

# Report on Corporate Governance

## 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

In compliance with the corporate governance norms prescribed in Clause 49 of the listing agreement in terms of constitution of the Board, 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, 2011 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 Directors
- Seven Non-Executive, Independent Directors

### ii) Attendance of each Director at the Board Meetings and 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 2011, four Board Meetings were held on (i) 29th May 2010 (ii) 31st July 2010 (iii) 30th October, 2010 and (iv) 12th February, 2011

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

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

Sr. 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	–	3	1	–
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	–	11	1	8
7	Dr.K.B.Agarwal	Non-Executive, Independent	–	3	2	–
8	Shri K.N. Khandelwal	Non-Executive, Non Independent	–	4	–	–
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, has been included and all other companies including private limited companies, foreign companies and companies under section 25 of the Companies Act 1956 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 & CEO) for attending Board/Committee meetings, Commission were paid during the year details of which are given separately in this report. No transaction have been made with Non-Executive and Independent Directors vis-à-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 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 fulfils stakeholder's aspirations and societal expectations.

The matters placed before the Board as required under Clause 49 of Listing Agreement interalia 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 and other Committees of Board.
- 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 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 transactions,
    - 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 investigations 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;

## 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.

- 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, 2011, the following Directors were the members of the Audit Committee:

- (a) Shri Ashok Sharma (Chairman)  
: Independent, Non Executive Director
- (b) Shri A. Karati  
: Independent, Non Executive Director
- (c) Dr. K. B. Agarwal  
: Independent, Non Executive Director
- (d) Shri K.N. Khandelwal  
: Non Independent, Non Executive Director
- (e) 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 Finance 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, 2011 four meetings were held on (i) 29th May, 2010 (ii) 31st July, 2010 (iii) 30th October, 2010 and (iv) 12th February, 2011

The attendance at the Committee Meetings was as under:

Sr. No	Name of Director	No. of Board Meetings attended
1	Shri Ashok Sharma	4
2	Shri A. Karati	4
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, 2011 comprised of:

- (a) Shri Raj Kumar Lohia (Chairman)  
: Independent, Non Executive Director
- (b) Shri A.Karati  
:Independent, Non Executive Director
- (c) Shri J.P. Bajpai  
: Independent, Non Executive Director
- (d) 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, 2011 one meeting was held on 29th May, 2010.

The attendance at the above Meeting was as under: -

Sr. No	Name of Director	No. of Board Meetings attended
1	Shri Raj Kumar Lohia	1
2	Shri A.Karati	1
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 2011 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

\*\*includes 8196 shares held in the capacity as Karta of Dr.Gaur Hari – Yadupati Singhania HUF, 3000 shares in the capacity as Karta of Dr.Gaur Hari Singhania (Greater HUF) and 20 shares in the capacity as Executor of the will of Late P.D.Singhania.

**(v) Details of Remuneration to the Directors for the year ended 31st March, 2011**

Sr. No	Name of Director	Salary	Benefits	Commission	Sitting Fee	Total
1	Dr. Gaur Hari Singhania	–	–	2500000	230000	2730000
2	Shri. Yadupati Singhania @	10800000	18900000*	10000000	–	39700000
3	Shri. Ashok Sharma	–	–	600000	160000	760000
4	Shri. A. Karati	–	–	600000	170000	770000
5	Shri. J.P. Bajpai	–	–	600000	300000	900000
6	Shri. J.N.Godbole	–	–	600000	80000	680000
7	Dr..K.B.Agarwal	–	–	600000	350000	950000
8	Shri. K.N. Khandelwal	–	–	600000	360000	960000
9	Shri. Raj Kumar Lohia	–	–	600000	110000	710000
10	Shri. Suparas Bhandari	–	–	600000	90000	690000

\*Benefits do 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 ₹ 54 Lacs.

@ Appointment of Managing Director & CEO is for a period of 5 years w.e.f. 1st April, 2007 upto 31st March, 2012

**SHAREHOLDERS' GRIEVANCE COMMITTEE**

**(i) Composition**

The Committee as on 31st March, 2011 comprise of:

- Shri J.P. Bajpai (Chairman)  
: Independent, Non Executive Director.
- Dr. K.B.Agarwal  
: Independent, Non Executive Director.
- Shri K.N. Khandelwal  
: Non Independent, Non Executive Director.
- Shri Raj Kumar Lohia  
: Independent, Non Executive Director.

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

**(ii) Functions**

The Committee specifically looks into 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 71 complaints during the F.Y. 2010-11 and all the 71 complaints were redressed and there was no complaint pending as at 31.03.2011.

**(iii) Meeting and Attendance**

During the financial year ended 31st March, 2011, four meetings were held on (i) May 29th May, 2011 (ii) 31st July, 2010 (iii) 30th October 2010, (iv) 12th February , 2011

Sr. No	Name of Director	No. of Board Meetings attended
1	Shri J.P. Bajpai	4
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, interalia 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 2011

**General Body Meetings:**

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

Financial Year	Date	Time	Place
2007-08	26th July, 2008	12.00 Noon	Auditorium of the Merchants' Chamber of U.P., Kanpur
2008-09	31st July, 2009	12.00 Noon	-do-
2009-10	31st July, 2010	12.00 Noon	-do-

A Special resolution was passed in the last Annual General Meeting of the Company held on 31st July 2010.

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 AGM held on 31st July, 2010 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 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 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:**

The Board of Directors have reappointed Shri Yadupati Singhania as Managing Director & CEO at its meeting held on 28th May, 2011, for a period of 5 years w.e.f. 1st April 2012 subject to the Members' approval. Brief resume of Shri Yadupati Singhania as required under Clause 49 of the Listing Agreement is furnished below:-

**Shri Yadupati Singhania** a B.Tech. from IIT Kanpur, has been involved in the cement industry for over thirty years. His active participation and dedication has shaped your Company's growth path. Being an enterprising person, he played a pivotal role in the introduction of international quality white cement in the country. Shri Singhania is the Managing Director and Chief Executive Officer of J.K. Synthetics Limited since 1999, the Director of the Employers Association of Northern India and also the Chancellor of Sir Padampat Singhania University. Among other responsibilities, he is the President of Kanpur Productivity Council and member of the Board of Governors of the National Council for Cement and Building Material and Jodhpur Chamber of Commerce. On the industry front, he is a member of the managing committee of Cement Manufacturers Association. He takes keen interest in social activities and is serving as a member of Rotary Club. As on 31.3.2011, he (in his capacity as individual and Karta of HUF) held 12901398 Nos. of Equity share (comprising 18.45%) of the Company.

According to the Articles of Association of the Company three Directors Shri Ashok Sharma, Dr. K.B.Agarwal and Shri J.P.Bajpai 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 Ashok Sharma** holds a Bachelor of Law degree from Kanpur University. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India, New Delhi. He has vast experience in the fields of finance and audit spanning over 31 years. He is a practicing Chartered Accountant and handles the audit assignments of private sector organizations, banks, insurance companies and financial institutions. He is a Director on the Board of U. P. Stock Exchange Limited. He has served on many Committees such as the 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. As on 31.3.2011, he held 640 Nos. of Equity share of the Company.

**Dr. K.B. Agarwal** is a graduate of Law, PhD., ICWA and CS. He has vast experience in the fields of Finance, Accounts and Capital Market. He has been associated with several industry and trade associations and served Merchants' Chamber of Commerce and U.P. Stock Exchange Limited as their President. He has been actively associated with FICCI & ASSOCHAM and was actively involved with various Committees of Government. As on 31st March, 2011, he held 300 Nos. of Equity share of the Company.

**Shri J.P. Bajpai** holds a M.Com degree from Agra University and is a member of the Institute of Company Secretaries of India, New Delhi. Among other responsibilities, he also served as the Senior President [Head Office] and Company Secretary of J.K. Synthetics Limited. Before being a part of J.K. Synthetics, he was Statistical Investigator in the Directorate of Industries, Uttar Pradesh. He has experience of over four decades. He also serves as a Director on the Board of a number of other Limited Companies. Shri Bajpai has avid interest in sports and is passionate about cricket. He has been the Honorary Treasurer of the Board of Control for Cricket in India and is a Director of the Uttar Pradesh Cricket Association. Alongside he is the Chairman of the Development Committee of the Table Tennis Federation of India. He has been the recipient of numerous awards which includes Sewa Ratna Award, Best Social Worker Award, Kala Shri Award, Kanpur Ratna Award and Madhavrao Schindia Cricket Academy Life Time Achievement Award. As on 31.3.2011, he held 100 Nos. of Equity share of the Company.

#### 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 code applicable to all Executives 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 2010-11.

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](http://www.jkcement.com)

#### 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 2011, 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 30th July, 2011 at 12:00 Noon.  
Venue : Auditorium of Merchants' Chamber of  
Uttar Pradesh, 14/76, Civil Lines, Kanpur.

##### (ii) Financial Calendar

- (a) **First Quarter Results** - By the 30th July, 2011
- (b) **Second Quarter Results** - Within 45 days from the close of Quarter Ending September, 2011
- (c) **Third Quarter Results** - Within 45 days from the close of Quarter Ending December, 2011
- (d) **Results for the year - ending 31.3.2012** - Within 60 days from close of the Quarter/ Year Ending March, 2012

**(iii) Date of Book Closure**

Wednesday 20th July, 2011 to Saturday 30th July, 2011  
(both days inclusive)

Exchange of India Ltd. and the listing fees has been duly and timely paid to both the Stock Exchanges for 2010-11.

**(iv) Dividend payment date:** - The Board of Directors of the Company have recommended a dividend of ₹ 2 (20%) per share for the year 2010-11 which shall be payable on or after 30th July, 2011

**(vi) Stock Code**

BSE 532644  
NSE JKCEMENT  
ISIN NUMBER INE823G01014

**(v) Listing on Stock Exchanges**

The Equity shares of the Company are listed with the Bombay Stock Exchange Ltd. and National Stock

**(vii) Market Price Data**

Month	BSE			
	High	Low	Sensex High	Sensex Low
April, 2010	198.90	178.25	18,047.86	17,276.80
May, 2010	188.50	174.00	17,536.86	15,960.15
June, 2010	188.65	177.30	17,919.62	16,318.39
July, 2010	190.55	166.50	18,237.56	17,395.58
August, 2010	171.95	145.20	18,475.27	17,819.99
September, 2010	177.70	157.00	20,267.98	18,027.12
October, 2010	199.90	167.00	20,854.55	19,768.96
November, 2010	183.50	150.15	21,108.64	18,954.82
December, 2010	165.90	131.10	20,552.03	19,074.57
January, 2011	153.70	125.30	20,664.80	18,038.48
February, 2011	143.00	110.15	18,690.97	17,295.62
March, 2011	148.50	125.00	19,575.16	17,792.17

Month	NSE			
	High	Low	Nifty High	Nifty Low
April, 2010	198.50	176.95	5,399.65	5,160.90
May, 2010	191.00	173.95	5,278.70	4,786.45
June, 2010	189.25	179.00	5,366.75	4,961.05
July, 2010	214.30	166.30	5,477.50	5,225.60
August, 2010	172.50	145.10	5,549.80	5,348.90
September, 2010	179.00	157.20	6,073.50	5,403.05
October, 2010	199.90	168.00	6,284.10	5,937.10
November, 2010	181.00	151.20	6,338.50	5,690.35
December, 2010	165.00	130.25	6,147.30	5,721.15
January, 2011	153.90	124.00	6,181.05	5,416.65
February, 2011	144.85	114.00	5,599.25	5,177.70
March, 2011	149.20	128.50	5,872.00	5,348.20



**(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) 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 Agreement 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, 2011**

No Of Equity Shares Held	No. Of Share Holders	% Of Share Holders	No. Of Shares Held	% Of Share Holdings
Up to 500	97150	98.29	3568605	5.10
501 to 1000	1001	1.01	728364	1.04
1001 to 2000	269	0.27	401070	0.57
2001 to 3000	102	0.10	260892	0.37
3001 to 4000	48	0.05	174498	0.25
4001 to 5000	49	0.05	231597	0.33
5001 to 10000	78	0.08	568767	0.82
10001 and Above	143	0.15	63993457	91.52
<b>Total</b>	<b>98840</b>	<b>100.00</b>	<b>69927250</b>	<b>100.00</b>

**(xi) Category of Shareholders as on 31st March, 2011**

No Of Equity Shares Held	No. Of Share Holders	% Of Share Holders	No. Of Shares Held	% Of Share Holdings
Promoters and Promoter group	50	0.05	45842465	65.56
Mutual Funds / UTI	19	0.02	2132522	3.05
Financial Institutions / Banks	105	0.11	7834	0.01
Insurance Companies	4	0.00	2244463	3.21
Foreign Institutional Investors	57	0.06	10010116	14.32
Bodies Corporate	871	0.88	2402021	3.43
Individuals	97586	98.73	6985704	9.99
Other	148	0.15	302125	0.43
<b>Total</b>	<b>98840</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).

69241568 Equity shares representing 99.02 % of the paid up Equity Capital of the Company have been dematerialized till 31st March, 2011.

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

**(xiv) Plant Location**

Company has following plants:

Plant	Location
Grey Cement Plants	Kailash Nagar, Nimbahera, Dist. Chittorgarh, Rajasthan
	Mangrol, Dist. Chittorgarh, Rajasthan
	Gotan, Dist. Nagaur, Rajasthan
	Muddapur, Dist. Bagalkot, Karnataka
White Cement Plant	Gotan, Dist. Nagaur, Rajasthan
Thermal Power Plants (for captive consumption)	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

**(xv) Address for Correspondence**

Mr. Shambhu Singh  
 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, 2011, 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 was limited to the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and 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 above mentioned Listing Agreement.

We further 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

Place : Kanpur.  
 Date : 28th May'2011

**(A.K. AGARWAL)**  
 PARTNER  
 Membership No.71548