

# report on corporate governance



White Cement Plant at Gotan

CORPORATE GOVERNANCE IS NOT MERELY COMPLIANCE AND NOT SIMPLY CREATING CHECKS AND BALANCES, IT IS AN ONGOING MEASURE OF SUPERIOR DELIVERY OF COMPANY'S OBJECTS WITH A VIEW TO TRANSLATE OPPORTUNITIES INTO REALITY.

## COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At J.K. Cement, we view Corporate Governance in its widest sense, almost like trusteeship. The Company's philosophy on Corporate Governance is to enhance the long-term economic value of the Company, sustainable return to its stakeholders i.e. the society at large, by adopting best corporate practices in fair and transparent manner by aligning interest of the Company with that of its shareholders/other key stakeholders.

Corporate Governance is not merely compliance and not simply creating checks and balances, it is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities into reality.

In so far as compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchange(s) is concerned, your Company is in full compliance with the norms and disclosures that have to be made.

## BOARD OF DIRECTORS

### (i) Composition of the Board

At J.K. Cement the Board is headed by its Non-executive Chairman, Dr. Gaur Hari Singhania. The Independent Directors on the Board are experienced, competent and highly reputed persons from their respective fields. The Independent Directors take active part at the Board and Committee Meetings, which adds vision, strategic direction and value in the decision making process of the Board of Directors.

As on 31st March, 2013 the composition of the Board of Directors is given herein below:

- One Promoter, Non-executive, Non-independent Director
- One Promoter, Executive, Non-independent Director
- One Non-executive, Non-independent Director
- Seven Non-executive, independent Directors

**(ii) Attendance of each Director at the Board Meetings and the last Annual General Meeting**

The Board meets at least once a quarter to review the quarterly financial results and operations of your Company etc. In addition,

the Board also meets as and when necessary to address specific issues relating to the business of your Company. During the financial year ended 31st March, 2013, five Board Meetings were held on the following dates:

- (i) 26th May, 2012 (ii) 4th August, 2012 (iii) 3rd November, 2012 (iv) 8th January, 2013 and (v) 4th February, 2013

**The attendance of each Director at Board Meetings and at the last Annual General Meeting (AGM) was as under:**

Sl. No	Name of Director	No. of Board Meetings attended	Attendance at last AGM
1	Dr. Gaur Hari Singhania	5	Yes
2	Shri Yadupati Singhania	5	Yes
3	Shri Ashok Sharma	5	Yes
4	Shri A. Karati	3	Yes
5	Shri J.P. Bajpai	4	No
6	Shri J.N. Godbole	4	Yes
7	Dr. K.B. Agarwal	5	Yes
8	Shri K.N. Khandelwal	5	Yes
9	Shri R.K. Lohia	2	Yes
10	Shri Suparas Bhandari	4	Yes

**(iii) The number of Directorships on the Board and Board Committees of other companies, of which the Directors are members/Chairman is given as under:**

Sl. No.	Name of Director	Category	Relationship Interse Directors	No. of other Directorships@	No. of Board Committees (Other than J.K. Cement Ltd.) in which**	
					Chairman	Member
1	Dr. Gaur Hari Singhania, Chairman	Promoter, Non-executive, Non-independent	Related to Shri Yadupati Singhania	5	-	-
2	Shri Yadupati Singhania, Managing Director & CEO	Promoter, Executive, Non-independent	Related to Dr. Gaur Hari Singhania	9	-	-
3	Shri Ashok Sharma	Non-executive, Independent	-	-	-	-
4	Shri Achintya Karati	Non-executive, Independent	-	6	-	6
5	Shri J.P. Bajpai	Non-executive, Independent	-	3	-	-
6	Shri J.N. Godbole	Non-executive, Independent	-	14	3	8
7	Dr. K.B. Agarwal	Non-executive, Independent	-	3	2	1
8	Shri K.N. Khandelwal	Non-executive, Non-independent	-	3	-	1
9	Shri R.K. Lohia	Non-executive, Independent	-	5	-	-
10	Shri Suparas Bhandari	Non-executive, Independent	-	-	-	-

@ Directorships on all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 25 of the Companies Act has been excluded.

\*\* Chairmanship/Membership of the Audit Committee and the Shareholders' Grievance Committee has been considered.

**iv) Non-executive Directors' compensation and disclosures**

Apart from sitting fees paid to the Non-executive and Independent Directors (except Managing Director and CEO) for attending Board/Committee meetings, Commissions were paid during the year details, of which are given separately in this report. No transaction has been made with Non-executive and Independent Directors vis-a-vis your Company.

**v) Other provisions as to Board and Committees**

Your Company's Board plays a pivotal role in ensuring good governance and functioning of your Company. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board and their foresight helps in the decision making process.

The Board has unfettered and complete access to any information with your Company. Members of the Board have complete freedom to express their views on agenda items and discussions at Board level are taken after due deliberations and full transparency. The Board provides direction and exercises appropriate control to ensure that your Company is managed in a manner that fulfills stakeholder's aspirations and societal expectations.

The matters placed before the Board as required under Clause 49 of Listing Agreement inter alia includes:

- Key elements of Annual Budget.
- Business plans and progress thereof.
- Company presentation on quarterly performance.
- The information on recruitment and remuneration of senior officers just below the Board

level, including appointment or removal of Chief Financial Officer and the Company Secretary.

- Delegation of powers to the Management.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant Human Resources related issues.
- Sale/purchase or material nature of investments, assets which, is not in normal course of business.
- Any issue which involves possible public or product liability claims of substantial nature including, any judgement or order which, may have passed stricture on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Review of compliance of all laws applicable to the Company, including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the Company to rectify instances of non-compliances, if any.
- Minutes of Meetings of Audit Committee, Committee of Directors and other Committees of Board.

**AUDIT COMMITTEE**

**(i) Broad Terms of Reference**

The Audit Committee reviews the matters falling in its terms of reference and addresses larger issues and examines those facts that could be of vital concerns to the Company. The terms of reference of the Audit Committee constituted by the Board, in terms of Section 292A of the Companies Act, 1956 and the Corporate Governance Code as prescribed under clause 49 of the Listing Agreement, which broadly includes matters pertaining to adequacy of internal control systems, review of financial reporting process, discussion of financial results, interaction with auditors, appointment and remuneration of auditors, adequacy of disclosures and other relevant matters. In particular, these include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing with management, the annual financial statements before submission to the Board for approval with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report, in terms of clause (2AA) of section 217 of the Companies Act, 1956.

- b. Changes if any, in accounting policies and practices and reasons for the same.
- c. Major accounting entries involving estimates based on the exercise of judgment by the Management.
- d. Significant adjustments made in the financial statements arising out of audit findings.
- e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transaction.
- g. Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval
6. Reviewing with the statutory and internal auditors the adequacy of internal controls and steps to be taken for strengthening the areas of weaknesses in internal controls.
7. Reviewing reporting structure, coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the following information:
- a) Management discussion and analysis of financial condition and results of operations.
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management.
- c) Management letters/letters of internal control weaknesses issued by the statutory auditors.
13. Carrying out any other function, as is mentioned in the terms of reference of the Audit Committee.
- (ii) Composition of the Committee**
- As on 31st March, 2013, the following Directors were the members of the Audit Committee:
- (i) Shri Ashok Sharma (Chairman): Independent, Non-executive Director
- (ii) Shri A. Karati: Independent, Non-executive Director
- (iii) Dr. K. B. Agarwal: Independent, Non-executive Director
- (iv) Shri K.N. Khandelwal: Non-independent, Non-executive Director
- (v) Shri R.K. Lohia: Independent, Non-executive Director
- All these Directors possess knowledge of Corporate Finance/Accounts/Company Law/Industry. Shri A.K.Saraogi, Chief Financial Officer, regularly attends the meetings and Shri Shambhu Singh, Company Secretary, acts as Secretary of the Committee. The Statutory Auditors' of the Company attend the meetings as special invitees.
- (iii) Meetings and Attendance**
- During the financial year ended 31st March, 2013, four meetings were held on (i) 26th May, 2012 (ii) 4th August, 2012 (iii) 3rd November, 2012 (iv) 4th February, 2013.

**The attendance at the Committee Meetings was as under:**

Sr. No.	Name of Director	No. of Meetings attended
1	Shri Ashok Sharma	4
2	Shri A. Karati	3
3	Dr. K.B. Agarwal	4
4	Shri K.N. Khandelwal	4
5	Shri R.K. Lohia	2

**REMUNERATION COMMITTEE****(i) Broad Terms of Reference**

- (a) To review and decide the policy on specific remuneration package of Managing Director and Non-executive Chairman of the Company.
- (b) To decide terms of remuneration of Non-executive Directors of the Company.

**(ii) Composition of the Committee**

Remuneration Committee of the

Company, as on 31st March, 2013, comprised:

- (i) Shri Raj Kumar Lohia  
(Chairman):  
Independent, Non-executive Director
- (ii) Shri A. Karati:  
Independent, Non-executive Director
- (iii) Shri J.P. Bajpai:  
Independent, Non-executive Director

- (iv) Shri Suparas Bhandari:  
Independent, Non-executive Director

Shri Shambhu Singh, Company Secretary, acts as Secretary of the Committee.

**(iii) Meetings and Attendance**

During the financial year ended 31st March, 2013 one meeting was held on 26th May, 2012.

**The attendance at the Committee Meetings was as under:**

Sr. No.	Name of Director	No. of Meetings attended
1	Shri Raj Kumar Lohia	None
2	Shri A. Karati	None
3	Shri J.P. Bajpai	1
4	Shri Suparas Bhandari	1

**(iv) Remuneration Policy**

The Company's remuneration policy is based on the principles of (i) pay for responsibility (ii) pay for performance and potential and (iii) pay for growth. Keeping in view the above, the Remuneration Committee is vested with all the

necessary powers and authorities to ensure appropriate disclosure on remuneration to the Managing Director, including details of fixed components and performance-linked incentives.

As for the Non-executive Directors, their appointment on the Board is

for the benefit of the Company due to their vast professional expertise in their individual capacity. The Company suitably remunerates them by paying sitting fee for attending the meetings of the Board and various sub-committees of the Board and commission on profits.

**The number of Equity Shares of the Company held by Non-executive Directors of the Company, as on 31st March, 2013 are as under:**

Name of Directors	No. of Equity Shares held	Name of Directors	No. of Equity Shares held
Dr. Gaur Hari Singhania	1041973	Shri Ashok Sharma	640
Shri J.P. Bajpai	100	Shri Achintya Karati	640
Shri K.N. Khandelwal	1000	Dr. K.B. Agarwal	300

**(v) Details of Remuneration to the Directors for the year ended 31st March, 2013**

Sl. No	Name of Director	Salary	Benefits	Commission	Sitting Fee	Total
1	Dr. Gaur Hari Singhania	--	--	6000000	170000	6170000
2	Shri Yadupati Singhania @	14400000	25200000*	8000000	--	119600000
3	Shri Ashok Sharma	--	--	650000	180000	830000
4	Shri A. Karati	--	--	650000	120000	770000
5	Shri J.P. Bajpai	--	--	650000	190000	840000
6	Shri J.N. Godbole	--	--	650000	80000	730000
7	Dr. K.B. Agarwal	--	--	650000	290000	940000
8	Shri K.N. Khandelwal	--	--	650000	290000	940000
9	Shri Raj Kumar Lohia	--	--	650000	100000	750000
10	Shri Suparas Bhandari	--	--	650000	90000	740000

\*Benefits does not include payment of contribution to Provident Fund, which is exempted perquisite under Para 2 Section II Part II of Schedule XIII of the Companies Act, 1956, but includes Performance incentive of ₹ 72 Lacs.

@ Appointment of Managing Director and CEO is for a period of 5 years w.e.f. 1st April, 2012 upto 31st March, 2017.

**SHAREHOLDERS' GRIEVANCE****COMMITTEE****(i) Composition**

The Committee as on 31st March, 2013 comprises:

- (i) Shri J.P. Bajpai (Chairman):  
Independent, Non-executive Director.
- (ii) Dr. K.B. Agarwal:  
Independent, Non-executive Director
- (iii) Shri K.N. Khandelwal:  
Non-independent,  
Non-executive Director.

(iv) Shri Raj Kumar Lohia:  
Independent, Non-executive Director.

**(ii)** Shri Shambhu Singh, Company Secretary, acts as Secretary of the Committee.

**(iii) Functions**

The Committee specifically looks into the redressal of shareholders' and investors' complaints such as transfer of shares, non-receipts of shares, non-receipt of dividend declared, annual reports and to ensure expeditious share transfer process and to review the status

of investors' grievances, redressal mechanism and recommend measures to improve the level of investors' services. The Company received 28 complaints during the 2012-13, and all the 28 complaints were redressed and there was no complaint pending as at 31st March, 2013.

**(iv) Meeting and Attendance**

During the financial year ended 31st March, 2013 four meetings were held on (i) 26th May, 2012 (ii) 4th August, 2012 (iii) 3rd November, 2012, (iv) 4th February, 2013.

Sr. No.	Name of Director	No. of Meetings attended
1	Shri J.P. Bajpai	3
2	Dr. K.B. Agarwal	4
3	Shri K.N. Khandelwal	4
4	Shri Raj Kumar Lohia	2

## CEO/CFO CERTIFICATION

The Managing Director & CEO and the CFO have certified to the Board, inter alia the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose, as required under Clause 49(v) of the Listing Agreement, for the year ended 31st March, 2013.

## General Body Meetings

Dates, time and places of last General Meetings held are given below:

Financial Year	Date	Time	Place
2009-10 (AGM)	31st July, 2010	12.00 Noon	Auditorium of the Merchants Chamber of U.P., Kanpur
2010-11 (AGM)	30th July, 2011	12.00 Noon	-do-
2011-12 (AGM)	4th August, 2012	12.00 Noon	-do-
2012-13 (EGM)	9th February, 2013	12.00 Noon	Dr. Gaur Hari Singhania Institute of Management & Research, Kamla Nagar, Kanpur

A Special resolution was passed in the Extraordinary General Meeting (EGM) of the Company, held on 9th February, 2013.

There were no matters required to be dealt/passed by the Company through postal ballot, in any of the aforesaid meetings, as required under the provisions of Section 192A of the Companies Act, 1956. There is no matter proposed to be dealt/passed by the Company through postal ballot in the ensuing Annual General Meeting.

The Chairman of the Audit Committee was present at the AGM held on 4th August, 2012, to answer the queries of the shareholders.

### Disclosures:

- (i) There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, their Subsidiaries or relatives conflicting with the Company's interest. Suitable disclosure, as required by the Accounting Standard (AS18,) has been made in the Annual Report.
- (ii) No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (iii) The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement. The Company has complied with the non-

mandatory requirements relating to the Remuneration Committee to the extent detailed above.

### Disclosures regarding appointment or re-appointment of Directors:

According to the Articles of Association of the Company, three Directors, Shri Raj Kumar Lohia, Shri Achintya Karati and Shri Ashok Sharma will be retiring by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offer themselves for re-election. Given below are the brief resumes of the aforesaid Directors, pursuant to Clause 49 of the Listing Agreement:

**Shri Raj Kumar Lohia** is a Non-executive, Independent Director. He is a Bachelor of Arts in Economics. He is an industrialist and possesses over 26 years rich experience in commerce and industry. He is the Director of the Company since 2004 and is also on the Board of other companies. He is the recipient of several awards, including the Excellence Award 2005 for contribution in the field of entrepreneurship.

**Shri Achintya Karati** is a Non-executive, Independent Director. He is a Law Graduate from Calcutta University. He served as Senior Advisor to ICICI Securities Limited and also with ICICI Prudential Life Insurance Company Limited. He has a vast experience in finance and legal affairs, spanning over three decades and diverse expertise across commercial, legal and secretarial matters. He retired as the Country Head, Government and

Institutional Solutions Group, ICICI Bank Limited, in March, 2004. He also served as the Deputy Zonal Manager (North) and the Head of Major Client Group (North) in ICICI Limited;

**Shri Ashok Sharma** is a Non-executive, Independent Director. He is Law Graduate and Chartered Accountant. He has a vast experience in finance and audit, spanning over three decades. Being a Practising Chartered Accountant, he is handling audit assignments of private sector organisations, Banks, Insurance Companies and Financial Institutions. He is holding Directorship on the Board of U. P. Stock Exchange Limited. He served on many Committees viz. Rehabilitation Committee for Uttar Pradesh Small Industries Corporation Limited, Corporate Committee of CIRC of ICAI, Indian Council of Arbitrators and Kanpur Income Tax Bar Association.

### Code of Conduct

The Board of Directors has already adopted the Code of Ethics & Business Conduct for the Directors and Senior Management Personnel. This Code is a comprehensive one applicable to all Executive as well as Non-executive Directors, and members of the Senior Management. A copy of the Code has been put on the Company's website, [www.jkcement.com](http://www.jkcement.com).

The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them.

A declaration signed by the Managing Director & CEO in this regard is given below:

"I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management personnel of the Company, affirmation that they have complied with the code of Ethics and business conduct framed for Directors and Senior Management Personnel in respect of the financial year 2012-13.

Yadupati Singhania

(Managing Director & CEO)"

#### Means of Communications

The Annual, Half yearly and Quarterly results are submitted to the Stock Exchange(s) in accordance with Listing Agreement and the same are normally

published in Business Standard, Economic Times, Nav Bharat Times, Hindustan, Times of India, and Nafa Nuksan newspapers. Management Discussion and Analysis forms part of Annual Report, which is posted to the Shareholders of the Company.

All vital information relating to the Company and its performance, including quarterly results etc. are simultaneously posted on Company's website www.jkcement.com. Further, Shareholding pattern and quarterly Corporate Governance report is uploaded on the NSE Electronic Application Processing System (NEAPS) maintained by NSE.

#### Details of shares lying in the Escrow Account of the Registrar & Share Transfer Agent.

As per SEBI Circular dated 24th April, 2009 bearing reference no.SEBI/CFD/

DIL/LA/1/2009/24/04, every Company is required to report the details of the shares lying in the Escrow Account which are yet to be credited to the investors who were allotted shares in the IPO. Accordingly, it is reported that as on 31st March, 2013, 160 number of equity shares of 3 (three) shareholders are lying in the Escrow Account with Stock Holding Corporation of India Ltd, Kanpur (DP.Id. IN301330 Client ID 19881648).

#### Prevention of Insider Trading.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 1992, a comprehensive code of conduct for prevention and regulation of trading in the Company's share by insiders is in vogue.

### General Shareholders Information

#### (i) Annual General Meeting

Date Time	Saturday the 27th July, 2013 at 12:00 Noon.
Venue	Auditorium of Merchants' Chamber of Uttar Pradesh, 14/76, Civil Lines, Kanpur.

#### (ii) Financial Calendar

(a) First Quarter Results	Within 45 days from the close of Quarter Ending June, 2013
(b) Second Quarter Results	Within 45 days from the close of Quarter Ending September, 2013
(c) Third Quarter Results	Within 45 days from the close of Quarter Ending December, 2013
(d) Results for the year ending 31st March, 2014	Within 60 days from the close of Quarter/Year Ending March, 2014

#### (iii) Date of Book Closure

Wednesday 17th July, 2013 to Saturday 27th July, 2013 (both days inclusive)

#### (iv) Dividend payment date

The Board of Directors of the Company have recommended a dividend of ₹ 6.50 per share for the year 2012-13 which shall be payable on or after 27th July, 2013

#### (v) Listing on Stock Exchanges

The Equity shares of the Company are listed with the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. and the listing fees has been duly and timely paid to both the Stock Exchanges for 2012-13

#### (vi) Stock Code

BSE 532644  
NSE JKCEMENT  
ISIN NUMBER INE823G01014



**(vii) Market Price Data**

Month	BSE			
	High	Low	Sensex High	Sensex Low
APRIL, 2012	176.40	126.10	17664.10	17010.16
MAY, 2012	154.50	123.15	17432.33	15809.71
JUNE, 2012	164.00	136.50	17448.48	15748.98
JULY, 2012	225.00	154.40	17631.19	16598.48
AUGUST, 2012	244.45	198.00	17972.54	17026.97
SEPTEMBER, 2012	272.00	202.60	18869.94	17250.80
OCTOBER, 2012	285.70	238.20	19137.29	18393.42
NOVEMBER, 2012	334.70	250.00	19372.70	18255.69
DECEMBER, 2012	369.80	272.80	19612.18	19149.03
JANUARY, 2013	362.30	313.00	20203.66	19508.93
FEBRUARY, 2013	340.00	303.00	19966.69	18793.97
MARCH, 2013	315.00	250.30	19754.66	18568.43

Month	NSE			
	High	Low	Nifty High	Nifty Low
APRIL, 2012	176.10	125.30	5378.75	5154.30
MAY, 2012	154.80	123.25	5279.60	4788.95
JUNE, 2012	163.70	125.65	5286.25	4770.35
JULY, 2012	225.90	160.20	5348.55	5032.40
AUGUST, 2012	244.80	198.00	5448.60	5164.65
SEPTEMBER, 2012	272.00	201.00	5735.15	5215.70
OCTOBER, 2012	285.70	238.00	5815.35	4888.20
NOVEMBER, 2012	334.70	253.00	5885.25	5548.35
DECEMBER, 2012	369.40	262.95	5965.15	5823.15
JANUARY, 2013	367.70	310.05	6111.80	5935.20
FEBRUARY, 2013	333.90	294.00	6052.95	5671.90
MARCH, 2013	319.65	258.00	5971.20	5604.85

**(viii) Registrar/Transfer Agent**

M/s Jaykay Enterprises Ltd. is acting as Registrar and Share Transfer Agent of the Company for Physical and Demat segment. Their address for communication is as under:

M/s Jaykay Enterprises Ltd.  
 (Unit J.K. Cement Ltd.)  
 Kamla Tower,  
 Kanpur - 208 001  
 Telephone: (0512) 2371478-81; Ext: 322/323  
 Fax: (0512) 2332665/2399854;  
 email: investorservices@jkcement.com; rc.srivastava@jkcement.com

**(ix) Share Transfer System**

Share Transfer work of physical segment is attended to by the Company's Registrar & Share Transfer Agent within the prescribed period under law and the Listing Agreements with Stock Exchanges.

All share transfers etc. are approved/ratified by a Committee of Directors, which meets periodically.

## (x) Distribution of Shareholding as on 31st March, 2013

No. of Equity Share held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
UP TO 500	88317	98.64	2787583	3.99
501 TO 1000	723	0.81	522221	0.75
1001 TO 2000	202	0.23	300445	0.43
2001 TO 3000	65	0.07	166721	0.24
3001 TO 4000	28	0.03	101503	0.14
4001 TO 5000	26	0.03	120628	0.17
5001 TO 10000	49	0.05	355638	0.51
10001 AND ABOVE	127	0.14	65572511	93.77
<b>TOTAL</b>	<b>89537</b>	<b>100.00</b>	<b>69927250</b>	<b>100.00</b>

## (xi) Category of Shareholders as on 31st March, 2013

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
PROMOTERS AND PROMOTER GROUP	34	00.04	46648641	66.71
MUTUAL FUNDS/UTI	47	00.05	6103854	08.73
FINANCIAL INSTITUTIONS/BANKS	107	00.12	8344	00.01
INSURANCE COMPANIES	3	0	937828	01.34
FOREIGN INSTITUTIONAL INVESTORS	62	00.07	7586132	10.85
BODIES CORPORATE	791	00.88	2085958	02.98
INDIVIDUALS	88371	98.70	6180771	08.84
OTHERS	122	00.14	375722	00.54
<b>TOTAL</b>	<b>89537</b>	<b>100.00</b>	<b>69927250</b>	<b>100.00</b>

## (xii) Dematerialisation of Shares:

The Company's Equity shares have been allotted ISIN (INE823G01014) both by the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

69285074 Equity share representing 99.08% of the paid up Equity Capital of the Company have been dematerialised till 31st March, 2013.

## (xiii) The Company has not issued any GDRs/ADRs/warrants or any convertible instruments.

## (xiv) Plant Location

Company has following plants:

Plant	Location
<b>INDIAN</b>	
Grey Cement Plants	Kailash Nagar, Nimbahera, Dist. Chittorgarh, Rajasthan
	Mangrol, Dist. Chittorgarh, Rajasthan
	Gotan, Dist. Nagaur, Rajasthan
	Muddapur, Dist: Bagalkot, Karnataka
	Jharli, Dist: Jhajjar, Haryana (under implementation)
White Cement Plant	Gotan, Dist. Nagaur, Rajasthan
Thermal Power Plants	Bamania, Shambhupura, Dist. Chittorgarh, Rajasthan
	Kailash Nagar, Nimbahera, Dist. Chittorgarh, Rajasthan
	Gotan, Dist. Nagaur, Rajasthan
	Muddapur, Dist: Bagalkot, Karnataka
Waste Heat Recovery Power Plant (For captive consumption)	Kailash Nagar, Nimbahera, Dist. Chittorgarh, Rajasthan
<b>OVERSEAS UNDERTAKEN BY SUBSIDIARY</b>	
Dual process White/Grey Cement Plant (under implementation)	Plot No.7, Habhab, Tawian Fujairah, UAE

## (xv) Address for Correspondence:

Mr. Shambhu Singh  
Senior General Manager (Legal) & Company Secretary,  
J.K. Cement Ltd.,  
Kamla Tower, Kanpur - 208001.  
Telephone No.: 0512 2371478 -81 Fax: 0512-2332665/2399854  
Email: shambhu.singh@jkcement.com  
Website: www.jkcement.com

# auditors' certificate

To

The Members of **J.K. Cement Limited.**

We have examined the compliance of conditions of Corporate Governance by J.K. CEMENT LIMITED for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s). The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **P.L. Tandon & Co.**  
Chartered Accountants  
Registration No. 000186C

**P.P. Singh**  
Partner  
Membership No.72754

Place : Kanpur  
Date : 11th May, 2013