

# **ANNUAL REPORT 2015-16**

**HANSDEEP INDUSTRIES &  
TRADING COMPANY LIMITED**

# HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED

## BOARD OF DIRECTORS

RAM RATAN GUPTA  
SUJIT KUMAR MUKHERJEE  
ASHOK GUPTA

## REGISTERED OFFICE

PATRIOT HOUSE, 4<sup>TH</sup> FLOOR, 3,  
BAHADUR SHAH ZAFAR MARG, NEW  
DELHI-110 002

## SECRETARIAL/CORPORATE OFFICE

GULAB BHAWAN, 3RD FLOOR, 6A,  
BAHADUR SHAH ZAFAR MARG, NEW  
DELHI- 110 002

## BANKERS

CENTRAL BANK OF INDIA

AXIS BANK LIMITED

## AUDITORS

LUNAWAT & CO., CHARTERED  
ACCOUNTANTS

## REGISTRAR & SHARE TRANSFER AGENTS

MCS SHARE TRANSFER AGENT  
LIMITED  
F-65, First Floor, Okhla Indl. Area,  
Phase 1, New Delhi-110 020  
PH.: (011) 41406149-52  
Fax No.: (011) 41709881  
E-mail: admin@mcsdel.com

## DEBENTURE TRUSTEE

IDBI TRUSTEESHIP SERVICES  
LIMITED  
Asian Building, Ground Floor, 17,  
R. Kamani Marg, Ballard Estate,  
Mumbai- 400 001  
Ph.: (91)(22)40807000  
Fax no.: (91)(22)66311776  
E-mail: itsl@idbitrustee.com  
Website: <http://www.idbitrustee.com>

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**HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED**

(CIN: U74899DL1993PLC054817)

Regd. Office: Patriot House, 4<sup>th</sup> Floor, 3, Bahadur Shah Zafar Marg, New Delhi-  
110 002

Email: anmol.anand@jkmil.com

Phone: 30179869, Fax: 91-11-23739475

**NOTICE**

NOTICE is hereby given that the **23rd Annual General Meeting** of the Members of **HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED** will be held at the Registered Office of the Company at Patriot House, 4th Floor, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002, on **Monday, the 26th September 2016 at 4.30 P.M.** to transact the following business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri R.R. Gupta (DIN: 01990838), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appointment of the Auditors and to fix their remuneration and in connection therewith, to consider and if thought fit to pass, the following as **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder, as amended from time to time and pursuant to the resolution passed by the Members at the 21st Annual General Meeting (AGM), the appointment of M/s. Lunawat & Co., Chartered Accountants, New Delhi, (Registration No. 000629N) as Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the AGM to be held in the year 2017, be and is hereby ratified on a remuneration of Rs. 15,000 (Rupees Fifteen Thousand only) per annum, excluding Service Tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit.”

**As Special Business**

4. To consider and if thought fit to pass, with or without modification(s), the following as a **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies

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Act, 2013, Shri S.K. Mukherjee, Director of the Company, (DIN: 00271301), who retires by rotation at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three consecutive years from the date of his appointment at the ensuing Annual General Meeting, upto the conclusion of the 26th Annual General Meeting of the Company to be held in the year 2019."

**Regd. Office:**  
Patriot House, 4<sup>th</sup> Floor,  
3, Bahadur Shah Zafar Marg  
New Delhi-110 002

**By Order of the Board**



**(R.R. Gupta)**  
Director

Date: 16<sup>th</sup> May 2016

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBERS.

2. The Statement pursuant to Section 102 of the Companies Act, 2013 (Act), setting out the material facts concerning Item No. 4 of the Notice, is annexed hereto.
3. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting (AGM) are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
4. **Appointment of Director**

Brief resume of the Director proposed to be re-appointed (Item No. 2 of the Notice) is given hereunder:





<b>Name</b>	<b>Shri Ram Ratan Gupta</b>
DIN No.:	01990838
Age	67 Years
Qualification	Cost & Management Accountant
Expertise in Specific Functional Areas	48 years of experience in Finance, Accounts and Commercial Matters
Date of Appointment on the Board	30th May 2009
Directorships held in other public companies (as per Section 165 of the Companies Act 2013, excluding private and other companies)	(a) Dwarkesh Energy Limited (b) Panchmahal Properties Limited (c) Juggilal Kamlatpat Udyog Limited (d) JKLC Employees' Welfare Association Limited
Memberships/ Chairmanships of committees of other public companies	NIL
Number of Equity Shares held in the Company	1
Relationships between Directors inter-se	None

#### STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013

##### Item No. 4

Shri S.K. Mukherjee was appointed by the Shareholders as Director liable to retire by rotation at the First Annual General Meeting of the Company held for the year 1993. Shri S.K. Mukherjee retires by rotation at this AGM. The Board of Directors of the Company has recommended appointment of Shri S.K. Mukherjee as an Independent Director for a term of 3 consecutive years from this AGM in terms of Section 149 of the Companies Act, 2013 (the Act), as mentioned in the resolution.

Shri S.K. Mukherjee, aged 65 years, holds degree of M.tech in Chemical Engineering and is a MBA. He has handled leadership positions in various companies. Shri S.K. Mukherjee is also a Director on the Board of CliniRx Research Private Limited, JK Plant Bio Sciences Research Limited, Global Strategic Technologies Limited, CliniRx Tangent Research India Pvt. Ltd., to name a few. Shri Mukherjee is also the Chairman of Nomination & Remuneration Committee and a member of the Audit Committee of Directors of the Company. Shri Mukherjee does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

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Shri S.K. Mukherjee has given requisite declaration that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and has given his consent to act as Independent Director of the Company. He is also not disqualified from being appointed as Director in terms of Section 164 of the Act.

In the opinion of the Board, Shri Mukherjee fulfils the conditions specified in the Act in respect of his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of appointment of Shri Mukherjee as an Independent Director setting out the terms and conditions would be available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

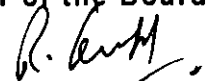
Except Shri S.K. Mukherjee, being the appointee, none of the Directors and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

**Regd. Office:**

Patriot House, 4<sup>th</sup> Floor,  
3, Bahadur Shah Zafar Marg  
New Delhi-110 002

Date: 16<sup>th</sup> May 2016

**By Order of the Board**

  
(R.R. Gupta)  
Director





**FOR ATTENTION OF THE MEMBERS**

1. Members/ Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
2. Please check the Pincode in the address slip and advise correction, if any, therein. Also please do indicate the Pincode Number of your delivery post office while notifying change in your address to the Company where shares are held in physical form.
3. Shareholder(s) seeking transfer of shares in physical form should furnish copy of the PAN card of the Transferor and Transferee to the Company / RTA for registration of transfer of shares.
4. Investor Grievances can be lodged to Shri Anmol Anand, Compliance Officer, at Secretarial Department at Gulab Bhawan (Rear Block), 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg, New Delhi- 110 002 or E-mail: anmol.anand@jkmil.com. Members can also write to the Company in this regard.
5. **Nomination:** Pursuant to Section 72 of the Companies Act, 2013, individual Members holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the shares of the Company shall vest in the event of death of the sole/ all joint Members. Members holding shares in physical form, may send their nomination in the prescribed Form SH-13, duly filled in, to the Secretarial Department at the address mentioned above.
6. Members are requested to quote their Folio No. and details of shares held in physical mode, e-mail IDs and Telephone/Fax Nos. for prompt reply to their communications.
7. The AGM venue is located at the Registered Office of the Company situated at Patriot House, 4<sup>th</sup> Floor, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002. Lala Ramcharan Agarwal Chowk is the nearest Bus Stop located at a distance of 150 meters from the Venue. Venue is at about 1 kilometers from New Delhi Railway Station and 5 kilometers from Old Delhi Railway Station. Air Route: 16 kilometers from Indira Gandhi International Airport (IGI Airport).

**HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED**  
**CIN: U74899DL1993PLC054817**  
**Regd. Office: Patriot House, 4<sup>th</sup> Floor, 3 Bahadur Shah Zafar Marg, New Delhi- 110 002**  
**Email: anmol.anand@jkmall.com**

**ADMISSION SLIP**

Folio No.	
No. of Equity Shares held	

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting of the Company being held at Patriot House, 4<sup>th</sup> Floor, 3, Bahadur Shah Zafar Marg, New Delhi-110 002 on Monday, the 26<sup>th</sup> September 2016 at 4.30 P.M.

Name of the Members (in block letter)
Name of Proxy /Authorized Representative attending (in block letter)

Signature of the attending Members/Proxy/Authorized Representative

**Note: Please produce this Admission Slip duly filled and signed at the entrance of the meeting hall. Members intending to appoint a proxy may use the Proxy Form given below.**

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

**Proxy form**

**HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED**  
**CIN: U74899DL1993PLC054817**  
**Regd. Office: Patriot House, 4<sup>th</sup> Floor, 3 Bahadur Shah Zafar Marg, New Delhi- 110 002**  
**Email: anmol.anand@jkmall.com**

Name of the Member(s) :
Registered address :
E-mail Id:
Folio No:

I/We, being the member (s) of..... holding..... equity shares of the above named Company, hereby appoint

Name : ..... Email : .....  
 Address:.....  
 Signature: \_\_\_\_\_

or failing him/her

Name : ..... Email : .....  
 Address:.....  
 Signature: \_\_\_\_\_

or failing him/her

Name : ..... Email : .....  
 Address:.....  
 Signature: \_\_\_\_\_

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Monday, 26<sup>th</sup> September 2016 at 4.30 P.M. at Patriot House, 4<sup>th</sup> Floor, 3, Bahadur Shah Zafar Marg, New Delhi- 110 002 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution Number	Resolution
1	Consideration and adoption of the financial statements of the Company for the Financial Year ended 31st March 2016 and the Reports of the Board of Directors and Auditors thereon.
2	Re-appointment of Shri R.R Gupta (DIN: 01990838), who retires by rotation.
3	Ratification of appointment of Statutory Auditors and their remuneration.
4	Appointment of Shri Sujit Kumar Mukherjee (DIN: 00271301) as independent Director

Signed this.....day of.....2016

Signature of Members..... Signature of Proxy holder(s).....

Affix Revenue Stamp
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Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Patriot House, 4<sup>th</sup> Floor, 3, Bahadur Shah Zafar Marg, New Delhi-110 002, not less than 48 hours before the commencement of the Meeting.

## HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED

### DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report along with the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2016.

### FINANCIALSUMMARY/HIGHLIGHTS

During the financial year ended 31<sup>st</sup> March 2016, Profit after tax was Rs. 3,20,665/-. Taking into account the surplus of Rs. 68,874/- brought forward from the previous year, the profit of Rs. 3,89,539/- is carried forward to the Balance Sheet.

### NON-CONVERTIBLE DEBENTURES

The Company has issued and allotted Secured Non-Convertible Debentures of an aggregate amount of Rs. 475 Crore, on a private placement basis, in three tranches (NCDs), proceeds whereof have been on-lent to Udaipur Cement Works Limited, a subsidiary of JK Lakshmi Cement Limited, to which the Company is also a subsidiary, for meeting its capital expenditure.

The said NCDs are listed on Wholesale Debt Market segment of the BSE Limited. The Company has not received any grievances from the debenture holders.

### INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements and no material reportable weakness was observed in the system. Further, the Company has in place adequate internal financial controls commensurate with the size and nature of its operations. The Company also has robust Budgetary Control System and Management Information System (MIS) which are backbone of the Company for ensuring that your Company's assets and interests are safeguarded.

### EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31<sup>st</sup> March 2016 in the prescribed Form MGT -9 is attached as Annexure 'A' to this Report and forms part of it.



## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or securities and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statements.

## RELATED PARTY TRANSACTIONS

All the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arms' length basis and were in compliance with the applicable provisions of the Companies Act, 2013 (the Act). A statement showing particulars of contracts or arrangements entered into with JK Lakshmi Cement Limited, the Holding company & Udaipur Cement Works Limited, fellow subsidiary, in the prescribed Form AOC-2, pursuant to Section 134(3)(h) of the Act, is attached as Annexure 'B'.

## DIRECTORS

Shri Ram Ratan Gupta, retires by rotation and being eligible offers himself for re-appointment at the ensuing AGM.

It is proposed to appoint Shri S.K. Mukherjee as an Independent Director of the Company for a term of three consecutive years at the ensuing AGM, pursuant to Section 149 of the Companies Act, 2013. The Company has received declaration from Shri Mukherjee about his Independence pursuant to Section 149 of the Companies Act, 2013. The Board recommends his appointment as an Independent Director of the Company.

All the Independent Directors of the Company have given requisite declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

## CONSERVATION OF ENERGY, ETC.

The requirement of furnishing particulars of energy conservation, technology absorption, foreign exchange earnings and outgo, pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

## DEPOSITS

The Company has neither invited nor accepted any deposits from the public.



## STATUTORY AUDITORS AND THEIR REPORT

M/s Lunawat & Co., Chartered Accountants, have been appointed as Auditors of the Company to hold the office from the conclusion of the 21st Annual General Meeting held on 25th July 2014 until the conclusion of the 26th Annual General Meeting to be held in the year 2019, subject to ratification of their appointment by the members at the respective AGMs to be held from the year 2015 onwards till the AGM to be held in the year 2018. Accordingly, being eligible, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting. The observations of the Auditors in their report on Accounts and the financial statements, read with the relevant notes are self explanatory.

## CORPORATE SOCIAL RESPONSIBILITY

The requirement of Corporate Social Responsibility in terms of Section 135 of the Companies Act, 2013 is not applicable to the Company.

## PARTICULARS OF REMUNERATION

The requirement of furnishing information in accordance with the provisions of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

## NUMBER OF BOARD MEETINGS

The Board of Directors met fourteen (14) times during the Financial Year 2015-16 ended 31<sup>st</sup> March 2016.

## AUDIT COMMITTEE

The Company has an Audit Committee of Directors since December 2015. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013.

The Committee consists of three Directors, namely, Shri Ram Ratan Gupta, Non-executive Director, Shri S.K. Mukherjee and Shri Ashok Gupta, Independent Directors.



## SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

In accordance with the provision of Schedule IV to the Companies Act 2013, a separate meeting of the Independent Directors of the Company was held on 16<sup>th</sup> May 2016. Shri S.K. Mukherjee was unanimously elected as Chairman of the meeting and all the Independent Directors of the Company were present at the said Meeting.

## NOMINATION AND REMUNERATION COMMITTEE

During the Financial Year under review, the Company constituted a 'Nomination and Remuneration Committee' comprising of three Directors, all being Non-Executive Directors, namely, Shri Sujit Kumar Mukherjee, Chairman, Shri Ram Ratan Gupta and Shri Ashok Gupta, Members. The Composition and role of the committee are in conformity with the provisions of Section 178 of the Companies Act 2013.

## NOMINATION AND REMUNERATION POLICY




In accordance with the provisions of the Companies Act 2013, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes, independence of a Director as well as a policy on Board Diversity. The policy provides as follows:

(i) The Nomination and Remuneration Committee of Directors (the Committee) shall take into consideration the following criteria for recommending to the Board for appointment as a Director of the Company: (a) Qualifications & experience. (b) Positive attributes like - respect for Company's core values, professional integrity, strategic capability with business vision, etc. (c) In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the applicable laws & regulations. (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.

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

(iii) The Board will review the performance of a Director as per the structure of performance evaluation adopted by the Board for Directors including Executive Directors.

(iv) The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate

governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board.

(v) The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by senior personnel having relevant qualifications and experience. The Compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

## **RISK MANAGEMENT**

The Company has an elaborate risk management system to inform Board Members about risk assessment and minimization procedures. In the opinion of the Board, there are no risk attached with the Company which may threaten the existence of the Company.

## **MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR**

No material changes and commitments, affecting the financial position of the Company have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this report.

## **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of business during the Financial Year 2015-16.

## **PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Your Company is sensitive to women employees at workplace and ensure safety of women and prevention of sexual harassment. During the year, no incident/allegation of Sexual Harassment was reported.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:



- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the accounting policies have been selected and applied consistently and judgments and estimates made 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) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

#### ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the continued support and co-operation received from various Central and State Government Authorities, lending institutions and the esteemed Shareholders of the Company.

On behalf of the Board of Directors



(Ram Ratan Gupta)  
Director  
DIN: 01990838



(Sujit Kumar Mukherjee)  
Director  
DIN: 00271301

Place: New Delhi

Date: 16<sup>th</sup> May 2016



## ANNEXURE 'A' TO BOARD'S REPORT

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31st March 2016**  
**[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 : U74899DL1993PLC054817
- (ii) Registration Date : 12<sup>th</sup> August 1993
- (iii) Name of the Company : Hansdeep Industries & Trading Company Limited
- (iv) Category : Public Company Limited by Shares  
 Sub-Category of the Company : Subsidiary of Indian Company
- (v) Address of the Registered Office and Contact Details- : Link House, 4th Floor, 3 Bahadur Shah Zafar Marg  
 New Delhi- 110 002  
 Ph. No. - +91-11-30179860  
 Fax No. - +91-11-23739475, 23722251  
 Email id: rgupta@jkm.com
- (vi) Whether Listed Company : No  
 Yes/ No
- (vii) Name, Address and Contact Details of Registrar and Transfer Agent, if any- : MCS Share Transfer Agent Limited

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

All the business activities contributing 10% or more of the total turnover of the Company:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Purchase & Sale of Clinker	4663	59.06%
2	Interest on Inter Corporate Loan	6492	30.77%

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

Sl. No.	Name and Address of the Company	CIN/GNL	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	JK Lakshmi Cement Limited (JKLC)	L74999RJ1938PLC019511	Holding	100	2(46)

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#### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### (i) Category-wise Shareholding

(Equity Share of ₹ 10/- each)

	Category of Shareholders	No. of Shares held at the beginning of the year (as on 1st April 2015)				No. of Shares held at the end of the year (as on 31st March 2016)				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
a)	Individual/HUF	-	6*	6	-	-	6	6	-	-
b)	Central Govt.	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	-	10,50,001	10,50,001	100.00	-	10,50,001	10,50,001	100.00	-
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (1):-</b>	-	<b>10,50,007</b>	<b>10,50,007</b>	<b>100.00</b>	-	<b>10,50,007</b>	<b>10,50,007</b>	<b>100.00</b>	-
<b>(2)</b>	<b>Foreign</b>									
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks/ FI	-	-	-	-	-	-	-	-	-
e)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
	<b>Total Share holding of Promoter (A)= (A)(1)+(A)(2)**</b>	-	<b>10,50,007</b>	<b>10,50,007</b>	<b>100.00</b>	-	<b>10,50,007</b>	<b>10,50,007</b>	<b>100.00</b>	-
<b>B.</b>	<b>Public Share holding</b>									
<b>1.</b>	<b>Institutions</b>									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks/FI	-	-	-	-	-	-	-	-	-
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt. (s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2.</b>	<b>Non-Institutions</b>									
a)	Bodies Corp.									
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii)	Individual Shareholders holding	-	-	-	-	-	-	-	-	-

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	nominal share capital in excess of ₹ 1 lakh									
c)	Others (NRI)									
i)	NRI	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2):-</b>		-	-	-	-	-	-	-	-	-
<b>Total Public shareholding (B)= (B)(1)+(B)(2)</b>		-	-	-	-	-	-	-	-	-
C.	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>		-	10,50,007	10,50,007	100	-	10,50,007	10,50,007	100	-

\* Shri Brijesh Kumar Daga, Shri Sudhir Anna Bidkar, Shri C.K. Bagga, Shri Ram Ratan Gupta, Shri Sushil Kumar Wali and Dr. Shailendra Chouksey are the individual shareholders who jointly hold one (1) equity share each in the Company along with JKLC.

### (ii) Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1st April 2015)			Shareholding at the end of the year (as on 31st March 2016)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	JK Lakshmi Cement Limited (JKLC)	10,50,007*	100.00	NIL	10,50,007	100.00	NIL	No Change
<b>Total</b>		10,50,007	100.00	NIL	10,50,007	100.00	NIL	No Change





\* Shri Brijesh Kumar Daga, Shri Sudhir A. Bidkar, Shri C.K. Bagga, Shri Ram Ratan Gupta, Shri Sushil Kumar Wali and Dr. Shailendra Chouksey jointly hold one (1) equity share each in the Company along with JKLC. The shares held by Shri Brijesh Kumar Daga, Shri Sudhir A. Bidkar, Shri C.K. Bagga, Shri Ram Ratan Gupta, Shri Sushil Kumar Wali and Dr. Shailendra Chouksey jointly have not been pledged.

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

Sl. No.		Shareholding at the beginning of the year (as on 1st April 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>JK Lakshmi Cement Limited</b>				
	At the beginning of the year	10,50,007	100.00	10,50,007	100.00
	Date wise Increase/Decrease in Promoter's Shareholding during the year	<b>NO CHANGE</b>			
	At the end of the year i.e. 31 <sup>st</sup> March 2016			10,50,007	100.00

### (iv) Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

The Company is wholly owned subsidiary of JK Lakshmi Cement Limited which holds 10,50,007 (100.00%) equity shares of the Company.

## (v) Shareholding of Directors and Key Managerial Personnel, holding shares in the Company:

Sl. No.	For each of the Director and KMP	Shareholding at the beginning of the year (as on 1st April 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Shri Ram Ratan Gupta, Director</b>				
	At the beginning of the year	1	0.00	1	0.00
	Date wise Increase/Decrease in Shareholding during the year	No Change			
	At the end of the year i.e., 31.3.2016			1*	0.00

Note: Shri S.K. Mukherjee and Shri Ashok Gupta, Directors of the Company were not holding any shares in the Company at the beginning of the year, i.e. as on 1st April 2015 and at the end of the year i.e. as on 31st March 2016. Also, there was no increase/decrease in their shareholding during the financial year.

\* Jointly with JK Lakshmi Cement Limited

## V. INDEBTEDNESS

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

(Rs. In Lacs)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (as on 1<sup>st</sup> April 2015)</b>				
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in indebtedness during the financial year</b>				
• Addition	35,000.00	-	-	35,000.00
• Reduction	-	-	-	-
<b>Net Change</b>	35,000.00	-	-	35,000.00
<b>Indebtedness at the end of the financial year (As on 31<sup>st</sup> March 2016)</b>				
(i) Principal Amount	35,000.00	-	-	35,000.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	2,319.16	-	-	2,319.16
<b>Total (i+ii+iii)</b>	37,319.16	-	-	37,319.16

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## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross Salary	<b>Not Applicable</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961		
2.	Others (mainly contribution to Provident Fund)		
	Total (A)		
	Ceiling as per the Act		

(The Company does not have Sweat Equity/Scheme for stock option.)

### B. Remuneration to other Directors

Sl. No	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	<b>NIL</b>	
	• Fee for attending Board/ Committee Meetings		
	• Commission (Amount)		
	Total (1)		
2.	Other Non-executive Directors	<b>NIL</b>	
	• Fee for attending Board/ Committee Meetings		
	• Commission (Amount)		
	Total (2)		
	Total (B) = (1+2)		
	Total Managerial Remuneration (A)+(B)		
	Overall Ceiling as per the Act		

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## C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:


Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
1.	Gross Salary	<b>Not Applicable</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961		
2.	Others (mainly contribution to provident fund)		
	Total		

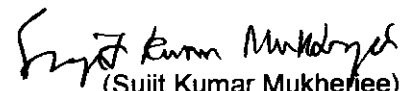
(The Company does not have Sweat Equity/Scheme for stock option. Commission- Not Applicable.)

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31<sup>st</sup> March 2016.

On behalf of the Board of Directors

  
 (Ram Ratan Gupta)  
 Director  
 DIN: 01990838

  
 (Sujit Kumar Mukherjee)  
 Director  
 DIN: 00271301

Place: New Delhi  
 Date: 16th May 2016



## ANNEXURE 'B' TO BOARD'S REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended 31<sup>st</sup> March 2016 are as follows:

Name of Related Party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements /transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Amount paid (₹ in lacs)
Udaipur Cement Works Limited – Fellow Subsidiary (UCWL)	Sale of Clinker	June 2015-ongoing	Sale of Clinker at Market rate.	N.A.*	4096.36
	Interest on Inter Corporate Loan	August 2015-ongoing	Interest on Inter Corporate Loan at market rate	N.A.*	1784.06
	Processing Fees	August 2015-ongoing	Receipt of Processing Fees at Market rate.	N.A.*	199.81
	Reimbursement of Expenses	June 2015-ongoing	Receipt of Reimbursement of Actual cost.	N.A.*	1,254.00
	Inter Corporate Loan	August 2015-ongoing	Inter Corporate Term Loan given for meeting capital expenditure of UCWL	N.A.*	35,000.00

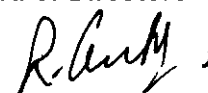


Name of Related Party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements /transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Amount paid (₹ in lacs)
JK Lakshmi Cement Limited - Holding Company (JKLC)	Purchase of Clinker and related expenses	June 2015-ongoing	Purchase of Clinker at Market Rate	N.A.*	4128.03
	Office Rent	June 2015-ongoing	Office taken on rent at Market Rate	N.A.*	1.73

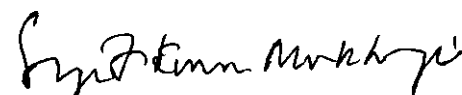
\*Not applicable since the contract was entered into in the ordinary course of business and on arm's length basis/market rate.

**Note:** All transactions with JKLC & UCWL have been disclosed irrespective of whether they are covered under Section 188 of the Companies Act 2013 or not.

On behalf of the Board of Directors



(Ram Ratan Gupta)  
Director  
DIN: 01990838

(Sujit Kumar Mukherjee)  
Director  
DIN: 00271301

Place: New Delhi  
Date: 16th May 2016



## INDEPENDENT AUDITORS' REPORT

To the Members of  
**Hansdeep Industries & Trading Company Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of **Hansdeep Industries & Trading Company Limited** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### 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 issued by the Institute of Chartered Accountants of India. 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 misstatements.

An audit involves performing procedures to obtain audit evidences 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 misstatements of the financial statements, whether due to fraud or error. In making those risk assessments the auditors consider internal financial controls relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its 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, 2015 ("the Order") issued by the central government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act and Companies (Audit and Auditors) Rule 2014, 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 purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statements 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) Rule, 2014.
- (e) On the basis of the written representations received from the Directors as on March 31, 2016 taken on record by the board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act 2013.
- (f) With respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure "B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Lunawat & Co.**

Chartered Accountants

F.R. No. 000629N

per CA. Vikas Yadav

Partner

M. No. 511351



54, Daryaganj

New Delhi-110002

Date: 16/05/2016

## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 3 and 4 of our report of even date

RE: Hansdeep Industries & Trading Company Limited

- 1) a) The company has maintained proper records showing full particulars, including Quantitative details and situation of fixed assets;
  - b) As explained to us, all the assets have been physically verified by the management at regular interval. As informed to us no discrepancy was noticed on such verification
  - c) The title deeds of immovable properties are held in the name of the company.
- 2) In our opinion, and according to the information & explanation given to us, the company has conducted physical verification of inventory at reasonable intervals. No material discrepancies were noticed during such verification.
- 3) In our opinion, and according to the information & explanation given to us, the company has granted unsecured loan to company covered in the register maintained under section 189 of the Companies Act 2013 during the year and in our opinion:
  - (a) The terms & conditions of the grant of such loan are not prejudicial to the Company's interest.
  - (b) The schedule of repayment of the principal & interest has been stipulated and the receipts are also regular.
  - (c) No amount is overdue as at the year end.
- 4) In respect of loans, investments, guarantees and security, provisions of section 185 and 186 of the Companies Act 2013 have been complied with.
- 5) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.
- 6) According to the information and explanation given to us, the company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013
- 7) a) In our opinion, the company is regular in depositing undisputed statutory dues including income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and any other statutory dues with the appropriate authorities. There were no arrears of statutory dues as on the last day of the financial year which were due for more than 6 months from the date they became payable.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same

b) According to information and explanation given to us, there are no dues on account of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute.



- 8) In our opinion and according to the information & explanation given to us, the company has not defaulted in repayment of loans or borrowing dues to a financial institution or bank or government or dues to debenture holders.
- 9) In our opinion and according to the information & explanation given to us, the company has raised moneys by way of initial public offer from debt instruments (i.e. Debentures) and the moneys received were applied for the purpose for which those were raised.
- 10) According to information and explanations given to us, no fraud by the company or on the company by its officer or employees has been noticed or reported during the year.
- 11) The company has not paid or provided any Managerial Remuneration hence clause (xi) is not applicable.
- 12) The company is not a Nidhi Company hence clause (xii) is not applicable.
- 13) According to the information and explanation given to us, and in our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- 14) According to the information and explanation given to us, and in our opinion, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) According to the information and explanation given to us, and in our opinion, the company has not entered into any non-cash transactions with directors or persons connected with them.
- 16) According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Lunawat & Co.**

Chartered Accountants

F.R. No. 000629N

  
per CA. Vikas Yadav

Partner

M. No. 511351



54, Daryaganj

New Delhi-110002

Date: 16/05/2016

## ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

### 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 **Hansdeep Industries & Trading Company Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditors’ Responsibility

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

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
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 company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For Lunawat & Co.**

Chartered Accountants

F.R. No.000629N

*Vikas*  
perCA. Vikas Yadav

Partner

M. No. 511351



54, Daryaganj

New Delhi-110002

Date: 16/05/2016

# HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED.

Balance Sheet as at 31st March 2016

₹ In Lacs

Particulars	Note	31st March 2016	31 <sup>st</sup> March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	105.00	105.00
(b) Reserves & Surplus	3	3.90	0.69
<b>Sub-Total Shareholder's Fund</b>		<b>108.90</b>	<b>105.69</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	35,000.00	-
<b>Sub-Total Non Current Liabilities</b>		<b>35,000.00</b>	<b>-</b>
<b>(2) Current Liabilities</b>			
(a) Trade Payable		100.31	
(b) Other Current Liabilities	5	2,424.16	0.19
(c) Short-Term Provisions	6	0.41	0.04
<b>Sub-Total Current Liabilities</b>		<b>2,524.88</b>	<b>0.23</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>37,633.78</b>	<b>105.92</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
<b>(a) Fixed Assets</b>			
i) Tangible Assets	7	89.31	90.97
		<b>89.31</b>	<b>90.97</b>
(b) Long Term Loans & Advances	8	35,000.00	-
		<b>35,000.00</b>	<b>-</b>
<b>Sub-Total Non Current Assets</b>		<b>35,089.31</b>	<b>90.97</b>
<b>(2) Current Assets</b>			
(a) Current Investments	9	712.98	13.49
(b) Cash and Cash Equivalents	10	27.29	1.43
(c) Short term Loans and Advances	11	31.30	0.03
(d) Other Current Assets	12	1,772.90	-
<b>Sub-Total Current Assets</b>		<b>2,544.47</b>	<b>14.95</b>
<b>Total</b>		<b>37,633.78</b>	<b>105.92</b>

Significant Accounting Policies  
Notes on Financial Statements

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As per our report of even date annexed  
**For Lunawat & Co.**

Chartered Accountants

Firm Registration No. 000629N

CA. Vikas Yadav  
Partner

Membership No. 511351

New Delhi

16/05/2016



*R. Anshu*  
*[Signature]*

Directors

CA. B.

# HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED.

Statement of Profit & Loss for the Year Ended 31st March 2016

Particulars	Note	₹ In Lacs	
		2015-16	2014-15
<b>I. Revenue from Operations (Gross)</b>	13	<b>3,879.29</b>	-
Less:- Excise Duty		<b>454.96</b>	-
Revenue from Operations (Net)		<b>3,424.33</b>	-
<b>II. Other Income</b>	14	<b>2,373.70</b>	4.76
<b>III. Total Revenue (I+II)</b>		<b>5,798.03</b>	4.76
<b>IV. Expenses</b>			
Purchase of Stock In Trade	15	<b>3,389.18</b>	-
Employee Benefit Expenses	16	<b>36.63</b>	-
Finance Cost	17	<b>2,319.17</b>	-
Depreciation and Amortization Expenses	7	<b>3.19</b>	2.97
Other Expenses	18	<b>46.27</b>	1.75
<b>Total Expenses (IV)</b>		<b>5,794.44</b>	4.72
<b>V. Profit before Exceptional Items and Tax (III-IV)</b>		<b>3.59</b>	0.04
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit before Tax</b>		<b>3.59</b>	0.04
<b>VIII. Tax Expense:</b>			
Current Tax (MAT)		<b>0.38</b>	0.01
<b>IX. Profit / (Loss) for the period</b>		<b>3.21</b>	0.03
<b>X. Earnings per Equity Share :</b>			
Basic and Diluted	19	<b>0.31</b>	0.00246

Notes on Financial Statements

2-30

As per our report of even date annexed  
For Lunawat & Co.

Chartered Accountants

Firm Registration No. 000629N

CA. Vikas Yadav  
Partner

Membership No. 511351

New Delhi,

10/05/2016



*R. G. G.*  
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*[Signature]*  
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Directors



# HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED

## NOTE 1

### Significant Accounting Policies

#### 1.1 Accounting Convention

The Financial Statements are prepared under historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in India.

#### 1.2 Revenue Recognition

Revenue is recognised when there is no significant uncertainty existing as to the determination or collection of the same.

#### 1.3 Fixed Assets

Fixed Assets are stated at Historical cost. Cost includes costs attributable to acquisition & installation of assets.

#### 1.4 Investments

Current Investments are stated at the lower of Cost and Fair Value. Long Term Investments are stated at Cost, however any permanent diminution in the value of long term investment is also accounted for.

#### 1.5 Provisions

Provisions are recognised when there is a present obligation of the enterprise arising from Past events, the settlement of which is expected to result in an outflow from the enterprise, of resources embodying economic benefits.

#### 1.6 Depreciation

Depreciation on building is provided as per useful life specified in schedule II to companies act 2013, on straight line method. Leasehold Land is being amortized over the lease period

#### 1.7 Accounting policies not specifically referred to otherwise are consistent with Generally Accepted Accounting Principles (GAAP).

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(₹ In Lacs)

31<sup>st</sup> March 201631<sup>st</sup> March 2015**NOTE 2  
SHARE CAPITAL****Authorised**

Equity Shares - 20,00,000 of Rs. 10 each (Previous year 20,00,000 of Rs. 10 each)

200.00

200.00

Preference Shares - 2,00,000 ( Previous year 2,00,000) of Rs. 100 each)

200.00

200.00

**400.00****400.00****Issued, Subscribed and Paid up**

Equity Shares 10,50,007 of Rs. 10 each ( Previous year 10,50,007 of Rs. 10 each) fully paid up

105.00

105.00

**105.00****105.00****a. Reconciliation of number of Share Outstanding :**

Opening Balance

10,50,007

10,50,007

Shares Issued during the year

-

-

Shares brought back during the year

-

-

Shares Outstanding at the end of the year

**10,50,007****10,50,007****b. Shares held by its holding or ultimate holding company or subsidiaries or associates of the holding company or its ultimate holding company**

Company Name	Nature (Whether holding or ultimate holding, etc)	% of holding	Numbers	Numbers
JK Lakshmi Cement Ltd & its Nominees	Holding company	100%	10,50,007	10,50,007

**c. Shareholders holding more than 5% of total issued Shares**

Name	% of Holding	Numbers	Numbers
JK Lakshmi Cement Ltd. & its Nominees	100%	10,50,007	10,50,007

**e. Terms / Rights attached to Equity Shareholders :**

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

31<sup>st</sup> March 201631<sup>st</sup> March 2015**NOTE 3****RESERVES AND SURPLUS****Surplus in Statement Profit and Loss**

Balance as per last Financial Statements

0.69

0.66

Add : transfer from Statement of Profit and Loss

3.21

0.03

Closing Balance

**3.90****0.69**

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**NOTE 4****LONG TERM BORROWINGS****SECURED LOANS**

Redeemable Non Convertible Debentures

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
	35,000.00	-
	<b>35,000.00</b>	<b>-</b>

1. Secured Redeemable Non-Convertible Debentures (NCDs) issued on Private Placement consist of :-

- i) 11.25% NCDs Series A of Rs.225 Crore are redeemable in three annual installments at the end of 3<sup>rd</sup> year (20%), 4th year (20%) and 5th year (60%) from the date of allotment i.e. 13th August 2015.
  - ii) 11.25% NCDs Series B of Rs.125 Crore are redeemable in three annual installments at the end of 3<sup>rd</sup> year (20%), 4th year (20%) and 5th year (60%) from the date of allotment i.e. 28<sup>th</sup> September 2015.
2. All the NCDs are secured by way of first ranking pari passu charge in favour of Debenture Trustee on (i) all the movable fixed assets, (ii) Current Assets, (iii) the Designated Bank Account and (iv) Short Term Investments, of the Company, both Present and future.
3. These NCDs are further secured by a first ranking pari passu charge on the Movable & Immovable Fixed Assets of Udaipur Cement Works Ltd. (a Co-Subsidiary Company) situated at Shripati Nagar, P.O. C.F.A.-312021, Distt. Udaipur in the State of Rajasthan, in favour of Debenture Trustee.
4. These NCDs are also secured by a Corporate Guarantee of the Holding Company.

**NOTE 5****OTHER CURRENT LIABILITIES**

Interest Accrued but Not Due

Audit Fee

Others Liabilities

VAT Payable

Others

Advance from Customer

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
	2,319.16	-
	0.23	0.13
	-	0.06
	0.91	-
	0.01	-
	103.85	-
	<b>2,424.16</b>	<b>0.19</b>

**NOTE 6****SHORT TERM PROVISIONS**

Others

Provision for Income Tax

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
	0.41	0.04
	<b>0.41</b>	<b>0.04</b>



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NOTE 7  
TANGIBLE ASSETS

Amount in (₹ In Lacs)

Description	Gross Block				Depreciation				Net Block	
	1 <sup>st</sup> April 2015	Additions	Sale	30th September 2015	Up to Last Year	During the Year	On Sales/ Adjustments	To Date	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Leasehold Land	18.59	-	-	18.59	0.77	0.28	-	1.05	17.54	17.82
Building	80.62	-	-	80.62	7.48	2.69	-	10.17	70.45	73.15
Computers	-	1.54	-	1.54	-	0.22	-	0.22	1.32	-
<b>Total</b>	<b>99.21</b>	<b>1.54</b>	<b>-</b>	<b>100.75</b>	<b>8.25</b>	<b>3.19</b>	<b>-</b>	<b>11.44</b>	<b>89.31</b>	<b>90.97</b>
Previous Year	99.21	-	-	99.21	8.24	2.97	-	11.21	88.00	-



**NOTE 8****Long Term Loans & Advances**

Inter Corporate Loan given to Fellow Subsidiary

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
	<b>35,000.00</b>	-
	<b>35,000.00</b>	-

**NOTE 9****CURRENT INVESTMENTS**

(Other than trade, fully paid up, At Cost)

**Investment in Mutual Fund**

	31 <sup>st</sup> March 2016		31 <sup>st</sup> March 2015	
	No. of Units	Amount	No. of Units	Amount
Reliance Fixed Horizon Fund -XXVI - Series 2 - Direct Plan Growth	20,425.058	2.04	20,425.058	2.04
Reliance Money Manager Fund Growth	25.420	0.45	25.420	0.45
Reliance Medium Term Fund - Growth	3,779.261	1.00	3,779.26	1.00
UTI Dynamic Bond Fund	62,634.665	10.00	62,634.67	10.00
Taurus Liquid Fund Sup Insti - Direct Plan -Gr.	30,077.362	485.80	-	-
JM High Liquidity Fund - Direct - Gr.	5,11,703.747	203.69	-	-
Reliance Liquid fund - Cash Plan - Growth	426.096	10.00	-	-
		<b>712.98</b>		<b>13.49</b>
Aggregated book value of quoted investment		<b>712.98</b>		<b>13.49</b>
Market value of quoted investments		<b>731.04</b>		<b>13.49</b>



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**NOTE 10**  
**CASH AND BANK BALANCES**

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Cash on Hand	0.01	0.10
Balance with Bank		
On Current Accounts	27.18	1.33
Fixed Deposit	0.10	-
	<u>27.29</u>	<u>1.43</u>

**NOTE 11**  
**SHORT TERM LOAN AND ADVANCES**

(Unsecured, Considered Good )

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Cenvat Recoverable	0.15	
TDS Recoverable	31.11	
Self Assessment Tax	0.04	0.03
	<u>31.30</u>	<u>0.03</u>

**NOTE 12**  
**Other Current Assets**

Interest Accrued but not due From Fellow Subsidiary

	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
	1,772.90	-
	<u>1,772.90</u>	<u>-</u>



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(₹ in Lacs)

2015-2016

2014-2015

**NOTE 13****REVENUE FROM OPERATIONS**

Sale of Traded Goods

Clinker

3,879.29

-

Revenue from Operations (gross)

3,879.29

Less: Excise duty

454.96

-

3,424.33

**NOTE 14****Other Income**

Interest on Inter Corporate Loan

1,784.05

Consultancy

-

4.05

Processing Fees

175.00

-

Profit on Sale of Current Investment

414.64

0.71

2,373.70

4.76

**NOTE 15****Purchase of stock -in -trade**

Clinker

3,389.18

-

3,389.18

-

**NOTE 16****Employee Benefit Expense**

Salary &amp; Wages

36.63

-

36.63

-

**NOTE 17****Finance Cost**

Finance Charges On NCD's

2,319.17

-

2,319.17

-



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(₹ in Lacs)  
2014-2015

2015-2016

**NOTE 18**

**OTHER EXPENSES**

Legal & Professional Fees	0.53	0.07
Auditor's Remuneration	-	-
Audit Fees	0.25	0.10
Others	0.18	
Insurance	0.07	0.07
Electricity Charges	0.40	0.39
Accounting Charges	0.35	0.88
Office Maintenance	0.54	0.14
General Charges	3.04	0.11
Computer Charges	10.15	-
Miscellaneous expenses	10.76	0.00
Travelling Expenses	20.00	-
	<u>46.27</u>	<u>1.75</u>

**NOTE 19**

**EARNING PER SHARE (Basic / Diluted)**

Net profit as per Statement of Profit and Loss	3.21	0.0258
<b>Net profit attributable to equity shareholders</b>	<u>3.21</u>	<u>0.0258</u>
Weighted average number of Equity Shares outstanding during the period	10.50	10.50
Earnings per Equity Share (Rs.) (face value of Rs. 10/- each)		
Basic and Diluted	0.31	0.00246

*Q.B.*





## NOTES TO ACCOUNTS

- 20 The Company has only one business segment namely " Trading Activities ".
- 21 During the year ended 31st March'2016 the Company has issued Secured Redeemable Non Convertible Debentures (NCD's) amounting to Rs. 350 Crore at par, on private placement basis, which are listed on BSE.
- 22 The Company has given Inter Corporate Loan of Rs. 350 Crore to Udaipur Cement Works Ltd ( a fellow subsidiary company )
- 23 Contingent Liability - Nil (Previous year - Nil), Other Commitments - Nil (Previous year - Nil)
- 24 Expenditure / Earnings in foreign currency -Nil (Previous year Nil)
- 25 There are no parties registered under Micro Small and Medium Enterprises Development Act, 2006 with which the Company has any dealing during the year.
- 26 Deferred Tax Assets in terms of AS 22 on carry forward losses has not been recognised in view of uncertainty of future profits
- 27 Related Party Disclosure

### List of Related Party

- JK Lakshmi Cement Ltd. (Holding Company)  
Udaipur Cement Works Ltd. (Fellow Subsidiary Company)

The following transactions were carried out with related parties in the ordinary course of business :

₹ In Lacs

S. No.	Particulars	JK Lakshmi Cement Ltd	Udaipur Cement Works Ltd
<b>A</b>	<b>Receipts :-</b>		
	Clinker Sale		4,096.36
	Interest on Inter Corporate Loan		1,784.06
	Processing Fees		199.81
	Reimbursement of expenses		1,254.00
<b>B</b>	<b>Payments :-</b>		
	For Purchase of Clinker & related expenses	4,128.03	
	Office Rent	1.73	
<b>C</b>	<b>Inter Corporate Loan given</b>		35,000.00
<b>D</b>	<b>Receivable</b>		36,669.07
<b>E</b>	<b>Payable</b>	100.62	

- 28 The entity is being engaged in one business segment. Hence the disclosure required in terms of AS-17 issued under Companies (Accounting Standard) Rules, 2006 is not applicable.
- 29 Previous year's figures have been rearranged and regrouped wherever necessary.
- 30 In view of inadequacy profit No DRR has been created during the year.

As per our report of even date annexed

**For LUNAWAT & CO.**

Chartered Accountants

Firm Registration No. 000629N

CA. Vikas Yadav  
Partner

Membership No. 511351

New Delhi  
16/05/2016



*(Signature)*  
*(Signature)*

Directors

# HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED.

## CASH FLOW STATEMENT

For the Year Ended 31<sup>st</sup> March 2016

(₹ In Lacs)

	2015-16	2014-2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	3.59	0.03
Adjustments for		
Depreciation	3.19	2.97
Profit on Sale of Investments	(414.64)	(0.70)
Interest Income	(1,784.06)	-
Finance Cost	2,319.17	-
Operating Profit before Working Capital changes	127.25	2.30
Adjustment for		
Trade and Other Receivables	(0.15)	-
Trade and Other Payables	205.10	0.11
Cash Generated from Operations	332.20	2.41
Direct Tax paid (Net)	(19.97)	(0.03)
<b>Net Cash from Operating Activities</b>	<b>312.23</b>	<b>2.38</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(37,890.00)	(10.00)
Sale of Investments	37,605.16	8.80
Loan Given	(35,000.00)	-
Purchase of Fixed Assets	(1.54)	-
<b>Net Cash from / (used in) Investing Activities</b>	<b>(35,286.38)</b>	<b>(1.20)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of NCD's	35,000.00	-
<b>D. Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>25.86</b>	<b>1.18</b>
<b>E. Cash &amp; Cash Equivalents as at the beginning of the year</b>	<b>1.43</b>	<b>0.25</b>
<b>F. Cash &amp; Cash Equivalents as at the close of the year</b>	<b>27.29</b>	<b>1.43</b>

### Notes:-

- Closing Cash and Cash Equivalents include:
  - Cash on hand 0.01 0.10
  - Balance with Scheduled Bank 27.28 1.33
  - Cheques in hand - -
  - Total 27.29 1.43
- Previous year's figures have been re-arranged and re-cast wherever necessary.

As per our report of even date annexed

**For Lunawat & Co.**

Chartered Accountants

Firm Registration No. 000629N

CA. Vikas Yadav

Partner

Membership No. 511351

New Delhi

16/05/2016.



*R. Gupta*  
*[Signature]*

Directors