*

quarter ended 31st December, 2016 and 31st March, 2017 with delay for the period under review.

- h) The Company has failed to comply with the requirements under The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with respect to the Regulation 29(1) and 29(2) for acquisition of shares during the reporting period.*

The Board of Directors of the Company is not duly constituted with proper balance of executive and non-executive directors as required in compliance with the provisions of the Act.

Notice was given to Directors to schedule the Board Meeting. Agenda and detailed notes on agenda were sent and the system for seeking and obtaining further information need's improvement.

We further report that there are no 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 as there are no operations in the Company.

Trading of shares suspended with BSE Limited due to non-compliances of certain clauses of the Listing Agreement with effect from 1st December, 2014.

Place : Hyderabad
Date : 30th June, 2018

For R & A Associates

Sd/-
(G Raghu Babu)
Partner
FCS.No.# 4448, C.P. # 2820

“Annexure – A”

To,

The Members
Bheema Cements Limited,
6-3-652/C/A, FLAT 5A,
Kautilya, Amrutha Estates, Somajiguda,
Hyderabad-500082, Telangana

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

1. Maintenance of secretarial records is the responsibility of the management of Bheema Cements Limited, (**“the Company”**). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. With regards to various submission(s) of information / document and compliance thereof made by the company with the stock exchanges, the reporting of compliance was made based upon the information / documents available. However, some of the information and documents were not available for verification.

Place : Hyderabad
Date : 30th June, 2018

For R & A Associates

Sd/-
(G Raghu Babu)
Partner
FCS.No.# 4448, C.P. # 2820

ANNEXURE - V

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) read with schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"), the Company submits the Corporate Governance Report for the year ended 31st March 2017

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Bheema Cements Limited's (BCL) philosophy on Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The Company tries to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

BCL is committed to learn and adopt the best practices of Corporate Governance.

2. BOARD OF DIRECTORS:

The Board of Directors along with the Committees of the Board, provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company. The Board of the Company is represented by well- known people from different walks of life. They are reputed and successful professionals, businessmen having expert knowledge of finance and industry.

They are well recognized in the society for their contributions and achievements in their respective fields of expertise.

a) Composition:

As on 31st March 2017, the Board of the Company consisted of five directors, of whom three were executive (Chairman, Managing Director and Whole Time Director), two non-executive independent. The Board has no institutional nominee director. The Company has an Executive Chairman. According to regulation 17(1)(b) of SEBI (LODR) Regulations, 2015, where the chairperson of the Board is a executive director, at least half of the Board of directors shall comprise of independent directors.

BCL has not complied with the said requirement at the end of the period under review however subsequent to the end of the financial year under review Management identified suitable person to be appointed as Independent Director and woman director.

b) Number of Meetings of the Board:

During the financial year 2016-17, the Board met nine times (details provided in Table 1) and the gap between any two meetings has been less than one hundred and twenty days.

Attendance record of Directors:

TABLE 1

Name of the Director	Category and Position	No. of Board Meetings		Whether attended last AGM	No. of Committees		No. of other Directorship held
		Held	Attended		Chairmanship	Member	
S.Chandra Mohan	Executive Chairman	9	9	Yes	-	4	-
S.V.Reddy	Independent Director	9	1	No	-	3	-
S.R.B.Ramesh Chandra	Managing Director	9	0	No	-	2	-
S.Kishore Chandra	Whole Time Director	9	9	Yes	-	1	-
K.R.Chari	Independent Director	9	0	No	-	2	-
S Karthik Sarath Chandra	Jt Managing Director	9	7	Yes	-	-	-
Ameeta Trehan	Independent Director	9	6	No	0	3	
MHSP Prasad	Independent Director	9	8	Yes	3	3	

c) **Disclosure of relationship between directors inter-se:** No non-executive directors have any material pecuniary relationship or transactions with the company, its promoters or its management, which in the judgment of the board may affect independence of judgment of the director.

d) **Risk Management:** The implementation of the risk assessment and minimization procedure containing the project/potential risk areas, its intensity, its effects, causes and measures taken by the Company are reviewed by the committee periodically.

e) Committees of the Board

The Board has constituted Committees with specific terms of reference/scope to focus effectively on issues and ensure expedient resolution of diverse matters.

At present, the Company has the following Board Level Committees, namely:

- A) Audit Committee
- B) Nomination & Remuneration Committee

C) Shareholders/Investor's Grievance Committee

- ☞ The Compliance officer acts as the Secretary of all the aforementioned Committees.
- ☞ The minutes of the meetings of all Committees of the Board are placed before the Board for discussions / noting.

3. AUDIT COMMITTEE:

The Company had set up its Audit Committee under erstwhile Companies Act, 1956 and clause 49 of the erstwhile Listing Agreement as a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted consisting of two Independent Directors and one Executive Director as Sub-Committee to the Board and considers the terms of reference as stipulated under Clause 49 of the Listing Agreement.

The Board has been reviewing the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013, SEBI Listing Regulations, 2015.

a. Constitution & Composition:

In compliance with Companies Act, 2013 and regulation 18(1)(c) of SEBI Listing Regulations, 2015, three members of the Audit Committee, viz. Sri. K.R. Chari (Chairman), Sri S.V. Reddy are independent directors and Sri S. Chandra Mohan, Executive Director.

All the members of the Audit Committee are 'financially literate'

b. Meetings and attendance:

During 2016-17, the Audit Committee met five times viz. (i) 16th April 2016 (ii) 12th July 2016 (iii) 29th August 2016 (iv) 10th November 2016 and (v) 11th February 2017

Composition of Audit Committee and attendance record of members for 2016-17

Composition from 24th May 2016

S.No.	Name of the Director	Category	Meetings Held	Meetings Attended
1	Sri S. Chandra Mohan	Promoter Director/Executive	1	1
2	Sri S V Reddy	Independent	1	1
3	Sri K R Chari	Independent	1	0

Composition from 26th May 2016

S.No.	Name of the Director	Category	Meetings Held	Meetings Attended
1	Sri. M H S P Prasad	Independent	4	4
2	Sri Ameeta Trehan	Independent	4	4
3	Sri S. Chandra Mohan	Promoter Director/Executive	4	4

4. NOMINATION & REMUNERATION COMMITTEE:

BCL constituted the Remuneration Committee of the Board to formulate a remuneration policy and approve the remuneration or revise the remuneration payable to the Managing/Whole Time Directors.

The remuneration policy of the Company is directed towards motivating and retaining the Senior Officers of the Company by rewarding performance.

During the year under review, the Committee met three times viz. (i) 16th April 2016 (ii) 26th May 2016 and (iii) 29th August 2016

Composition of the Nomination and Remuneration Committee and attendance record of members for 2016-17:

Composition up to 24th May 2016

S.No.	Name of the Director	Category	Meetings Held	Meetings Attended
1	Sri. K.R. Chari	Independent	1	1
2	Sri S.V. Reddy	Independent	1	1
3	Sri S. Chandra Mohan	Promoter Director/Executive	1	1

Composition from 26th May 2016

S.No.	Name of the Director	Category	Meetings Held	Meetings Attended
1	Sri S. Chandra Mohan	Promoter Director/Executive	2	2
2	Sri MHSP Prasad	Independent	2	2
3	Ameeta Trehan	Independent	2	2

Remuneration Policy as per *Annexure-II*

It is further informed that as per the provisions of Section 178 of the Companies Act, 2013 Nomination and Remuneration Committee shall consist of 3 or more Non - executive Directors out of which not less than one - half shall be independent Directors. However, the composition of the committee is not as per the requirement of the provisions

5. DETAILS OF REMUNERATION:

The details of remuneration paid to the Board of Directors forms part of the *Annexure VIII* (Extract of Annual Return i.e. MGT-9)

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors of the Company constituted its Shareholders' and Investors' Grievance Committee under erstwhile Companies Act, 1956 and clause 49 of the erstwhile Listing Agreement. This Committee was constituted to specifically look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend, payment of unclaimed dividends etc.

In compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, 2015 the Board renamed the Committee as 'Stakeholders Relationship Committee'.

Composition of the Stakeholders Relationship Committee is as follows:

Composition up to 24th May 2016

S.No.	Name of the Director	Category
1	Sri S. Chandra Mohan	Promoter Director/Executive
2	Sri S R B Ramesh Chandra	Promoter Director/Executive
3	Sri S Kishore Chandra	Promoter Director/Executive

Composition from 26th May 2016

S.No.	Name of the Director	Category
1	Sri S. Chandra Mohan	Promoter Director/Executive
2	Sri MHSP Prasad	Independent
3	Smt Ameeta Trehan	Independent

There were no complaints received from the shareholders during the year ended 31st March, 2017.

The Company ensures that the investor's correspondence is attended expeditiously and endeavor is made to send a satisfactory reply within ten days of receipt, except in cases that are constrained by disputes or legal impediments.

There are no pending share transfer complaints as on 31st March, 2017.

FUNCTIONS:

The functions of the committee are as follows:

- ☞ Share Transfer within stipulated time
- ☞ Non-receipt of Dividends, if any
- ☞ To consider Replacement of lost/ stolen/ mutilated share certificates
- ☞ Non-receipt of rights/ bonus / share certificates

As on 31st March, 2017, (89.83%) Equity Shares are in Demat accounts with National Securities Depository Ltd (NSDL), (7.23%) Equity Shares are in Demat accounts with Central Depository Services (India) Limited.

7. GENERAL BODY MEETINGS:

a. Location & time for last 3 Annual General Meetings of the Company:

AGM	FY	Day/Date	Time	Venue	Special Resolutions
37 th	2015-16	28.09.2016	9 A.M.	Hotel Shree Venkateswara, 6-1-74, Lakadikapul, Hyderabad - 500004, Telangana	
36 th	2014-15	24.05.2016	4 P.M	Hotel Shree Venkateswara, 6-1-74, Lakadikapul, Hyderabad - 500004, Telangana	Debt Restructuring Scheme Conversion of Debt into Equity Shares and Issue of Equity Shares Resolution for borrowing power Secure the new Borrowing limits: Mortgage or Charge Creation
35 th	2013-14	24.05.2016	10 A.M	Hotel Shree Venkateswara, 6-1-74, Lakadikapul, Hyderabad - 500004, Telangana	Appoint Sri. S. V. Reddy (DIN 00107945) as Independent Director Appoint Sri. K. R. Chari (DIN 01038614) as Independent Director. Borrow money in excess of paid-up capital and free reserves Secure the new borrowing limits

b. Postal Ballot Resolution

No Postal ballot resolution was passed during the year ended March 31, 2017. No special resolution requiring a postal ballot is being proposed for the ensuing Annual General Meeting.

c. Details of Extra-Ordinary General Meetings held during the year: Nil

8. MEANS OF COMMUNICATION:

The company's website address is: www.bheemacements.co.in. The website contains basic information about the company. The company ensures periodical updation of its website. The company has designated the email-id: complianceofficer@bheemacements.co.in in order to enable the shareholders to register their grievances.

- ☞ The Company has 2,441 shareholders as on 31st March, 2017. The Company mainly communicates with its shareholders through Annual Report, which includes the Director's Report, Management Discussion and Analysis Report, Report on Corporate Governance.
- ☞ No presentations have been made to institutional investors or to analysts

9. GENERAL SHAREHOLDER INFORMATION:

a) **38th Annual General Meeting:**

Date: 21st August 2018

Time: 10:00 AM

Venue: Hotel Shree Venkateswara, Lakadikapul

Financial Year : 1st April, 2016 to 31st March, 2017

- b) **Date of Book Closure** : 14th August 2018 to 21st August 2018 (both days inclusive)
- c) **Dividend Payment Date** : NA
- d) **Financial Calendar** : For the FY 2016-17

Financial Results	Cut-off Date
Unaudited first quarter financial results	On or before August 14,2016
Unaudited second quarter financial results	On or before November 14,2016
Unaudited third quarter financial results	On or before February 14,2017
Approval of audited annual results for year ending 31 March, 2017	On or before May 30,2017

e) **Listing on Stock Exchange:**

Name of the Stock Exchange	Address	Scrip Code/Scrip ID
Bombay Stock Exchange Limited (BSE)	25 th Floor, P.J. Towers, Dalal Street, Mumbai -400001	518017 BHEEMACEM

The Company has paid listing fees to BSE for the year 2016-17.

f) **ISI Number for NSDL & CDSL : INE333H01012**

g) **Depositories**

i. **Central Depository Services (India) Ltd.,**

Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai-400023.

ii. **National Securities Depository Ltd,**

Trade World, 4th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400013

h) Market Price Data :

The Company's shares are not being traded in BSE Limited. Hence, information regarding the market price could not be provided.

i) Registrar & Share Transfer Agent:

For lodgement of transfer deeds and other documents or for any grievances/complaints, investors may contact the Company's Registrar and Share Transfer Agent at the following address:

M/s BIGSHARE SERVICES PRIVATE LIMITED,

306, Right Wing, Amrutha Ville,
Opp : Yashoda Hospital, Somajiguda,
Rajbhavan Road, Hyderabad - 500 082
Phone: +91-40-23374967, Fax: +91-40-23370295
E-mail ID: bsshyd@bigshareonline.com

j) Share Transfer System:

The Board of Directors of the Company has delegated the powers of share transfers, splitting, consolidation of share certificates and issue of duplicate shares, rematerialisation of shares etc. to Share Transfer Committee. The board attends the share transfer formalities at least once in a fortnight. The Registrar and Share Transfer Agents register the shares received for transfer in physical mode, within 15 days from the date of lodgement, if documents are complete in all respects.

k) Shareholding Pattern as on 31st March, 2017:

S. No.	Category	No. of share holders	No. of Shares held	Percentage to Total issued shares
1	Clearing Member	1	3,006	0.01%
2	Corporate Bodies	41	2,99,200	1.06%
3	Financial Institutions	3	18,27,353	6.46%
4	Non Resident Indians	12	49,788	0.18%
5	Promoters/Directors	13	1,76,14,586	62.22%
6	Others - Public	2485	85,14,037	30.08%
Total		2,441	2,83,07,970	100%

l) Dematerialization of Shares & Liquidity:

The Company's shares are available for trading in the depository systems with the Central Depository Services (India) Limited (CDSL) and National Securities Depository Ltd (NSDL)

As on 31st March, 2017, (89.83%) Equity Shares are in Demat accounts with National Securities Depository Ltd (NSDL), (7.23%) Equity Shares are in Demat accounts with Central Depository Services (India) Limited.

m) Reconciliation of Share Capital Audit:

The Reconciliation of Share Capital Audit was carried out by Practicing Company Secretary for each of the quarters in the financial year 2015-16, to reconcile the admitted capital with Central Depository Services (India) Limited (CDSL) and National Securities Depository Ltd (NSDL) and total issued and listed capital. The audit reports confirm that the total issued/paid-up capital is an agreement with the total number of shares in physical form and the total number of dematerialized shares held with depositories.

n) **Outstanding GDRs/ADRs/Warrant or any convertible instruments:**

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

o) **Commodity price risk or foreign exchange risk and hedging activities:**

The Company monitors the price of key commodities closely and formulates the procurement strategies basis actual price movements / trends / projections in India. The Company has adequate governance structure of aligning and reviewing the procurement strategies in line with external and internal dynamics.

p) **Address for Correspondence:**

For queries relating to financial statements, please write to:

BHEEMA CEMENTS LIMITED,
Regd. Office: 6-3-652/C/A, Flat 5A,
Kautilya, Amrutha Estates, Somajiguda,
Hyderabad - 500082
E-mail ID: complianceofficer@bheemacements.co.in

q) **Plant Location of the Company:** Ramapuram Village, Mellachervu Mandal, Suryapeta District - 508246, Telangana.

10. DISCLOSURES

i. **RELATED PARTY TRANSACTIONS:**

The company has provided for remuneration to the Chairman, Managing Director, and Whole Time Director among the key management personnel of Rs.24.00 Lacs each as approved by members and Ex MD remuneration Rs. 3.48 Lacs (Previous Year of Rs. 9.60 Lacs each) respectively. In addition, the Company has provided Rs.5.05 Lacs (Previous Year Rs.0.72 Lacs) as Directors Sitting fee to all the Directors.

Further, the Company has provided for remuneration during the year was Rs 6 Lacs to one relatives of Key Management Personnel.

ii. **COMPLIANCE OF VARIOUS LAWS:**

- i. Environment Protection Act, 1986 and other environmental laws;
- ii. Factories Act, 1948;
- iii. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003;
- iv. Explosive Substances Act, 1908.
- v. The Mines and Mineral Act 1952
- vi. Mines safety and inspection act 1994
- vii. Indian Electricity Act 2003

iii. **DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS:**

Your Company has followed the Accounting Standards laid down by The Companies (Accounting Standards) Rules, 2006, as amended from time to time, in preparation of its financial statements.

iv. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code lays down Guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautions them of the consequences of violations.

11. DISCRETIONARY REQUIREMENTS:

The Company is complying with the following discretionary requirements prescribed under Schedule II Part E of the SEBI (LODR) Regulations, 2015:

1. Separate posts of Chairman and Managing Director: The Company already has separate persons to the post of Chairman and Managing Director. Sri S. Chandra Mohan is the Executive Chairman and Sri S. Kishore Chandra is the Managing Director.
2. Reporting of Internal Auditor: The Internal Auditor of the company directly reports to the Audit Committee. As there are no operations in the company hence there is no internal auditor.
3. Independent Directors possess the requisite qualification and experience to contribute effectively to the company in their capacity as independent director
4. The statutory financial statements of the company are unqualified

ANNEXURE VI

PARTICULARS OF EMPLOYEES

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(Amount in Rs.)

Name of Director	Designation	Remuneration	Remuneration in FY 15-16	% of increase in remuneration	Ratio of remuneration to	
		FY 16-17			Revenues FY 16-17	Net Profit FY 16-17
S Chandra Mohan	Executive Chairman	Rs. 24,00,000 /-	Rs. 9,60,000 /-	NA*	Nil	Nil
S R B Ramesh Chandra**	Managing Director	Rs. 4,00,000 /- **	Rs. 9,60,000 /-	NA	Nil	Nil
S Kishore Chandra	Whole Time Director/Managing Director	Rs. 24,00,000 /-	Rs. 9,60,000 /-	NA*	Nil	Nil
S Karthik Sarath Chandra	Jt. Managing Director	Rs. 24,00,000 /-	Rs. 9,60,000 /-	NA*	Nil	Nil

*In Last Financial Year, only basic remuneration was applicable. During FY 2016-17, Full Remuneration is applicable

**Applicable up to 24th May 2016 only

- 1) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.
- 2) It is hereby confirmed that the remuneration is as per the remuneration policy of the Company.

ANNEXURE VII

COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

[Regulation 34(3) of SEBI (LODR), 2015]

To
The Members
Bheema Cements Limited

We have examined the compliance of conditions of Corporate Governance by Bheema Cements Limited for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement with the stock exchange for the period from April 1st 2015 to 30th November, 2015 and the Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) from the period December 1st 2015 to March 31st 2016.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

In our opinion and to the best of our information to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned in Part E of Schedule V of SEBI (LODR) Regulations, 2015 except constitution of the Boards and Committees.

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

For R & A Associates

Place: Hyderabad
Date: 29-08-2016

Sd/-
P. Surya Prakash
Sr Associate
ACS: 18803, C.P. No 11142

ANNEXURE VIII

DECLARATION FOR CODE OF CONDUCT

As required under Part D of Schedule V of SEBI (LODR) Regulations, 2015, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year ended on 31st March, 2017.

Date: 30th June 2018
Place: Hyderabad

Sd/-
S. Kishore Chandra
Managing Director

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

as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L26942TG1978PLC002315
(ii)	Registration date	21/06/1978
(iii)	Name of the company	BHEEMA CEMENTS LIMITED
(iv)	Category Sub-category of the company	Company Limited by Shares/Indian Non-Government Company
(v)	Address of the Registered office and contact details	6-3-652/C/A, FLAT 5A,KAUTILYA AMRUTHA ESTATES, SOMAJI GUDA,HYDERABAD, Telangana-500082
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer agent, if any	M/s. Bigshare Services Private Limited 306, Right wing, 3rd floor, Amrutha Ville, Opp. Yashoda Hospital, Raj bhavan Road, Hyderabad - 500 082 Tel: +91-40-2337 4967 Fax: +91-40-2337 0295 Email id: bsshyd1@bigshareonline.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:-

S.No.	Name and description of main products/services	NIC Code of the Product/service	% to total turnover of the company

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

The Company does not have any Subsidiary, Joint venture or Associate Company during the year ended on 31st March, 2017

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/HUF	17614586	-	1,76,14,586	62.22	17614586	-	1,76,14,586	62.22	No Change
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d)Bodies Corporate	-	-	-	-	-	-	-	-	-
e)Bank/FT's	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):-	17614586	-	1,76,14,586	62.22	17614586	-	1,76,14,586	62.22	No Change
(2) Foreign									
a) NRI's-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corporate	-	-	-	-	-	-	-	-	-
d)Bank/FT's	-	-	-	-	-	-	-	-	-

e) Any Other	-	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=										
(A)(1)+(A)(2)	1,76,14,586	-	1,76,14,586	62.22	1,76,14,586	-	1,76,14,586	62.22		No Change
B) Public Shareholding										
1. Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/ FI's	1827353	-	1827353	6.46	1827353	-	1827353	6.46		No Change
c) Central Govt.	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Ventrure Capital Funds	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):-	18,27,353	-	18,27,353	6.46	18,27,353	-	18,27,353	6.46		No Change
2. Non-Institutions										
a) Bodies Corporate	376321	12,303	3,88,624	1.37	286897	12,303	2,99,200	1.06		23.01%
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual Shareholders holding nominal share capital in upto of Rs. 1 Lakh	1513475	4,60,699	19,74,174	6.97	1507845	4,59,499	19,67,344	6.95		0.35%
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	6092543	3,57,500	64,50,043	22.79	6189193	3,57,500	65,46,693	23.13		-1.50%
c) Others	-	-	-	-	-	-	-	-	-	-
Trusts	0	-	-	-	-	-	-	-	-	-
Clearing members	3006	-	3,006	0.01	3006	-	3,006	0.01		No Change
Non-Resident Indians NRI	11000	-	11,000	0.04	11000	-	11,000	0.04		No Change
Non-Resident Indians REPAT	30658	-	30,658	0.11	30658	-	30,658	0.11		No Change
Non-Resident Indians NON REPAT	5526	-	5,526	0.02	8130	-	8,130	0.03		No Change
Directors Relatives	0	-	-	-	0	-	-	-	-	-
Employees	0	-	-	-	0	-	-	-	-	-
Corporate Bodies Overseas	0	-	-	-	-	-	-	-	-	-
Unclaimed Suspense Account	0	-	-	-	-	-	-	-	-	-
EIPF	3000	-	3,000	0.01	-	-	-	-	-	100.00%
Sub-Total (B)(2):-	80,35,529	8,30,502	88,66,031	31.32	80,36,729	8,29,302	88,66,031	31.32		No Change
Total Public Shareholding (B)=(B)(1)+(B)(2)	98,62,882	8,30,502	1,06,93,384	37.78	98,64,082	8,29,302	1,06,93,384	37.78		No Change
C. Shares held by Custodians for ADR's & GDR's										
Grand Total (A+B+C)	2,74,77,468	8,30,502	2,83,07,970	100.00	2,74,77,468	8,30,502	2,83,07,970	100.00		No Change

(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	
1	S Chandra Mohan	4738927	16.74%	14.96%	4738927	16.74%	14.96%	-
2	S Chandra Mohan - HUF	500000	1.77%	-	500000	1.77%	-	-
3	S Lakshmi Mohan	100000	0.35%	-	100000	0.35%	-	-
4	S R B Ramesh Chandra	4733927	16.72%	14.96%	4733927	16.72%	14.96%	-
5	S R B Ramesh Chandra - HUF	527325	1.86%	-	527325	1.86%	-	-
6	S Vimala Kumari	100000	0.35%	-	100000	0.35%	-	-
7	S Kishore Chandra	4733927	16.72%	14.96%	4733927	16.72%	14.96%	-
8	S Kishore Chandra - HUF	537462	1.90%	-	537462	1.90%	-	-
9	S Sasi Rekha	414548	1.46%	-	414548	1.46%	-	-
10	S Karthik Sharat Chandra	620200	2.19%	-	620200	2.19%	-	-
11	S Chatur Swaroop Chandra	383238	1.35%	-	383238	1.35%	-	-
12	S Dharani	136127	0.48%	-	136127	0.48%	-	-
13	S Deepathi Sunethri	88,905	0.31%	-	88,905	0.31%	-	-
	Total	1,76,14,586	62.22%	-	1,76,14,586	62.22%	-	-

(i) Change in Promoters' Shareholding (Please specify, if there is no change)

S.No.		Shareholding at the beginning of the year		Cumulative Shareholding at the ending of the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	At the beginning of the year	17614586	62.22%	17614586	62.22%
2	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
3	At the end of the year	17614586	62.22%	17614586	62.22%

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

1	Venkata Vasudev	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	3029599	10.70	3029599	10.70
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	3029599	10.70	3029599	10.70
	Total				
2	Preeti Tammineedi	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	160000	0.57	160000	0.57
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	160000	0.57	160000	0.57
	Total				
3	Pratap Gupta Satrasala	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	139761	0.49	139761	0.49
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	139761	0.49	139761	0.49
	Total				
4	Om Prakash Kovuri	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	151251	0.53	116251	0.41
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	151251	0.53	116251	0.41
	Total				
5	Kasamasetty Ramprasad	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	127651	0.45	127651	0.45
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	127651	0.45	127651	0.45
	Total				
6	P Srinivasa Rao	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	126282	0.45	136782	0.48
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	126282	0.45	136782	0.48
	Total				
7	United Bank of India	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company

	At the beginning of the year	91757	0.32	91757	0.32
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	91757	0.32	91757	0.32
	Total				
8	S Venkateswarlu	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	88000	0.31	88000	0.31
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	88000	0.31	88000	0.31
	Total				
9	MRKR Constructions Private Limited	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	85000	0.30	85000	0.30
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	85000	0.30	85000	0.30
	Total				
10	Nayudamma Yarlagadda	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	80000	0.28	80000	0.28
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	80000	0.28	80000	0.28
	Total				
11	ICICI Bank	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	77283	0.27	77283	0.27
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	77283	0.27	77283	0.27
	Total				
12	JM Financial Asset Reconstruction Company Pvt. Ltd.	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	1827353	-	1827353	6.46
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	1827353	-	1827353	6.46
	Total				

(iii) Shareholding of Directors and Key Managerial Personnel

S.No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	S Chandra Mohan				
	At the beginning of the year	47,38,927	16.74	47,38,927	16.74
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease)	-	-	-	-
	At the end of the year	47,38,927	16.74	47,38,927	16.74
2	S R B Ramesh Chandra	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	47,33,927	16.72	47,33,927	16.72
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the	-	-	-	-

	reasons for increase/decrease				
	At the end of the year	47,33,927	16.72	47,33,927	16.72
3	S Kishore Chandra	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	47,33,927	16.72	47,33,927	16.72
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease	-	-	-	-
	At the end of the year	47,33,927	16.72	47,33,927	16.72

4	S Karthik Sarath Chandra	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	6,20,200	2.19	6,20,200	2.19
	Date wise Increase / Decrease in Promoters Shareholding during the year (specifying the reasons for increase/decrease	-	-	-	-
	At the end of the year	6,20,200	2.19	6,20,200	2.19

V. INDEBTEDNESS

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

	Secured loans excluding deposits	Unsecured loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	17229.36	2077.47	-	29306.83
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17229.36	2077.47	-	19359.72
Change in Indebtedness during the financial year				
Addition	-	52.89	-	-
-	-			
Net Change		52.89	-	
Indebtedness at the end of the financial year				
(i) Principal Amount	17229.36	2130.36	-	
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17229.36	2130.36	-	19359.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:						
A. Remuneration to Managing Director, Whole-Time Director and/or Manager:						
S.No.	Particulars of Remuneration	Name				Total Amount
		S Chandra Mohan	SRB Ramesh Chandra	S Kishore Chandra	S Karthik Sarath Chandra	
1	Gross salary	2400000	348387	2400000	2400000	7548387
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					

2	Stock Option					
3	Sweat Equity Shares					
4	Commission					
	- as %					
	-others					
5	Others					
	Total (A)	2400000	348387	2400000	2400000	7548387
	Ceiling as per the Act	2400000	348387	2400000	2400000	7548387

B. Remuneration to other Directors:

S.No	Particulars of Remuneration	Name of Director				Total Amount
		S V Reddy	K R Chari	Ameeta Trehan	M H S P Prasad	
1	Independent Directors	5000	0	200000	300000	505000
	•Fee for attending Board Committee Meetings					
	•Commission					
	•Others	1000				1000
	Total (1)	6000	0	200000	300000	506000
2	Other Non-Executive Directors					
	•Fee for attending Board Committee Meetings					
	•Commission					
	•Others					
	Total (2)					
	Total (B)(1)+(2)					
	Total Managerial Remuneration (A + B)					
	Overall Ceiling as per the Act					506000

C. Remuneration to Key Managerial Personnel Other than MD/MANAGER/WTD

S.No.	Particulars of Remuneration	Name of Key Managerial Person		Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity Shares			
4	Commission			
	- as %			
	-others			
5	Others			
	Total			

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences during the financial year ended on 31st March, 2017.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

Information on Conservation of Energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts) Rules, 2014 is not applicable since there is no such activity at present being pursued by the Company.

A. CONSERVATION OF ENERGY:

1	The steps taken or impact on conservation of energy
2	The steps taken by the Company for utilizing alternate sources of energy
3	The capital investment on energy conservation equipment

B. TECHNOLOGY ABSORPTION:

1.	The efforts made towards technology absorption
2.	The benefits derived like product improvement, cost reduction, product development or import substitution
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
	a. The details of technology imported
	b. The year of import
	c. Whether the technology been fully absorbed
	d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof and
4.	The expenditure incurred on Research and Development

Management Reply: As there were no operations during this financial year, Company has not made any developments in this regard. When the company comes back to the operations, Company will take necessary steps to improve the current production rate and also the quality even more while also reducing the pollution and waste generation through the implementation of various innovative techniques recommended by the technical personnel working at the plant as well as technical consultants.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2015-16	2014-15
i) Foreign Exchange Earned:	NIL	NIL
FOB value of exports		
CIF value of exports		
ii) Foreign Exchange used:	NIL	NIL
Commission on Exports		
Foreign Travel Expenses		
Spare parts		

CERTIFICATION BY MD / CFO OF THE COMPANY

(Regulation 17(8) of SEBI (LODR) Regulations, 2015 read with PART B of Schedule II)

I, S. Kishore Chandra, Managing Director of Bheema Cements Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss, its notes to the accounts and Cash Flow Statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:

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

b) these statements together present a true and fair view of the Company and are in compliance with existing accounting standards, applicable laws and regulations.

2. We also certify that, based on our knowledge and the information provided to us, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

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

4. We have indicated to the Auditors and the Audit Committee:

a) significant changes in internal control during the year;

b) significant changes in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and

c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Date: 30th June 2018
Place: Hyderabad

Sd/-
S. Kishore Chandra
Managing Director

FORM - A		
(See Rule - 2)		
FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY		
	For the Year ended 31.03.2017	For the Year ended 31.03.2016
A. POWER AND FUEL CONSUMPTION		
1. Electricity		
a. Purchased	-	-
Units (Nos.)	-	-
Amount (Rs.)	-	-
Rate/Unit (Rs.)	-	-
b. Own Generation		
i) Through Diesel generator (Unit/Nos.)	-	-
Units per Ltr. Of Diesel Oil		
Cost/Unit (Rs.)	-	-
ii) Through Steam Turbine Generator Unit per Ltr. Of fuel Oil/Gas Cost/Unit (Rs.)	-	-
2. Fuel		
Coal used in Kiln	-	-
Quantity (MTs)	-	-
Total Cost (Rs.)	-	-
Average Rate (Rs.)	-	-
3. Furnace Oil	-	-
4. Others/Internal Generation	-	-
B. CONSUMPTION PER UNIT OF PRODUCTION		
Standard Production (with details)	-	-
Electricity (Units/Ton of Cement)	-	-
Coal (% on Clinker)	-	-

FORM- B
(See Rule-2)
FORM OF DISCLOSURE OF PARTICULARS WITH
RESPECT TO TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R&D):

The plant is not in operation from March 2014 onwards for the entire period of the financial year. Hence, R&D is not taken up during this year.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The plant is not in operation from March 2014 onwards for the entire period of the financial year. Hence, no technological Absorption, Adaption and Innovation could be taken up.

BHEEMA CEMENTS LIMITED, HYDERABAD
BALANCE SHEET AS ON YEAR ENDED 31ST MARCH 2017

				(Rs.in Lakhs)		
				As at		As at
				31-03-2017		31-03-2016
I.	EQUITY AND LIABILITIES	Note No				
(1)	Share Holder's Funds					
(a)	Share Capital	1	5,570.36		5,570.36	
(b)	Reserves and Surplus	2	2,146.19		3,024.97	
				7,716.55		8,595.33
(2)	Share Application Money Pending Allotment	3		-		-
(3)	Non Current Liabilities					
(a)	Long Term Borrowings	4	12,582.15		12,634.10	
(b)	Deferred Tax Liability (Net)		2,863.65		2,863.65	
(c)	Other Long Term Liabilities	5	2,130.36		2,077.47	
(d)	Long -Term Provisions	6	25.19		25.19	
				17,601.35		17,600.41
(4)	Current Liabilities					
(a)	Short - Term Borrowings	7	4,581.10		4,581.10	
(b)	Trade Payables	8	4,470.12		4,417.06	
(c)	Other Current Liabilities	9	12,589.89	21,641.11	12,016.13	21,014.28
	TOTAL			46,959.01		47,210.01
II.	Assets					
(1)	Non- Current Assets					
(a)	Fixed Assets					
(i)	Tangible Assets (Net)	10	42,358.98		42,568.09	
(ii)	Intangible Assets (Net)		1,906.72		1,906.72	
(iii)	Capital Work In Progress		8.09		8.09	
	Total Assets		44,273.79	44,273.80	44,482.90	44,482.90
(2)	Current Assets					
(a)	Inventories	11	413.82		430.08	
(b)	Trade Receivables	12	751.16		750.48	
(c)	Cash and Cash Equivalents	13	24.85		25.79	
(d)	Short Term Loans and Advances	14	1,494.83		1,520.22	
(e)	Other Current Assets	15	0.56	2,685.22	0.55	2,727.11
	TOTAL			46,959.01		47,210.01
	Significant Accounting policies					
	Notes To Accounts			0.00		-0.00

As per our Report attached.
for A. RAMACHANDRA RAO & CO.,
Chartered Accountants
ICAI FRN; 002857S

Sd/-
P.S.R.V.V.SURYA RAO
Partner
Membership No.202367
Place : Hyderabad
Date : 06-11-2017

For and on Behalf of the Board

Sd/-
S.CHANDRA MOHAN
Executive Chairman

Sd/-
S. KISHORE CHANDRA
Managing Director

Sd/-
S KARTHIK SARATH CHANDRA
Jt. Managing Director

BHEEMA CEMENTS LIMITED, HYDERABAD				
PROFIT & LOSS ACCOUNT AS ON YEAR ENDED 31ST MARCH 2017				
(Rs.in Lakhs)				
	Particulars	Note No	For the Year ended 31.03.2017	For the Year ended 31.03.2016
I	Revenue from operations (Net of Excise Duty)	16	-	-
II	Other Income	17	10.68	577.98
III	Total Revenue (I + II)		10.68	577.98
IV	Expenses			
	Cost of material consumed	18	-	-
	Changes in Inventory of Finished Goods & Work - In - Progress	19	-	-0.00
	Employees Benefit Expenses	20	321.01	310.84
	Finance Cost	21	152.71	148.30
	Depreciation and Amortization Expenses	22	-	-
	Other Expenses	23	415.84	267.88
	Total Expenses		889.56	727.02
V	Profit / (Loss) before Exceptional and Extraordinary items and tax (III - IV)		-878.90	-149.04
VI	Exceptional Items		-	-
VII	Profit / (Loss) before Extraordinary items and tax (V - VI)		-878.90	-149.04
VIII	Extraordinary Items		-	-
IX	Profit / (Loss) before tax (VII - VIII)		-878.90	-149.04
X	Tax Expenses			
	(1) Current Tax		-	-
	(2) Deferred Tax Liability /(Asset)		-	-
	(3) Earlier Year's Income Tax		-	-
XI	Profit (Loss) for the period from continuing operations (IX - X)		-878.90	-149.04
	Net Surplus / (Loss) brought forward from the Previous Year		-9,762.75	-9,613.81
	Net Surplus / (Loss) transferred to Balance sheet		-10,641.64	-9,762.86
XII	Earnings per Equity Share			
	(1) Basic			
	(2) Diluted			
	(Refer note of NOTE NO 25 -XI)			
	Significant Accounting Policies	25	(3.10)	(0.53)
	Notes to Accounts	26	(3.10)	(0.53)
	Significant Accounting Policies	X		
	Notes to Accounts	Y		

<p>As per our Report attached. for A. RAMACHANDRA RAO & CO., Chartered Accountants ICAI FRN; 002857S</p> <p style="text-align: right;">Sd/- P.S.R.V.V.SURYA RAO Partner Membership No.202367 Place : Hyderabad Date : 06-11-2017</p>	<p>For and on Behalf of the Board</p> <p>Sd/- S.CHANDRA MOHAN Executive Chairman</p> <p style="text-align: center;">Sd/- S. KISHORE CHANDRA Managing Director</p> <p style="text-align: center;">Sd/- S KARTHIK SARATH CHANDRA Jt. Managing Director</p>
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NOTE NO "1"		(Rs.in Lakhs)	
SHARE CAPITAL		As at	
		31-03-2017	31-03-2016
AUTHORISED 420,00,000 Equity Shares of Rs. 10/- each (Previous Year 420,00,000 Equity Shares of Rs.10/- each) 36,00,000 Preference Shares of Rs. 100/- each (Previous Year 36,00,000 Preference Shares of Rs. 100/- each)		4,200.00	4,200.00
		3,600.00	3,600.00
		7,800.00	7,800.00
ISSUED , SUBSCRIBED AND PAID UP			
EQUITY SHARES 283,07,970 (Previous Year 283,07,970) Equity Shares of Rs.10/- each. Of the above 1,41,80,617 (PY 1,41,80,617) equity shares of Rs.10/- each were allotted as fully paid-up by way of bonus shares by capitalising free reserves in earlier years; 18,27,353 (18,27,353) Equity Shares of Rs.10/- each with a premium of Rs.78/- each were allotted as fully paid -up against FITL as per CDR package, which have now been taken over by JM Financials (ARC) on assignment by the respective banks		2,830.80	2,830.80
PREFERENCE SHARES			
6% Cumulative Redeemable Preference Shares 12,47,000 (Previous Year 12,47,000) 6%cumulative Redeemable preference Shares of Rs.100/-each were allotted as fully paid-up against FITL as per CDR package which are now transferred in the name of JM Financial (ARC) after assignment by the respective banks		1,247.00	1,247.00
0% Cumulative Redeemable Preference Shares 14,92,559 (Previous Year 14,92,559) 0% Cumulative Redeemable Preference Shares of Rs.100/- each were allotted as fully paid-up against FITL as per CDR Package which are now transferred in the name of JM Financial (ARC) after assignment by the respective banks		1,492.56	1,492.56
		5,570.36	5,570.36
(a). Reconciliation of the shares outstanding at the beginning and at the end of the reporting year		31.03.2017	31-03-2016
(i) Equity Shares:			
No of shares at the beginning of the year		2,83,07,970	2,83,07,970
Issued during the year		-	-
Outstanding at the end of the year		2,83,07,970	2,83,07,970
(ii) 6% Cumulative Redeemable Preference Shares			
No of shares at the beginning of the year		12,47,000	12,47,000
Issued during the year		-	-
Outstanding at the end of the year		12,47,000	12,47,000
(iii) 0% Cumulative Redeemable Preference Shares			
No of shares at the beginning of the year		14,92,559	14,92,559
Issued during the year		-	-
Outstanding at the end of the year		14,92,559	14,92,559

(b). Details of Share Holders holding more than 5% shares in the company	31-03-17		31-03-16	
	No of Shares	% Holding in the Class	No of Shares	% Holding in the Class
(i) Equity				
S. Chandra Mohan	47,38,927	16.74%	47,38,927	16.74%
SRB Ramesh Chandra	47,33,927	16.72%	47,33,927	16.72%
S Kishore Chandra	47,33,927	16.72%	47,33,927	16.72%

Venkat Vasudev	30,29,599	10.70%	30,29,599	10.70%
JM Financial Asset Reconstruction Company Private Limited (JMFARC Pvt Ltd)	16,58,313	5.85%	16,58,313	5.85%
(ii) 6% Cumulative Redeemable Preference Shares				
JMFARC - Axis Bank Ltd	3,81,744	30.62%	3,81,744	30.62%
JMFARC - Karnataka Bank Ltd	3,27,147	26.23%	3,27,147	26.23%
JMFARC - State Bank of Hyderabad	5,38,109	43.15%	5,38,109	43.15%
(iii) 0% Cumulative Redeemable Preference Shares				
JMFARC - Axis Bank Ltd	4,38,890	31.50%	4,38,890	31.50%
JMFARC - Karnataka Bank Ltd	3,36,277	24.14%	3,36,277	24.14%
JMFARC - State Bank of Hyderabad	6,17,918	44.36%	6,17,918	44.36%

NOTE NO "2"	(Rs.in Lakhs)		(Rs.in Lakhs)	
	As at		As at	
	31-03-2017		31-03-2016	
RESERVES & SURPLUS				
Central Subsidy				
Opening Balance		15.00		15.00
Additions During the year				
Deletions during the year				
Closing Balance		15.00		15.00
Housing Subsidy				
Opening Balance		10.75		10.75
Additions During the year				
Deletions during the year				
Closing Balance		10.75		10.75
Capital Reserve				
Opening Balance		2,529.49		480.00
Additions During the year		-		2,049.49
Deletions during the year		-		
Closing Balance		2,529.49		2,529.49
Security Premium				
Opening Balance		1,425.34		1,425.34
Additions During the year				-
Deletions during the year				
Closing Balance		1,425.34		1,425.34
Mineral Capitalization Reserve (Refer Note 25.X)				
As per last Balance Sheet	8,560.73		8,560.73	
Add: Capitalization during the period	-		-	
	8,560.73		8,560.73	
Less: Transferred to Profit & Loss Account		8,560.73		8,560.73
General Reserve				
As per last Balance Sheet	246.53		246.53	
Add: Amount transferred from Profit and Loss Account	-	246.53	-	246.53
Profit & Loss Account				
		-10,641.64	-9,762.86	-9,762.86
		2,146.19		3,024.97

NOTE NO "4" - LONG TERM BORROWINGS - Refer Note No. 25-III	(Rs.in Lakhs)		(Rs.in Lakhs)	
	As at		As at	
	31-03-2017		31-03-2016	
SECURED				
(a) TERM LOAN				
From Banks (Refer Note 1 below)		12,582.15		12,634.10
GRAND TOTAL		12,582.15		12,634.10

STATUS PRIOR TO TAKE OVER OF DUES BY ARC

(1). Out of the Term Loans outstandings from banks, of Rs.16243.09 Lakhs **Rs. 11872.86** Lakhs carries an interest rate @ 13.25% (Part of the interest @ 9% per annum till 31-03-2013 and @ 10% per annum during 01-04-2013 to 31-03-2016 would be paid on due date on cash basis and the balance of 4.25% per annum up to 31-03-2013 and 3.25% per annum of interest from 01-04-2013 to 31-03-2016 will be capitalized into equity shares in case of ICICI Bank and United Bank of India and other lenders CRPS (Zero Coupon) will be allocated and be redeemable after 2020) and the loan is repayable in 31 structured quarterly installments commencing from 30-09-2012 to 31-03-2020 with moratorium of two years from 01-07-2010 to 30-06-2012 and Rs.3016.45 Lakhs carries an interest rate of @ 13.25% (Part of the interest, @ 10% per annum during 01-04-2011 to 31-03-2016 would be paid on due date on cash basis and the balance of 3.25% per annum up to 31-03-2016 will be capitalized into CRPS (Zero Coupon) will be allocated and be redeemable after 2020.) and the loan is repayable in 28 structured quarterly installments commencing from 30.06.2013 to 31-03-2020 with a maratorium from the date of disbursement to 31-03-2013.

All the aforementioned term loans are secured by equitable mortgage by deposit of title deeds by creating First Pari-Passu charge on immovable properties and second Pari-Passu charge by hypothecation of all current assets both present and future subject to First Pari-Passu charge on current assets infavour of companies bankers for working capital and also guaranteed by Promoter Directors in their individual capacities and also by pledge of 1,27,01,781 shares belonging to promoters as additional security.

Assignor Banks	RESTRUCTURED DEBT 1	RESTRUCTURED DEBT 2
	Amount in Lacs	Interest accrued upto 31.3.2017
JFMARC -Axis Bank Limited	2533	1066
JFMARC - Karnataka Bank Limited	3123	1314
JFMARC -ICICI Bank Ltd	1928	812
JFMARC -State Bank of Hyderabad	3004	1264
JFMARC -United Bank of India	2917	1227
JFMARC -Oriental Bank of Commerce	480	72
Total	13985	5755
Interest accrued on the term loans - Restructured Debt 1 till 31st March 2017	4171	

Repayment Terms for Restructured Debt 1**A. Interest Calculation and Payment**

1. To carry interest at 15% on monthly compounding basis with effect from the cut off date till the date of payment
2. Interest starting from the cut off dates upt 6 months of restructuring date shall accrue and accrued interest shall be payable along with the restructured debt
3. From the 7th month of restructuring date, out of the total monthly interest of 15% p.a. 5% p.a. on the outstanding amounts of the restructured debt and accrued interest thereon shall be paid on monthly basis. Interest to be paid on the last working day of each respective month
4. Balance interest 10% p.a. each month shall accrued and shall be added to the outstanding accumulated interest -1.
5. Accumulated interest - 1 will also carry interest 15% p.a. on monthly compounding basis from the respective dates of accrual.

B. Repayment of Restructured Debt and Accumulated interest - 1

1. Repayable within 18 months of restructuring date by way of refinancing of debt or infusion of fresh funds or within next 6 months by induction of strategic investor or within further six months by taking action as stipulated in the sanction letter

Repayment Terms for Restructured Debt 2**A. Interest Calculation and Payment**

1. To carry interest at 15% on monthly compounding basis with effect from the cut off date till the date of payment
2. Interest shall accrue (accumulated interest - 2) and shall be payable along with Restructured Debt 2

B. Repayment of Restructured Debt and Accumulated interest - 2

1. Restructured Debt - 2 and Accumulated Interest - 2 to be payable on or before February 29, 2020
2. The Entire restructured debt - 2 and accumulated interest - 2 to be waived off if the Restructured Debt -1 and

accumulated interest - 1 are paid as per the terms envisaged in the sanction letter.

CONVERSION TO EQUITY

Part of the financial assistance shall be converted into equity and allotted to JFMARC to the extent of 20.14% of the post conversion equity share capital of the Company

As of the balance sheet date, the restructuring agreement between JFMARC and the Company has not been entered as alternate investment opportunities are in advance stage

2. Finance leases are secured by hypothecation of specific assets.

NOTE NO "5" - OTHER LONG TERM LIABILITIES		(Rs.in Lakhs)		(Rs.in Lakhs)
		As at		As at
		31-03-2017		31-03-2016
UNSECURED LOANS				
From Promoters & Associates				-
Security Deposits from Dealers, Contractors & Others		2,130.36		2,077.47
		2,130.36		2,077.47

NOTE NO "6" - LONG TERM PROVISIONS		(Rs.in Lakhs)		(Rs.in Lakhs)
		As at		As at
		31-03-2017		31-03-2016
a. Provision for Gratuity		-		-
b. Provision for Leave Encashment		25.19		25.19
TOTAL		25.19		25.19

NOTE NO "7" - SHORT TERM BORROWINGS		(Rs.in Lakhs)		(Rs.in Lakhs)
		As at		As at
		31-03-2017		31-03-2016
Loans Payable on Demand (Secured)				
JMFARC - Axis Bank Limited		130.78		130.78
JMFARC - Corporation Bank		2,026.72		2,026.72
JMFARC -Karnataka Bank Ltd		1,297.17		1,297.17
JMFARC - Oriental Bank of Commerce		1,126.43		1,126.43
From Banks		4,581.10		4,581.10
Cash Credits from the aforementioned banks is secured by First Pari-Passu charge on Current Assets and Second Pari-Passu charge on Fixed Assets of the Company, and is guaranteed by promoter directors in their individual capacities and also by pledge of 1,27,01,781 shares belonging to promoters as an additional security.				

NOTE NO "8" - TRADE PAYABLES		(Rs.in Lakhs)		(Rs.in Lakhs)
		As at		As at
		31-03-2017		31-03-2016
a. For Materials		4,470.12		4,417.06
		4,470.12		4,417.06

NOTE NO "9" - OTHER CURRENT LIABILITIES		(Rs.in Lakhs)		(Rs.in Lakhs)
		As at		As at
		31-03-2017		31-03-2016
(a) Current Maturities of Long Term Debt		3,594.83		3,542.89
(b) Current Maturities of finance lease obligation				
(i) From Banks				
(ii) From Others		-		-
(c) For Expenses		2,066.95		1,730.35
(d) For Other Payables		6,928.12		6,742.89
TOTAL		12,589.89		12,016.13

BHEEMA CEMENTS LTD											
FIXED ASSETS											
(Rs.in Lakhs)											
Sl.No	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK		
		As at 01.04.2016	Additions During the year 01.04.2016 31-03-2017	Sales Adj During the year 01.04.2016 31-03-2017	As at 31-03-2017	As at 01.04.16	For the year 01.04.2016 31-03-2017 Refer Note No. 25 - V	Adjustment year 01.04.2016 31-03-2017	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
	TANGIBLE ASSETS										
1	LAND	475.30			475.30	-	-	-	-	475.30	475.30
2a	BUILDINGS-FACTORY	2,752.28	0.00		2,752.28	338.91		-	338.91	2,413.37	2,413.37
3	PLANT & MACHINERY	33,234.71		393.25	32,841.47	2,823.32		193.87	2,629.45	30,212.02	30,411.39
4	ELECTRICAL INSTALLATION	2,596.05	0.00		2,596.05	300.05		-	300.05	2,296.01	2,296.02
5a	FURNITURE & FIXTURES	321.53	0.47	0.25	321.75	182.78	-	0.06	182.72	139.03	138.75
6	LABORATORY EQUIPMENT	89.93	0.00	-	89.93	21.76		-	21.76	68.16	68.16
7	VEHICLES	209.83		13.96	195.87	98.74		3.95	94.79	101.07	111.09
8	MINING DEPOSITS - Refer Note No. 25-VII	10,725.59	-	-	10,725.59	4,071.57		-	4,071.57	6,654.02	6,654.02
	SUB TOTAL - I	50,405.23	0.47	407.46	49,998.23	7,837.13	-	197.88	7,639.25	42,358.98	42,568.09
	INTANGIBLE ASSETS										
1	MINING LEASE RIGHTS - Refer Note No. 25-VII	2,933.41	-	-	2,933.41	1,026.69		-	1,026.69	1,906.72	1,906.72
	SUB TOTAL - II	2,933.41	-	-	2,933.41	1,026.69	-	-	1,026.69	1,906.72	1,906.72
	TOTAL	53,338.64	0.47	407.46	52,931.64	8,863.81	-	197.88	8,665.94	44,265.70	44,474.81

NOTE NO "11"	(Rs.in Lakhs)		(Rs.in Lakhs)
INVENTORIES	As at		As at
	31-03-2017		31-03-2016
(Valued and Certified by Management)			
a) Raw Materials	163.93		180.22
b) Work-in-Process	3.75		3.75
c) Finished Goods	15.71		15.71
d) Stores, Spares and Consumables	230.43		230.39
TOTAL	413.82		430.08

NOTE NO "12"	(Rs.in Lakhs)		(Rs.in Lakhs)
TRADE RECEIVABLES	As at		As at
	31-03-2017		31-03-2016
(Unsecured, Considered good) (Receivables recoverable in cash or for value to be received)			
Out standing for over six months from due date			
Doubtful	1,574.00		1,573.85
Considered Good	751.16		750.48
Other Debts	-		-
Less: Provision for doubtful debts	1,574.00		1,573.85
TOTAL	751.16		750.48

NOTE NO "13"	(Rs.in Lakhs)		(Rs.in Lakhs)
CASH AND CASH EQUIVALENTS	As at		As at
	31-03-2017		31-03-2016
Cash Balance on Hand	0.39		0.37
Balance With Banks			
i) In Current Accounts	12.31		14.28
ii) Earmarked Balances with Banks	11.42		10.45
iii) In Fixed Deposit Accounts With Banks	0.72		0.68
TOTAL	24.85		25.79
Earmarked Balanes of Rs. 10.45 Lacs with Banks represent the Balances held with Banks towards unclaimed dividends, gratuity etc.and are subject to confirmation and reconciliation.			
Fixed Deposit with Banks represents Deposits as margin money against BGs Rs. 0.68 Lacs subject to confirmation and reconciliation.			
The Bank accounts are under attachment of the State Commercial Taxes Department for the recovery of dues and are subject to reconciliation.			

NOTE NO "14"	(Rs.in Lakhs)		(Rs.in Lakhs)
SHORT TERM LOANS & ADVANCES	As at		As at
	31-03-2017		31-03-2016
LOANS AND ADVANCES (Unsecured, Considered good) (Advances recoverable in cash or kind for value to be received)			
a) Advances For Materials etc.,	133.90		132.44
b) Advances For Capital Goods	24.54		24.54
c) Advances For Others	737.19		711.87
d) Balance with Central Excise	408.32		408.32
e) Earnest Money Deposits	7.40		7.40
f) Deposits	403.48		455.65
g) Provision for Doubtful Advances	220.00		220.00
	1,494.83		1,520.22

NOTE NO "15"	(Rs.in Lakhs)		(Rs.in Lakhs)
OTHER CURRENT ASSETS	As at		As at
	31-03-2017		31-03-2016
Interest receivable	0.56		0.55

NOTE NO "16"		(Rs.in Lakhs)		(Rs.in Lakhs)
SALES		For the year ended 31-03-2017		For the year ended 31-03-2016
Sale of Cement		-		-
Sale of Clinker		-		-
Others		-		-
Total		-		-
Less: Excise Duty		-		-
Net Total		-		-

NOTE NO "17"		(Rs.in Lakhs)		(Rs.in Lakhs)
OTHER INCOME		For the year ended 31-03-2017		For the year ended 31-03-2016
Sale of Scrap		-		-
Interest received		10.67		0.34
Excess Working Capital Term Loans reversed		-		-
Excess deferred tax liability of earlier years written back		-		196.09
Excess power bills of earlier years written back		-		381.55
Miscellaneous income		0.01		-
		10.68		577.98

NOTE NO "18"		(Rs.in Lakhs)		(Rs.in Lakhs)
COST OF MATERIAL CONSUMED		For the year ended 31-03-2017		For the year ended 31-03-2016
Consumption of Raw Materials		-		-
Consumption of Stores & Spares		-		-
Consumption of Packing Material		-		-
Total		-		-

NOTE NO "19"		(Rs.in Lakhs)		(Rs.in Lakhs)
INCREASE/(DECREASE) IN STOCKS		For the year ended 31-03-2017		For the year ended 31-03-2016
(a) Work in Process :				
Opening Stock	3.75			3.75
Closing Stock	3.75	-		3.75
(b) Finished Goods :				
Opening Stock	15.71			15.71
Closing Stock	15.71	-		15.71
				0.00
		-		0.00

NOTE NO "20"		(Rs.in Lakhs)		(Rs.in Lakhs)
EMPLOYEES' BENEFIT EXPENSES		For the year ended 31-03-2017		For the year ended 31-03-2016
Salaries, Wages & Bonus		275.41		258.95
Contribution To Provident Fund		20.62		23.49
Contribution To ESI		2.12		2.27
Gratuity		-		-
Workmen & Staff Welfare Expenses		22.87		26.13
		321.01		310.84

NOTE NO "21"	(Rs.in Lakhs)		(Rs.in Lakhs)
FINANCE COST		For the year ended 31-03-2017	For the year ended 31-03-2016
Interest On Working Capital		-	-
Interest On Term Loan		-	-
Other Finance Charges		152.71	148.30
		152.71	148.30

NOTE NO "22"	(Rs.in Lakhs)		(Rs.in Lakhs)
DEPRECIATION AND AMORTIZATION EXPENSES		For the year ended 31-03-2017	For the year ended 31-03-2016
Depreciation			
Gross Amount as per Note No - 10		-	-
Less: Transfer from Mining Revaluation Reserve		-	-
		-	-

NOTE NO "23"	(Rs.in Lakhs)		(Rs.in Lakhs)
OTHER EXPENSES		For the year ended 31-03-2017	For the year ended 31-03-2016
Manufacturing Expenses			
Power Consumed	127.67		103.92
Coal Consumed		127.67	-
			103.92
Repairs & Maintenance			
Machinery	8.70		6.02
Buildings	0.22		0.22
Other Fixed Assets	1.53	10.45	1.53
			7.77
Administrative Expenses			
Rent	28.02		32.51
Rates & Taxes	1.20		1.98
Insurance	0.10		0.19
Bank Charges	0.69		1.91
Miscellaneous Expenses	101.34		85.38
Directors Sitting Fees	5.06		0.72
Cost Audit Fee	-		0.30
Loss on Sale of Fixed Assets	109.88		11.04
Auditor's Remuneration:			
Statutory Audit Fee	5.92		5.62
Loss on Sale of Raw materials	11.15		-
		263.37	139.64
Sales Expenses			
Provision for doubtful debts	-		-
Other Sales Expenses	14.35		16.54
	-	14.35	-
			16.55
Total		415.84	267.88

NOTE NO "24"

SIGNIFICANT ACCOUNTING POLICIES:

I. BASIS OF PREPARATION:

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles and generally accepted in India and comply with mandatory Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable and the relevant provisions of the Companies Act, 2013, except in respect of mineral deposits and rights which are recorded at estimated realizable value.

II. USE OF ESTIMATES:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

III. FIXED ASSETS:

Fixed Assets are stated at acquisition cost (net of taxes which are claimed as input credits) less depreciation. Capital work-in-progress is stated at Cost. Cost includes installation and expenditure during construction period including interest on borrowings till the date of capitalization. The mineral deposits and mining rights are stated at the estimated realizable value, based on a valuation by an independent valuer.

Depreciation on fixed assets other than those mentioned hereunder is calculated using the straight-line method at the rates arrived on the basis of useful lives of the assets as estimated by the Management. Assets costing less than Rs. 0.05 Lacs are depreciated fully in the year of acquisition.

Depreciation on the mineral deposits and mineral rights is provided, based on the estimated present value of the consumption over the remaining estimated useful period, at an equated amount of the total consumption so arrived at.

Management estimates the useful life of various assets as follows:

Factory Buildings Owned	24 years
Non-factory Buildings	54 years
Plant & Machinery, Electrical Equipment	26 years
Furniture, Fixtures and Office Equipment	11 years
Vehicles	6 years
Computer Equipment	4 years
Mineral Deposits	13/15/20 years
Mining Rights	40 years

IV. INVENTORIES:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of Stores and Spares and Raw materials are arrived on FIFO basis.

V. INVESTMENTS

Investments are classified into Long Term and Short Term and are carried at cost. Provision for diminution, if any, in the value of each Long Term Investment is made only if such a decline is other than temporary in nature in the opinion of the management.

VI. EMPLOYEE BENEFITS:

The Company contributes to the funds administered by the Regional Provident Fund Commissioner towards Provident Fund. Contributions payable to an approved Gratuity Fund (a defined benefit plan), determined by an independent actuary at the Balance Sheet date, are charged to the Profit & Loss Account. Provision for leave encashment cost is made on the basis of actuarial valuation at the Balance Sheet date, carried out by an independent actuary.

VII. REVENUE RECOGNITION:

- i) All income and expenditure are accounted on accrual basis, unless and except as otherwise stated.
- ii) In respect of derivative contracts, gain/loss is recognized on actual settlement of respective contracts.
Internal Consumption of the Company's end product, which is otherwise marketable, is accounted for at a transfer price and is included under sales.

VIII. IMPAIRMENT OF ASSETS:

An Asset is treated as Impaired when the carrying of cost of Assets exceeds its receivable value. An impairment loss is charged for when the asset is identified as impaired. The impairment loss received in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

IX. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

X. DEFERRED INCOME TAXES:

Deferred Tax charge or credit reflects that tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liability or asset are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax assets recognized only to that extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtual certainty (as the case may be) to be realized.

NOTE NO "25"
NOTES TO ACCOUNTS

I. Contingent Liabilities not provided for:

- a) Bank guarantees given for Rs. NIL Lacs (Previous Year Rs. NIL Lacs)
- b) Estimated Amount of Contracts remaining to be executed on capital account and not provided for Rs.25 Lacs (Previous Year Rs.25 Lacs)
- c) Claims against the Company not acknowledged as debts:

• In respect of Central Excise Matters	Rs. 412.88 Lacs (Previous year Rs 412.88 Lacs)
• In respect of Customs Duty matters	Rs. 50.48 Lacs (Previous Year Rs 50.48 Lacs)
• In respect of Income Tax Matters	Rs. 31.56 Lacs (Previous Year Rs. 31.56 Lacs)

d) Arrears of fixed cumulative Dividend Rs . 397.96 Lacs (Previous Year Rs. 323.14 Lacs)

II. GOING CONCERN

The Company has not been able to service the debts as per the restructuring package approved by the CDR LOA for the loans restructured in terms of the MRA. Further, since the past 3 financial years, the operations of the company have been affected on account of non-availability of working capital and the suspension of operations since March, 2014. During the year, the company was informed by all the Banks (except Corporation Bank) that the debts of the Company due to the banks have been assigned to JM Financial Asset Reconstruction Company Private Limited (hereinafter called as "ARC: under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act)). Subsequently the Company has, on 9th March 2016, which received an in principle sanction from the ARC detailing the terms of repayment of the debts taken over by ARC and also terms and conditions for sanction of fresh loan for working capital purposes.

However, in June 2016, the Company was informed by the ARC that sanction letter issued by the ARC in March, 2016 stands withdrawn and cancelled due to non-compliance of some of the sanction conditions especially the pre-disbursement conditions.

Further the ARC has issued 13/2 notice under SARFAESI to the Company for recovery of the Debt in May 2017 and the company has replied to the said notice 13/3 within the stipulated time frame. There has been a case filed by Corporation Bank for recovery of their dues at DRT.

The Management is making efforts to raise additional and alternative funds. It is also in advanced stage of negotiations for joint venture opportunities and other investors with a view to raise working capital for revival of the Company and as an alternative. It is hopeful that all these efforts would be successful and that the debt shall be cleared to the secured lenders.

Further also it is of the opinion that all the assets of the company have a realizable value at least to the extent reflected in the accounts of account and that the company will be able to meet its liabilities. In these circumstances the accounts have been prepared on Going Concern Basis.

III. NON PROVISION OF INTEREST ON TERM LOANS

In view of the assignment of debts of the Banks (other than Corporation Bank) to the ARC and the issuance of sanction letter by ARC in the month of March, 2016 and since the dues finally settled (after take over by ARC) are substantially lower than the dues outstanding as per the

accounts, the Company has not provided interest on the dues to the Banks upto the cut-off date i.e. the date when the debts were assigned to the ARC.

In respect of the loan dues to Corporation Bank, interest has not been provided in the accounts as the Company is in receipt of communication from the company that they are pursuing for One Time Settlement. In view of the ongoing negotiations between the company and Corporation Bank, which may result in settlement of dues at an amount substantially lower than the dues as per accounts, the Company considered it appropriate not to provide interest. However, the excess or shortfall, if any, in interest liability would be considered, determined and accounted in the period in which the final settlement is reached with ARC.

As per the sanction letter received from the ARC, the Company is liable to pay interest on the outstandings taken over by ARC from Banks from the cut-off date i.e. the date when the debts were assigned and taken over by the ARC. The Company has not provided for the interest accrued to the ARC from the date of takeover of debts (cut-off date) as the outstanding balance in the accounts of the loan liabilities is higher than the debts taken over by the ARC.

Despite the withdrawal of the sanction letter of March 2016 by the ARC, the Company has not affected changes in the accounts for the effect of the assignment of the debts to ARC and has not restated the term loans to the value accepted in the Sanction letter issued by ARC. Since the Company is actively pursuing for revival of the operations, such adjustments will be made after the revival of the sanction letter is obtained. The amount of such interest not provided in the accounts works out to Rs. 4429 Lacs for the year and cumulatively Rs 7870 Lacs.

IV. NON PROVISION / REVERSAL OF DEFERRED TAX LIABILITY

In the facts and circumstances of the company that the company has not carried on any business during the last two years read with the provisions of the income-tax act, 1961, in the opinion of the management the provision for deferred tax need not be made for the current financial year and for previous financial year. Consequently no provision for deferred tax is made for the current financial year and the provision made for deferred tax for earlier financial year had been reversed during the previous financial year.

V. REVERSAL OF POWER CHARGES FOR THE PERIOD APRIL 2014 TO SEPTEMBER 2014

The Power connection of the Company was disconnected in the month of March 2014 and thereafter the Company has not used nor purchased any power from South Power Distribution Company of Telangana Limited (hereinafter called "DISCOM") thereafter. However, the DISCOM has charged power charges on the Company on minimum charges basis for the period April 2014 to September 2014. Thereafter the DISCOM has stopped raising the bills as the Company was not using any power.

The Company had represented in earlier years to the DISCOM to withdraw the bills raised for the period April 2014 to September 2014 (being the minimum usage charges) and the Company expects a favourable waiver from the DISCOM. In anticipation of a favourable waiver from the DISCOM, the Company had reversed an amount of Rs. 381.55 Lacs being the power charges booked for the months April 2014 to September 2014 during previous financial year.

VI. NON PROVISION OF SALARIES

The Company has not been carrying any activities for more than two years. However, some employees and workers are still on the payrolls of the Company. The company is negotiating with employees and workers for settlement of dues. The Company has made provision only

for the basic salary of the employees as there are no operations. The amount not so provided is Rs. 174.20 Lacs (Previous Year Rs 253.30 lacs). In this year, amounts not paid to the employees and mgmt. is Rs 247.60 Lacs.

VII. CONFIRMATION OF BALANCES

The balances of Sundry Debtors, Sundry Creditors, Loans including deposits and advances are subject to confirmation from and reconciliation with the relevant parties as on the date of balance sheet date. In view of the fact that the operations of the Company have been shut down since March, 2014, the Company has not been able to pursue to obtain confirmation of balances as on the date of balance sheet. The Company will initiate the process of obtaining confirmations from and reconcile with the parties upon resumption of operations. Any difference arising on reconciliation would be accounted in the year in which such reconciliation is completed.

VIII. NON PROVISION OF DEPRECIATION

During the year, as the operations of the company had been suspended since March, 2014, the company could not operate its plant and machinery in the above circumstances. Hence the company considered it not appropriate to provide depreciation on fixed assets during the year. Further the company has not determined the depreciation that would have been required to be charged based on the estimated useful life as per the Schedule II of the Companies Act, 2013. The depreciation not so provided is Rs. 1225.33 lacs (Previous Year - Rs. 1442.90) Lacs based on the estimated useful life as per the policy of the company as explained herein above.

IX. PHYSICAL VERIFICATION OF INVENTORY

The physical verification of inventories could not be carried out during year as on the date of balance sheet date in view of the fact that the factory has been shut down since March, 2014. The Company will initiate the process of physical verification of inventories afresh once the operations of the company commence and effect for any variations, in addition to and apart from what is already written down, noticed at such physical verification will be given at that time.

X. REVALUATION AND ACCOUNTING OF MINERAL DEPOSITS AND RIGHTS

The management had revalued and accounted the value in respect of mineral deposits and mining rights, during the earlier financial year, based on an estimate of the mineral quantities by M/s. C.C.Geo Engineering Consultants (P) Ltd. and of the realizable value by M/s. G.S.Sekhar, Chartered Accountants. According to the accounting policy adopted in this regard, during that year, the amount so revalued and included in the Fixed Assets is Rs.10,725.59 Lacs on account of Mineral Deposits and Rs.2,933.41 Lacs on account of Mining Rights totaling to Rs.13,659.00 Lacs. During the year, as the depreciation has not been provided on any assets as explained herein above, the amount equal to depreciation has not been withdrawn from the Mineral Capitalization Reserve.

XI. SEGMENT REPORTING

In terms of the Accounting Standard 17 relating to "Segment Reporting", the company operated only in Cement business segments during the year and operates only in one geographical segment. Considering the source and nature of risks and returns the business segment will be the primary segment for this purpose and there are no secondary segments. Consequently, in view of the management based on control purposes, there are no reportable

secondary segments in terms of the AS and hence the requirements there-under are not applicable to the company for the year.

XII. RELATED PARTY TRANSACTIONS

The Company has no related parties other than the key management personnel and relatives of such personnel in terms of Accounting Standard 18, in respect of the related party disclosure.

The company has provided for remuneration to the Chairman, Managing Director, and Whole Time Director among the key management personnel of Rs.24.00 Lacs each as approved by members and Ex MD remuneration Rs. 3.48 Lacs (Previous Year of Rs. 9.60 Lacs each) respectively. In addition, the Company has provided Rs.5.05 Lacs (Previous Year Rs.0.72 Lacs) as Directors Sitting fee to all the Directors.

Further, the Company has provided for remuneration during the year was Rs 6 Lacs to one relatives of Key Management Personnel.

XIII. TAXATION

a. Current Year Taxation

The Company is not liable to pay any current taxes on account of current year losses, brought forward losses and unabsorbed depreciation.

b. Minimum Alternate Tax (MAT)

The Company is not liable to pay any MAT for the current year as the Company does not have any book profits for the year.

c. Deferred Taxation

Deferred Tax Liability included in the Balance Sheet Comprises the following

S.No.	Particulars	As at	As at
		31.03.2017	31.03.2016
		(Rs in Lacs)	(Rs in Lacs)
A	Deferred Tax Assets		
	Unabsorbed allowances	0.00	0.00
	Provision for expenses	0.00	0.00
		0.00	0.00
B	Deferred Tax Liabilities		
	Opening Balance	2863.65	3059.74
	Fixed Assets	0	-196.09
	Leave Encashment**	0	0.00
C	Deferred Tax Liability (Net) (A-B)	2863.65	2863.65

XIV. EARNINGS PER SHARE:

The computation of Earnings per Share is set out below:

		2016-17	2015-16
(a)	Earnings (Amount in Rupees Lacs)	-878.90	-149.05
(b)	Weighted average number of equity shares		
	Outstanding during the year	2,83,07,970	2,83,07,970
(c)	Weighted average number of equity shares		
	Outstanding during the year– Diluted	2,83,07,970	2,83,07,970
	Earnings per share		
	Basic (face value of Rs.10/-)(Rs)	(3.10)	(0.53)
	Diluted (Face value of Rs.10/-)	(3.10)	(0.53)

XV. MANAGERIAL REMUNERATION

Particulars	Rupees in Lacs	
	2016-17	2015-16
Chairman	24.00	9.60
Managing Director	24.00	9.60
Jt Managing Director	24.00	9.60
Ex-Managing Director	03.48	9.60
Total	72.00	28.80

The managerial remuneration has been provided in terms of the resolution passed for this purpose and read with the provisions of Schedule XIII of the Companies Act, 1956 (as existing and applicable at the time of appointment) and after taking into account the decision not to provide salaries as per contracts.

XVI. HOUSING SUBSIDY

The Company has received a sum of Rs.10.75 from Government of India during earlier years for the purpose of constructing 50 tenements for housing to its personnel in its Limestone Mines. The Company has entered into an agreement with Government of India for a period of 20 years.

XVII. The company has not received the required information from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the period end together with interest paid/payable as required under the said Act have not been made.

XVIII. REALIZATION OF ASSETS

The Management of the company is of the opinion that all the Fixed Assets have a value on realization in the ordinary course of business at least to the amount at which they are stated.

XIX. Actuarial valuation of Gratuity and Leave Encashment

The actuarial valuation for Gratuity and leave encashment for the year 2016-17 could not be obtained and hence the liability for the same could not be estimated and provided for in accounts.

- XX.** Consumption of Raw Materials and value of Inventories includes Royalty and other levies paid to Government to the extent of Rs. Nil Lakhs (previous year Rs. NIL Lakhs).
- XXI.** The Company has disposed of used assets, which are subject to charge, with gross block value of Rs. 407.46 Lacs during the year to overcome cash flow requirements.
- XXII.** **Raw Materials consumed during the year NIL (PY NIL)**
- XIV.** **Foreign Exchange transactions – During the year NIL (PY NIL)**
- XV.** **Value of imported and indigenous Raw Materials Consumption and percentage of each in total consumption – During the Year NIL (PY NIL)**
- XVI.** Previous Year figures have been regrouped wherever necessary to conform to the groupings adopted in these accounts.
- XVII.** The amounts except the Share data and quantitative information have been rounded off to the nearest lakh rupees and fraction thereof up to two decimals.

As per our Report Attached

For A.RAMACHANDRA RAO & CO

Chartered Accountants

ICAI FRN: 002857S

Sd/-

PSRVV SURYA RAO

Partner

Membership No.202367

Place: Hyderabad

Date: 06.11.2017

For and on behalf of the Board

Sd/-

S.CHANDRA MOHAN

Executive Chairman

Sd/-

S. KARTHIK SARATH CHANDRA

Jt. Managing Director

Sd/-

S KISHORE CHANDRA

Managing Director

BHEEMA CEMENTS LIMITED		
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2017		
	For The Period Ended 31.03.2017 (Rs. In Lakhs)	For The Year Ended 31.03.2016 (Rs. In Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Exceptional and Extraordinary items and tax	-878.90	-149.05
Extraordinary items adjusted for:		
Interest	152.71	148.30
Deferred tax liability of earlier years reversed		-196.09
Depreciation	-	-
Earlier Year's Income Tax	-	-
(Profit) / Loss on sale of Fixed Assets & Investments	109.88	11.04
Operating Profit before Working Capital changes	-616.31	-185.81
Adjusted for:		
(Increase) / Dec. in Inventories	16.26	1.56
(Increase) / Dec. in Trade Receivables	-0.68	-0.37
(Increase) / Dec. in Short Term Loans and Advances	25.39	-100.26
(Increase) / Dec. in Other Current Assets	-0.01	1.06
Increase / (Dec.) in Current Liabilities	626.94	710.13
Cash Generated from Operations	51.60	426.31
less : Interest on Working Capital, term loan and others	152.71	148.30
less : Provision for Taxation	-	-
less : Provision for proposed dividend and tax	-	-
Net Cash Flow from Operating Activities	-101.11	278.01
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-0.47	-2.56
Sale of Fixed Assets & Investments	99.71	35.16
Net Cash Flow from Investing Activities	99.24	32.60
C. CASH FLOW FROM FINANCING ACTIVITIES		
Forfeiture of Share Application Money-Convertible Warrants	-	-
Proceeds from Equity Deposit / Share Capital / Security Premium	-	-
Inc. / (Dec.) in Long Term Borrowings	-51.95	-679.84
Inc. / (Dec.) in Other Long Term Liabilities	52.89	213.65
Inc. / (Dec.) in Long Term Provisions	0.00	-
Net Cash Flow from Financing Activities	0.94	-466.19
D. NET INCREASE IN CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents as at the commencement of the year	25.78	181.36
Cash and Cash Equivalents as at the close of the year	24.85	25.78
Cash Balance on Hand	0.39	0.37
Balance With Banks		
i) In Current Accounts	12.31	14.28
ii) Earmarked Balances with Banks	11.42	10.45
iii) In Fixed Deposit Accounts With Banks	0.72	0.68
	24.85	25.78
<p>As per our Report attached. for A. RAMACHANDRA RAO & CO., Chartered Accountants ICAI FRN; 002857S</p> <p style="text-align: center;">For and on Behalf of the Board</p> <p style="text-align: center;">Sd/- S.CHANDRA MOHAN Executive Chairman</p> <p>Sd/- P.S.R.V.V.SURYA RAO Partner Membership No.202367 Place : Hyderabad Date : 06-11-2017</p> <p style="text-align: center;">Sd/- S. KISHORE CHANDRA Managing Director</p> <p style="text-align: center;">Sd/- S KARTHIK SARATH CHANDRA Jt. Managing Director</p>		

BHEEMA CEMENTS LTD

Registered Office: 6-3-652/C/A, Flat 5A, 'Kautilya' Amrutha Estates,
Somajiguda, Hyderabad - 500 082

**THIRTY EIGHT ANNUAL GENERAL MEETING
ADMISSION SLIP**

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company. I hereby record my presence at the Thirty Eight Annual General Meeting of the Company, the 21st day of August 2018 at 10:00 AM, to be held at Hotel Shree Venkateswara, 6-1-74, Lakadikapul, Hyderabad - 500004, Telangana

Name of the Member (IN BLOCK LETTERS) _____

Name of the Proxy (IN BLOCK LETTERS) _____
(To be filled in if the proxy attends instead of the Member)

Registered Folio No.:

No. of Shares:

Signature of the Shareholder / Proxy

NOTE: Please bring this attendance slip with you, duly filled in and hand over the same at the entrance of the Meeting Hall.

BHEEMA CEMENTS LTD

Registered Office: 6-3-652/C/A, Flat 5A, 'Kautilya' Amrutha Estates,
Somajiguda, Hyderabad - 500 082

**THIRTY EIGHT ANNUAL GENERAL MEETING
PROXY FORM**

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

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

- 1. Name : _____
- Address : _____
- Email ID : _____
- Signature : _____ or failing him

2. Name :
 Address :
 Email ID :
 Signature : or failing him

3. Name :
 Address :
 Email ID :
 Signature :

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Thirty Seventh Annual General Meeting of the Company, the 21st day of August 2018 at 10:00 AM, to be held at Hotel Shree Venkateswara, 6-1-74, Lakadikapul, Hyderabad - 500004, Telangana or at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Particulars	FOR	AGAINST
	Ordinary Business		
1	To receive, consider and adopt the financial statements of the company for the year ended 31 st march, 2017, along with the reports of the Board of Directors and Auditors thereon.		
2	To Re-Appoint Sri S Chandra Mohan (DIN: 00974855) as a director, who retires by rotation, and being eligible offers himself for Re-Appointment		
3	To appoint the statutory auditors M/s. Sastri & Shah Chartered Accountants, who are eligible appointment		
	Special Business		
4	To ratify the remuneration payable to cost auditors, Asutosh & Associates., cost accountants for the Financial Year 2017-18		

Signed this _____ day of _____ 2018

Affix Revenue stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

Printed Matter

To

If undelivered, please return to:



No. 6-3-652/C/A, Flat 5A, "KAUTILYA", Amrutha Estates, Beside Medinova, Somajiguda,
Hyderabad - 500082