

CHAMPIONS LEAGUE 2014



CHENNAI SUPER KINGS ARE CHAMPIONS OF CHAMPIONS

68th Annual General Meeting

Date : 26th December, 2014
Time : 9.15 A.M.
Venue : IMAGE Auditorium
No.3, Thandavarayan Street,
MRC Nagar,
R.A.Puram,
Chennai 600 028.

A REQUEST

The practice of distributing copies of Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. Shareholders are, therefore, requested to bring their copy of the Annual Report to the meeting.

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THE INDIA CEMENTS LIMITED



BOARD OF DIRECTORS

Sri N.Srinivasan	Vice Chairman & Managing Director
Smt. Chitra Srinivasan	
Smt. Rupa Gurunath	Wholetime Director
Sri Arun Datta	
Sri Basavaraju	(Nominee of Life Insurance Corporation of India)
Sri R.K.Das	
Sri N.R.Krishnan	
Sri V.Manickam	
Sri Nagaraj Garla	(Nominee of IDBI Bank Limited)
Sri N.Srinivasan	

AUDITORS

Messrs Brahmayya & Co.
Chartered Accountants
48, Masilamani Road, Balaji Nagar,
Royapettah, Chennai - 600 014.

Messrs P.S. Subramania Iyer & Co.
Chartered Accountants
103, P.S.Sivaswamy Salai, Mylapore,
Chennai - 600 004.

REGISTERED OFFICE

"Dhun Building"
827, Anna Salai,
Chennai - 600 002.

CORPORATE OFFICE

"Coromandel Towers"
93, Santhome High Road,
Karpagam Avenue,
R.A. Puram,
Chennai - 600 028.

Website: www.indiacements.co.in

CEMENT FACTORIES

TAMIL NADU

Sankarnagar,
Tirunelveli District.

Sankari,
Salem District.

Dalavoi,
Ariyalur District.

TAMIL NADU

Vallur Village,
Tiruvallur District.

ANDHRA PRADESH

Chilamakur & Yerraguntla,
Kadapa District.

TELANGANA

Vishnupuram,
Nalgonda District.

Malkapur,
Ranga Reddy District.

GRINDING UNITS

MAHARASHTRA

Parli Vaijnath,
Beed District.



THE INDIA CEMENTS LIMITED

CIN : L26942TN1946PLC000931

Registered Office: "Dhun Building", 827, Anna Salai, Chennai 600 002.

Corporate Office : "Coromandel Towers", 93, Santhome High Road,
Karpagam Avenue, R.A.Puram, Chennai 600 028.

Website: www.indiacements.co.in E-mail Id: investor@indiacements.co.in

Tel: 044-2852 1526 / 28572 100 / 400 Fax: 044-2851 7198

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixtyeighth Annual General Meeting of The India Cements Limited will be held at 9.15 A.M. on Friday, the 26th December, 2014, at IMAGE Auditorium, No.3, Thandavarayan Street, M.R.C. Nagar, R.A. Puram, Chennai - 600 028, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, the accounts of the Company for the year ended 31st March 2014 and the Auditors' Report thereon.
2. To appoint a Director in the place of Mrs. Chitra Srinivasan (DIN:01094213) who retires by rotation and is eligible for reappointment.
3. To appoint Auditors and fix their remuneration:

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) M/s. Brahmayya & Co. (Registration No.000511S) and M/s. P.S.Subramania Iyer & Co. (Registration No.004104S) Chartered Accountants, Chennai, be and are hereby appointed Auditors of the Company for a period of three years to hold office from the conclusion of the Sixtyeighth Annual General Meeting until the conclusion of the Seventyfirst Annual General Meeting, subject to ratification of such appointment by the Members at every annual general meeting held after this Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To appoint Sri Nagaraj Garla as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following Ordinary Resolution of which notice has been received from a Member of the Company as required under Section 160 of the Companies Act, 2013:

"RESOLVED THAT Sri Nagaraj Garla (DIN:06983880) be and is hereby appointed as a Director of the Company subject to retirement by rotation."

5. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri Arun Datta (DIN: 00180069), a non-executive Director of the Company, whose period of office is liable to determination by retirement by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of two consecutive years with effect from 26th December, 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier and that he shall not be liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri R.K. Das (DIN: 00327985), a non-executive Director of the Company, whose period of office is liable to determination by retirement by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of two consecutive years with effect from 26th December, 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier and that he shall not be liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri N.R. Krishnan (DIN: 00047799), a non-executive Director of the Company, whose period of office is liable to determination by retirement by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of two consecutive years with effect from 26th December, 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier and that he shall not be liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri V. Manickam (DIN: 00179715), a non-executive Director of the Company, whose period of office is liable to determination by retirement by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of two consecutive years with effect from 26th December, 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier and that he shall not be liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri N. Srinivasan (DIN: 00004195), a non-executive Director of the Company, whose period of office is liable to determination by retirement by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of two consecutive



years with effect from 26th December, 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier and that he shall not be liable to retire by rotation."

10. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), the remuneration of Rs.10 lakhs payable to Sri S.A.Murali Prasad, Cost Accountant (Membership No.2730), as Cost Auditor, besides reimbursement of service tax and out of pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors for auditing the cost accounts of the Company in respect of cement plants and the grinding units for the year ending 31st March 2015, be and is hereby ratified."

11. To consider and if thought fit, to pass with or without modification, the following resolutions as SPECIAL RESOLUTIONS:

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013 ("Act") (including any amendment thereto or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time and subject to all applicable laws and regulations including but not restricted to the provisions of the Foreign Exchange Management Act, 1999 (FEMA) (including any amendment thereto or re-enactment thereof for the time being in force) the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 (including any amendment thereto), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (including any amendment thereto), Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 (including any amendment thereto), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") (including any amendment thereto), applicable listing agreements entered into by the Company with the stock exchanges where the Company's securities are listed (including any amendment thereto) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company and Rules, Regulations, Directives, Guidelines, Notifications and Circulars, if any, issued by the Government of India, Reserve Bank of India, Securities and Exchange Board of India and all other regulatory, appropriate and / or relevant / concerned / competent authorities and subject to all necessary approvals, consents, permissions and / or sanctions of the Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), financial institutions, banks, lenders and all other regulatory, appropriate and / or relevant / concerned / competent authorities, whether in India or abroad, and subject to such conditions and modifications as may be prescribed by any of them while granting any such approvals, consents, permissions and / or sanctions which the Board of Directors of the Company (the Board) (which term shall be deemed to include any Committee which the Board may have constituted or hereafter may constitute for exercising the powers conferred on the Board by this resolution), be and is hereby authorised to accept, if it thinks fit and in the interests of the Company, the Company do create, offer, issue, and allot from time to time, on such terms and conditions as may be decided and deemed appropriate by the Board in its absolute discretion at the time of issue or allotment, in one or more tranches, by way of public issue, preferential issue, private placement, Qualified Institutions Placement (QIP) or otherwise or any combination thereof, offerings in Indian and / or International markets, further equity shares and / or Global Depository Shares (GDSs) and / or Global Depository Receipts (GDRs) and / or securities convertible into equity shares, and / or American Depository Receipts (ADRs) and / or Foreign Currency Convertible Bonds (FCCBs) representing Equity Shares and / or Foreign Currency Bonds and / or Debentures or Bonds convertible into Equity Shares whether fully or partly and whether compulsorily or at the option of the Company or the holders thereof and / or any security linked to equity shares and / or Preference Shares whether cumulative / redeemable / partly redeemable / partly convertible / fully convertible and / or all or any or combination of the aforesaid securities with or without detachable or non-detachable warrants with a right exercisable by the warrant holders to convert or subscribe to shares/securities, as the Company may be advised (hereinafter collectively referred to as "Securities") to eligible resident and / or non-resident and / or foreign investors (whether institutions and / or incorporated bodies and / or individuals and / or mutual funds and / or trusts and / or otherwise), Foreign Institutional Investors (FIIs), Qualified Institutional Buyers (QIBs), Foreign Corporate Bodies (FCBs),

Foreign Portfolio Investors, Qualified Foreign Investors, Foreign Companies, Foreign Venture Capital Investors, Mutual Funds, Pension Funds, Venture Capital Funds, Financial Institutions, Banks Indian or of foreign origin, Insurance Companies and such other persons or entities, bodies corporate, including the general public whether or not such investors are members of the Company, to all or any of them, jointly or severally to be subscribed in Indian and / or Foreign currency(ies) through prospectus, offering letter, circular, memorandum and / or through any other mode as may be deemed appropriate by the Board for an amount not exceeding Rs.500 Crores (Rupees Five Hundred Crores only) or its equivalent in US Dollars or one or more other foreign currencies, including any premium and with or without Green Shoe Option attached thereto on such terms and conditions including pricing as the Board may in its sole discretion decide and the form and the persons to whom such securities may be issued and all other terms and conditions like interest or additional interest, discount or premium on the market price or prices and in such form and manner and on such terms and conditions, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption / prepayment, number of further equity shares to be created, offered, issued and allotted on conversion / redemption / extinguishment of debt(s), exercise of rights attached to the warrants, the ratio of exchange of shares and / or warrants and / or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in consultation with appropriate authority(ies), merchant banker(s) and / or book runner(s) and / or lead manager(s) and / or underwriter(s) and / or advisor(s) and / or trustee(s) and / or Co-Lead Manager(s) and / or Manager(s) and / or Guarantor(s) and / or Depository(ies) and / or Custodian(s) and / or Registrar(s) and / or Banker(s) and / or Stabilisation Agent(s) and / or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable rules / regulations / directives / guidelines for the time being in force."

"RESOLVED FURTHER THAT without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of Securities may have all or any terms or combination of terms including but not limited to conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all such terms as are provided in issue of securities of this nature internationally including terms for issue of equity shares upon conversion of the Securities or variation of the conversion price of the Securities during the term of the Securities."

"RESOLVED FURTHER THAT the Board be and is hereby authorised if it deems fit in its absolute discretion to create, offer, issue and allot Securities upto such percentage of issue as is permissible to the Stabilisation Agent by availing Green Shoe Option subject to Rules, Regulations, Directives and Guidelines as may be applicable, so however, the overall quantum of money raised, including any premium, shall not exceed Rs.500 Crores (Rupees Five Hundred Crores only) or its equivalent in US Dollars or one or more other foreign currencies and enter into and execute all such agreements and arrangements with any Merchant Banker(s), Book Runner(s), Lead Manager(s), Underwriter(s), Advisor(s), Trustee(s), Co-Lead Manager(s), Manager(s), Guarantor(s), Depository(ies), Custodian(s), Registrar(s), Banker(s), Stabilisation Agent(s) and / or such other person(s), as the case may be, involved or concerned in such offerings of Securities and to pay all such fee / expenses as may be mutually agreed."

"RESOLVED FURTHER THAT in the event of issue of securities by way of Global Depository Shares (GDSs) and / or Global Depository Receipts (GDRs) and / or securities convertible into equity shares, and / or American Depository Receipts (ADRs) and / or Foreign Currency Convertible Bonds (FCCBs), the relevant date on the basis of which price of resultant shares to be determined as specified under applicable law, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of securities."

"RESOLVED FURTHER THAT in the event of issue of securities by way of a Qualified Institutional Placement in terms of Chapter VIII of the ICDR Regulations:

- (i) any issue of securities shall be at such price which is not less than the price determined in accordance with the pricing formula provided in the Chapter. The Company may offer a discount of not more than 5% on the price so calculated or such percentage as permitted under ICDR Regulations;
- (ii) 'relevant date' for determination of the floor price of the Equity Shares to be issued shall be -
 - (a) in case of allotment of equity shares, the date of meeting in which the Board decides to open the proposed issue;



- (b) in case of allotment of eligible convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares;
- (iii) the allotment of securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the relevant ICDR Regulations from time to time; and
- (iv) the Securities shall not be sold for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time by the relevant ICDR Regulations."

"RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and / or in the market and / or at the place of issue of the securities in the international market and may be governed by applicable foreign laws."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any Merchant Banker(s), Book Runner(s), Lead Manager(s), Underwriter(s), Advisor(s), Trustee(s), Co-Lead Manager(s), Manager(s), Guarantor(s), Depository(ies), Custodian(s), Registrar(s), Banker(s), Stabilisation Agent(s), such other person(s) and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like and also to reimburse them expenses incurred in relation to the issue of Securities and other expenses, if any."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise and approve the offering circular / placement document for the proposed issue of the securities and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and / or authorities as may, in the opinion of such authorized person, be required from time to time and to arrange for the submission of the offering circular / placement document and any amendments and supplements thereto, with any applicable stock exchanges (whether in India or abroad), government and regulatory authorities, institutions or bodies, as may be required and also to seek listing of underlying shares / securities in one or more Indian / International stock exchanges."

"RESOLVED FURTHER THAT the Board and / or an agency or body authorised by the Board may issue or authorise the issue of Depository Receipt(s) / Share Certificate(s) / foreign currency convertible bonds and / or other forms of securities, representing the Securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and / or International capital markets for instruments of such nature and to provide for the tradability or free transferability thereof, as per the Indian / International practices and regulations and the recording of any amendment thereto with the United States Securities and Exchange Commission and such other relevant regulatory authority as may be necessary and under the norms and practices prevalent in the Indian / International markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to create, offer, issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such equity shares ranking pari passu with the existing equity shares of the Company in all respects including dividend."

"RESOLVED FURTHER THAT the issue of the securities which are convertible into or exchangeable with equity shares at a later date shall be, inter alia, subject to the following terms and conditions:

- (a) In the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the equity shares, the number of equity shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- (b) In the event of the Company making a rights offer by issue of equity shares prior to the allotment of the equity shares, consequent to the issue covered by this resolution, the entitlement to the equity shares will stand increased in the same proportion as that of the rights offer and such additional equity shares shall be offered to the holders of the securities at the same price at which the same are offered to the existing shareholders;

- (c) In the event of merger, amalgamation, takeover or any other reorganization or restructuring or any such corporate action, the number of equity shares, the price and time period, as aforesaid, shall be suitably adjusted if warranted; and
- (d) In the event of consolidation and / or division of outstanding equity shares into smaller number of equity shares (including by way of stock split) or reclassification of the securities into other securities and / or involvement in such other events or circumstances which in the opinion of the concerned stock exchange requires such adjustments, necessary adjustments will be made."

"RESOLVED FURTHER THAT subject to the applicable laws, such of these Securities to be issued, as are not subscribed, may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with eligible resident and / or non-resident and / or foreign investors (whether institutions and / or incorporated bodies and / or individuals and / or mutual funds and / or trusts and / or otherwise), Foreign Institutional Investors (FIIs), Qualified Institutional Buyers (QIBs), Foreign Corporate Bodies (FCBs), Foreign Portfolio Investors, Qualified Foreign Investors, Foreign Companies, Foreign Venture Capital Investors, Mutual Funds, Pension Funds, Venture Capital Funds, Financial Institutions, Banks Indian or of foreign origin, Insurance Companies and such other persons or entities, bodies corporate, including the general public whether or not such investors are members of the Company, as the Board may in its absolute discretion decide."

"RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

- (a) the securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- (b) the equity shares that may be issued by the Company shall rank pari passu with the existing equity shares of the Company in all respects."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository, custodian and trustee arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s) / offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and / or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent and the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board or any director(s) or any officer(s) of the Company designated by the Board be and is / are hereby authorised on behalf of the Company to do such acts, deeds, matters and things as it/ they may at its / their discretion deem necessary or desirable for such purpose, including without limitation, if required, filing a Registration Statement and other relevant documents with United States Securities and Exchange Commission, or such other regulatory authority as may be necessary for listing the Securities on the Luxembourg Stock Exchange and / or New York Stock Exchange ("NYSE") and / or NASDAQ and / or London Stock Exchange and / or Singapore Exchange Securities Trading Limited and / or such other international stock exchanges and the entering into of depository arrangements in regard to any such issue or allotment as it / they may in its / their absolute discretion deem fit."

"RESOLVED FURTHER THAT pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the Board be and is hereby authorised to secure, if deemed fit and relevant, the entire or any part of the Securities together with interest, costs, charges and other amounts payable in respect thereof by creation of mortgage / charge on the whole or part of the Company's immovable and / or movable properties / undertakings, present and / or future with such ranking and other terms as may be decided by the Board and for that purpose to accept such terms and conditions and to execute such documents and writings as the Board may consider necessary or proper. "



"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of Directors or Managing Director or any Director or any other officer or officers of the Company to give effect to the aforesaid resolutions."

NOTES:

1. Explanatory Statement is annexed to the Notice dated 12th November, 2014 of the Sixtyeighth Annual General Meeting of the Company as required by Section 102 of the Companies Act, 2013 in respect of items No.4 to 11.
2. Details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment / re-appointment at the Annual General Meeting are annexed hereto for Items No.2 and 4 to 9 of the Notice dated 12th November, 2014.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as 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 carrying voting rights; provided that a member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder.

The Proxy Form, duly completed and signed, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

Members / Proxies should bring the Attendance Slip, duly filled-in and signed, to attend the meeting.

4. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from 17th December, 2014 to 26th December, 2014 (both days inclusive).
6. Members are requested to contact the Registrar and Share Transfer Agent for all matters connected with the Company's shares at Integrated Enterprises (India) Limited, 2nd Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai 600017, Tel.: 044-28140801 to 28140803 & Fax: 044-28142479; Email: corpserv@integratedindia.in.

Members holding shares in physical form are requested to notify change of address, if any, to the Registrar and Share Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates for consolidation of their holdings into one folio.

7. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
8. Unclaimed dividends up to and including for the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants relating to financial year(s) up to 1994-95 may claim the same from the Registrar of Companies, Tamil Nadu-I, Chennai, No.26, Haddows Road, Chennai 600006, in the prescribed form which will be supplied by the Company / RTA on request.
9. Unclaimed dividends for the financial years from 1995-96 to 2000-2001 have been transferred to Investor Education and Protection Fund. Dividend for the financial years ended 31st March 2007 to 31st March 2013 which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund established under Section 205C of the Companies Act, 1956. Shareholders who have not encashed the dividend warrant(s) so far for the financial years ended 31st March 2007 to 31st March 2013 are requested to make their

claim forthwith to the Registered / Corporate Office of the Company / RTA. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, as above, no claim shall lie in respect thereof.

10. Under the provisions of Section 72 of the Companies Act, 2013, shareholder(s) is/are entitled to nominate in the prescribed manner, a person to whom his / her / their shares in the Company, shall vest after his/her/their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company / RTA.
11. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transfer / transmission / transposition, is mandatory.
12. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report along with this Notice of the Annual General Meeting, Attendance Slip and Proxy Form is being sent by e-mail to those Members who have registered their e-mail address with the Company / Registrar and Share Transfer Agent (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories.

Shareholders are requested to note that the said documents would also be available on the Company's website www.indiacements.co.in from where it can be downloaded. In case any Shareholder desires to receive the above document(s) in Physical form, such Shareholder is required to send an e-mail to investor@indiacements.co.in in quoting DP Id and Client Id Number in case the shares are held in electronic form and Folio Number in case the shares are held in physical form.

Members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with (i) the Depository Participant(s), if the shares are held in electronic form and (ii) with the Company / Registrar & Share Transfer Agent (RTA) of the Company, if the shares are held in physical form.

13. **Electronic Voting (e-Voting)**

- I. In compliance with the provisions of Clause 35B of the Listing Agreements, Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members facility to exercise their right to vote at the Sixtyeighth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-Voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / RTA / Depository Participant(s)]:
 - (i) Open email and open PDF file viz. "ICL AGM 2014 e-voting.pdf" with your Client ID or Folio Number as password. The said PDF file contains your user ID and password / PIN for e-Voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>.
 - (iii) Click on "Shareholder - Login".
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of The India Cements Limited.
 - (viii) Now you are ready for "e-voting" as "Cast Vote" page opens.



- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sudha.pr2@gmail.com or sudha_pr@yahoo.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / RTA / Depository Participant(s) or who requested physical copy] :

- (i) Initial password is provided, as below, at the bottom of the Attendance Slip for the AGM:

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-Voting period commences on 17th December, 2014 (9.00 A.M.) and ends on 19th December, 2014 (6.00 P.M.). During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 21st November, 2014, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) 21st November, 2014.
- VII. Mrs. P.R. Sudha, Practising Company Secretary (Membership No.F6046) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Vice Chairman & Managing Director of the Company.
- IX. The Results shall be declared at or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.indiacements.co.in and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Madras Stock Exchange Limited, BSE Limited and National Stock Exchange of India Limited, where equity shares are listed.

(By order of the Board)
for THE INDIA CEMENTS LIMITED

Place : Chennai
Dates : 12th November, 2014

G BALAKRISHNAN
Senior President & Company Secretary

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / REAPPOINTED, VIDE ITEMS NO. 2 & 4 TO 9 OF NOTICE DATED 12TH NOVEMBER 2014.

(i) Name of the Director	: Mrs. Chitra Srinivasan
Date of Birth	: 31 st July 1949
Date of appointment on the Board as Director	: 5 th March 2010
Date of last reappointment as Director	: 2 nd August 2010
Expertise in specific functional areas	: Industry
Qualification	: B.Sc.
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 78580
List of outside Directorships held in Public Companies	: Nil
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Not Applicable
Relationship with other Directors	: Wife of Sri N. Srinivasan, Vice Chairman & Managing Director and Mother of Ms. Rupa Gurunath, Wholetime Director
(ii) Name of the Director	: Sri Nagaraj Garla
Date of Birth	: 5 th April 1969
Date of appointment on the Board as Director	: 25 th September 2014
Date of last reappointment as Director	: Not Applicable
Expertise in specific functional areas	: Banking & Finance
Qualification	: M.Com., M.B.A., CAIIB
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
List of outside Directorships held in Public Companies	: Nil
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Not Applicable
Relationship with other Directors	: Nil



(iii) Name of the Director	: Sri Arun Datta
Date of Birth	: 14 th June 1947
Date of appointment on the Board as Director	: 28 th October 2009
Date of last reappointment as Director	: 18 th September 2013
Expertise in specific functional areas	: Management
Qualification	: B.E. (Mechanical Engineering) & Post Graduate Diploma in Marketing Management
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 4000
List of outside Directorships held in Public Companies	: 1. IL & FS Tamil Nadu Power Company Limited 2. Trinetra Cement Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Audit Committee - Member Shareholders' / Investors' Grievance Committee - Chairman
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
Relationship with other Directors	: Nil
(iv) Name of the Director	: Sri R.K. Das
Date of Birth	: 23 rd May 1933
Date of appointment on the Board as Director	: 1 st October 2004
Date of last reappointment as Director	: 24 th August 2011
Expertise in specific functional areas	: Technical
Qualification	: B.E. (Mech.)
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 1500
List of outside Directorships held in Public Companies	: 1. Coromandel Sugars Limited 2. ICL Financial Services Limited 3. ICL International Limited 4. ICL Securities Limited 5. ICL Shipping Limited 6. Industrial Chemicals & Monomers Limited 7. Raasi Cement Limited 8. Trinetra Cement Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Audit Committee - Member
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
Relationship with other Directors	: Nil

(v) Name of the Director	: Sri N.R.Krishnan
Date of Birth	: 20 th June 1938
Date of appointment on the Board as Director	: 24 th September 2007
Date of last reappointment as Director	: 18 th September 2013
Expertise in specific functional areas	: Administration and Management
Qualification	: B.Sc. (Hons.) Chemistry, M.Sc. Chemistry
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
List of outside Directorships held in Public Companies	: 1. India Cements Capital Limited 2. India Cements Investment Services Limited 3. Ponni Sugars (Erode) Limited 4. Tamil Nadu Petroproducts Limited 5. Tamil Nadu Road Development Company Limited 6. Trinetra Cement Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Audit Committee - Chairman Tamil Nadu Road Development Company Limited Trinetra Cement Limited India Cements Capital Limited Audit Committee -Member Ponni Sugars (Erode) Limited Tamil Nadu Petroproducts Limited Shareholders' / Investors' Grievance Committee - Member India Cements Capital Limited
Relationship with other Directors	: Nil
(vi) Name of the Director	: Sri V. Manickam
Date of Birth	: 1 st April 1952
Date of appointment on the Board as Director	: 14 th February 2013
Date of last reappointment as Director	: 18 th September 2013
Expertise in specific functional areas	: Investment
Qualification	: B.Sc., A.C.A.
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
List of outside Directorships held in Public Companies	: EID Parry (India) Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: EID Parry (India) Limited Audit Committee, Member
Relationship with other Directors	: Nil



(vii) Name of the Director	: Sri N.Srinivasan (Retd. M/s. Fraser & Ross)
Date of Birth	: 27 th July 1931
Date of appointment on the Board as Director	: 30 th September 2006
Date of last reappointment as Director	: 13 th August 2012
Expertise in specific functional areas	: Finance, Accounts and Audit
Qualification	: B.Com., C.A.
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
List of outside Directorships held in Public Companies	: 1. Best & Crompton Engineering Limited 2. Essar Oilfield Services India Limited 3. Essar Shipping Limited 4. GATI Limited 5. Mcdowell Holdings Limited 6. Redington (India) Limited 7. Redington (India) Investments Limited 8. TAFE Motors and Tractors Limited 9. The United Nilgiri Tea Estates Company Ltd 10. Tractors and Farm Equipment Limited 11. UB Engineering Limited 12. United Breweries (Holdings) Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Audit Committee - Chairman
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Audit Committee: GATI Limited Redington (India) Limited Tractors and Farm Equipment Limited UB Engineering Limited United Breweries (Holdings) Limited Essar Shipping Limited Mcdowell Holdings Limited The United Nilgiri Tea Estates Company Limited
Relationship with other Directors	: Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE SIXTYEIGHTH ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEMS NO.4 TO 11 OF THE NOTICE DATED 12TH NOVEMBER 2014

Item No.4:

The Board recorded at its meeting held on 26th September 2014 the appointment of Sri Nagaraj Garla (DIN: 06983880), as a Director of the Company by IDBI Bank Limited in place of Sri G.M. Yadwadkar.

Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri Nagaraj Garla as Director of the Company liable to retire by rotation.

The Board recommends the Ordinary Resolution as set out in Item No.4 of the Notice for approval of the Members.

Interest of Directors and Key Managerial Personnel:

None of the Directors except Sri Nagaraj Garla or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Item No.5:

Sri Arun Datta (DIN: 00180069) was appointed as a Director on the Board of Directors of the Company in October 2009 and he is presently a non-executive Independent Director of the Company.

Sri Arun Datta is a Director whose period of office is liable to determination by retirement by rotation. Sri Arun Datta was eligible for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Sri Arun Datta being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of two consecutive years with effect from 26th December 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier.

The Nomination and Remuneration Committee has recommended the appointment of Sri Arun Datta as an Independent Director for the aforesaid term and the Board has approved the same. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri Arun Datta as an Independent Director of the Company.

Sri Arun Datta fulfils all the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. The Board considers that the appointment of Sri Arun Datta as an Independent Director for the aforesaid term would be in the best interests of the Company. Hence, the Board recommends the Ordinary Resolution as set out in Item No.5 of the Notice dated 12.11.2014 for approval of the Members.

A copy of the draft letter for appointment of Sri Arun Datta as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company during normal business hours on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors and Key Managerial Personnel:

None of the Directors except Sri Arun Datta or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Item No.6:

Sri R.K.Das (DIN: 00327985) was appointed as a Director on the Board of Directors of the Company in October 2004 and he is presently a non-executive Independent Director of the Company.



Sri R.K.Das is a Director whose period of office is liable to determination by retirement by rotation. Sri R.K. Das was eligible for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Sri R.K.Das being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of two consecutive years with effect from 26th December 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier.

The Nomination and Remuneration Committee has recommended the appointment of Sri R.K.Das as an Independent Director for the aforesaid term and the Board has approved the same. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri R.K.Das as an Independent Director of the Company.

Sri R.K. Das fulfils all the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. The Board considers that the appointment of Sri R.K.Das as an Independent Director for the aforesaid term would be in the best interests of the Company. Hence, the Board recommends the Ordinary Resolution as set out in Item No.6 of the Notice dated 12.11.2014 for approval of the Members.

A copy of the draft letter for appointment of Sri R.K.Das as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company during normal business hours on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors and Key Managerial Personnel:

None of the Directors except Sri R.K.Das or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Item No.7:

Sri N.R. Krishnan (DIN: 00047799) was appointed as a Director on the Board of Directors of the Company in September 2007 and he is presently a non-executive Independent Director of the Company.

Sri N.R. Krishnan is a Director whose period of office is liable to determination by retirement by rotation. Sri N.R. Krishnan was eligible for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Sri N.R. Krishnan being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of two consecutive years with effect from 26th December 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier.

The Nomination and Remuneration Committee has recommended the appointment of Sri N.R. Krishnan as an Independent Director for the aforesaid term and the Board has approved the same. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri N.R. Krishnan as an Independent Director of the Company.

Sri N.R. Krishnan fulfils all the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. The Board considers that the appointment of Sri N.R. Krishnan as an Independent Director for the aforesaid term would be in the best interests of the Company. Hence, the Board recommends the Ordinary Resolution as set out in Item No.7 of the Notice dated 12.11.2014 for approval of the Members.

A copy of the draft letter for appointment of Sri N.R. Krishnan as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company during normal business hours on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors and Key Managerial Personnel:

None of the Directors except Sri N.R. Krishnan or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Item No.8:

Sri V. Manickam (DIN: 00179715) was appointed as a Director on the Board of Directors of the Company in February 2013 and he is presently a non-executive Independent Director of the Company.

Sri V. Manickam is a Director whose period of office is liable to determination by retirement by rotation. Sri V. Manickam was eligible for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Sri V. Manickam being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of two consecutive years with effect from 26th December 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier.

The Nomination and Remuneration Committee has recommended the appointment of Sri V. Manickam as an Independent Director for the aforesaid term and the Board has approved the same. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri V. Manickam as an Independent Director of the Company.

Sri V. Manickam fulfils all the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. The Board considers that the appointment of Sri V. Manickam as an Independent Director for the aforesaid term would be in the best interests of the Company. Hence, the Board recommends the Ordinary Resolution as set out in Item No.8 of the Notice dated 12.11.2014 for approval of the Members.

A copy of the draft letter for appointment of Sri V. Manickam as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company during normal business hours on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors and Key Managerial Personnel:

None of the Directors except Sri V. Manickam or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Item No.9:

Sri N. Srinivasan (DIN: 00004195) was appointed as a Director on the Board of Directors of the Company in September 2006 and he is presently a non-executive Independent Director of the Company.

Sri N. Srinivasan is a Director whose period of office is liable to determination by retirement by rotation. Sri N. Srinivasan was eligible for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Sri N. Srinivasan being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of two consecutive years with effect from 26th December 2014 to 25th December, 2016 or the date of Seventieth Annual General Meeting of the Company whichever is earlier.

The Nomination and Remuneration Committee has recommended the appointment of Sri N. Srinivasan as an Independent Director for the aforesaid term and the Board has approved the same. Notice in writing under Section 160 of the Companies Act, 2013 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri N. Srinivasan as an Independent Director of the Company.



Sri N. Srinivasan fulfils all the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. The Board considers that the appointment of Sri N.Srinivasan as an Independent Director for the aforesaid term would be in the best interests of the Company. Hence, the Board recommends the Ordinary Resolution as set out in Item No.9 of the Notice dated 12.11.2014 for approval of the Members.

A copy of the draft letter for appointment of Sri N. Srinivasan as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company during normal business hours on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors and Key Managerial Personnel:

None of the Directors except Sri N. Srinivasan or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Item No.10:

The Board of Directors at its meeting held on 26.05.2014 based on the recommendation of the Audit Committee approved the appointment of Sri S.A. Murali Prasad, Cost Accountant (Membership No.2730), as Cost Auditor for auditing the cost accounts of the Company in respect of cement plants and grinding units for the financial year ending 31.03.2015 at a remuneration of Rs.10 lakhs, besides reimbursement of service tax and out of pocket expenses.

In terms of Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor is required to be ratified by the shareholders. Hence the resolution.

Interest of Directors and Key Managerial Personnel:

None of the Directors or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Item No.11:

Considering the present market conditions, especially in South, which is the major market for our company, it is felt prudent to improve the gearing of the company and reduce dependence on debt to the extent possible to meet other requirements of the Company. The funds proposed to be raised is likely to be utilized for refinancing of debt / normal capital expenditure / other corporate requirements of the Company, subject to end use restrictions, if any, under the applicable / appropriate guidelines / regulations in relation to the securities proposed to be issued.

Considering the requirement of funds for the above and based on the advice of Investment Bankers, it is considered prudent to raise funds by way of offerings in Indian and / or International markets, further equity shares and / or Global Depository Shares (GDSs) and / or Global Depository Receipts (GDRs) and / or securities convertible into equity shares, and / or American Depository Receipts (ADRs) and / or Foreign Currency Convertible Bonds (FCCBs) representing Equity Shares and / or Foreign Currency Bonds and / or Debentures or Bonds convertible into Equity Shares whether fully or partly and whether compulsorily or at the option of the Company or the holders thereof and / or any security linked to equity shares and / or Preference Shares whether cumulative / redeemable / partly redeemable / partly convertible / fully convertible and / or all or any or combination of the aforesaid securities with or without detachable or non-detachable warrants with a right exercisable by the warrant holders to convert or subscribe to shares / securities in Indian and / or foreign currency(ies) for an amount not exceeding Rs.500 Crores (Rupees Five Hundred Crores only) or its equivalent in US Dollars or one or more other foreign currencies.

The exact nature, proportion, size, terms including pricing and timing of the issue of Securities will be decided by the Board of Directors (Board) based on the advice of Merchant Banker(s), Book Runner(s), Lead Manager(s), Underwriter(s), Advisor(s), Trustee(s), Co-Lead Manager(s), Manager(s), Guarantor(s), Depository(ies), Custodian(s), Registrar(s), Banker(s), Stabilisation Agent(s) and / or such other person(s), involved in such issues.

The pricing and other terms of issue will be as per the provisions of the Companies Act, 2013 and Rules and Regulations made thereunder and / or any applicable Rules, Regulations, Guidelines, Notifications and Circulars issued by Government of India, Securities and Exchange Board of India, Reserve Bank of India and such other Statutory and Regulatory Authority(ies) / Body(ies).

The relevant date for the purpose of pricing of securities would be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of securities and in case of convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares.

Securities which are convertible into equity shares and / or underlying equity shares and / or securities representing equity shares shall be subject to suitable adjustments in the number of shares, price, time, period, etc. in the event of any change in the Equity Share Capital structure of the Company consequent upon issue of any bonus, rights, merger, demerger, amalgamation, takeover or any other reorganization or restructuring of the Company.

As per Chapter VIII of SEBI ICDR Regulations, the qualified institutions placement shall be made at a price not less than the average of the weekly high and low of the closing prices of the equity shares of the same class quoted on the stock exchange during the two weeks preceding the relevant date. The board may, at its absolute discretion, issue equity shares at a discount of not more than five percent on the price so calculated or such percentage as permitted under ICDR Regulations.

The securities issued pursuant to the offerings would be listed on the Indian Stock Exchanges and / or international Stock Exchanges as per the terms of offer.

Section 62 of the Companies Act, 2013 provides, inter alia, that where it is proposed to increase the subscribed share capital of the Company by issue and allotment of securities, such securities shall be offered to the persons who at the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid-up on those shares as of that date unless the shareholders in a general meeting decide otherwise. The Listing Agreements executed by the Company with the various stock exchanges also provide that the Company shall issue or offer in the first instance all securities to the existing equity shareholders of the Company unless the shareholders in a general meeting decide otherwise.

The proposed Special Resolutions seek the consent of the shareholders by authorising the Board to make the proposed issue of Securities and in the event of the Board deciding to issue Securities convertible into equity shares, and / or preference shares, to issue to the holders of such convertible Securities in such manner and in such number of equity shares and / or preference shares at such time or times and price on conversion as may be required to be issued in accordance with the terms of the issue.

The Securities as finally determined may have to be secured by creation of mortgage and / or charge on all or any of the Company's immovable and / or movable assets, both present and future in such form and manner and on such terms as may be deemed fit and appropriate by the Board and therefore it is necessary for the Company to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013, for creation of the said mortgage or charge.

The resolutions set out in the notice are commended for approval of the shareholders.

Interest of Directors and Key Managerial Personnel:

None of the Directors or any other key managerial personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in these resolutions, except to the extent of their equity holdings, if any, in the Company.

(By order of the Board)
for THE INDIA CEMENTS LIMITED

Place : Chennai
Dates : 12th November, 2014

G BALAKRISHNAN
Senior President & Company Secretary



TEN YEARS IN BRIEF - FINANCIAL INFORMATION
YEAR ENDED 31ST MARCH

		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Sales & Earnings											
1. Sales and other Income	Rs.Lakhs	140230	183669	262088	360561	395454	422169	401134	474181	523155	512324
2. Profit/(Loss) before tax	Rs.Lakhs	458	4998	49196	84464	64830	53132	8987	38098	25236	(16240)
3. Cash Generated (internally) (before tax)	Rs.Lakhs	8335	12652	59459	96243	93097	72087	33158	63228	53420	11399
Assets[@]											
4. Fixed Assets (Net)	Rs.Lakhs	220485	211497	293858	403937	471229	462151	487431	427802	448128	426250
5. Capital Investments	Rs.Lakhs	2212	4896	14870	91990	95426	29625	56896	85196	95783	94554
6. Current Assets	Rs.Lakhs	38791	49803	73889	108735	83010	100726	80523	119664	147383	144567
7. Loans and Advances	Rs.Lakhs	98054	101439	97862	106206	131343	186919	209863	237283	239738	255230
Capital & Reserves											
8. Share Capital	Rs.Lakhs	16359	21577	26037	28187	28243	30717	30718	30718	30718	30718
9. Reserves and Surplus *	Rs.Lakhs	12132	57567	108319	224427	262559	318019	319457	322934	331945	315716
10. Shareholders' Fund	Rs.Lakhs	28491	79144	134356	252614	290802	348736	350175	353652	362663	346434
Net worth, EPS & Dividend											
11. Net worth per equity share	(Rs.)	18.90	40.18	51.60	89.62	102.96	113.53	114.00	115.13	118.06	112.78
12. Earnings per equity share	(Rs.)	0.12	2.61	19.65	23.97	15.32	12.49	2.22	9.54	5.32	(5.29)
13. Equity Dividend Per share	(Rs.)	–	–	1	2	2	2	1.50	2	2	–

* Figures exclude revaluation reserve and deferred income and after adjustment of deferred revenue expenditure.

@ The figures shown for the year 2012, 2013 and 2014 are as per the revised Schedule VI format and hence are not comparable to previous years' figures.

DIRECTORS' REPORT

Your Directors have pleasure in presenting their **Sixtyeighth Annual Report** together with audited accounts for the year ended 31st March 2014.

	Rs. in Crore	
	For the year ended 31 st March	
	2014	2013
FINANCIAL RESULTS		
Profit / (Loss) before Interest, Depreciation & Exceptional Items	594.20	841.95
Less : Finance costs	353.65	307.75
Less : Depreciation / Amortization	276.39	281.84
Less : Exceptional items	126.56	–
Profit / (Loss) Before Tax	(162.40)	252.36
Current Tax	0.00	83.64
Deferred Tax	0.00	5.17
Profit / (Loss) after Tax	(162.40)	163.55
Add : Surplus brought forward from last year	1192.57	1088.47
Less : Proposed dividend on Equity Capital (including Dividend Distribution Tax)	0.00	71.87
Less : Transfer to General Reserve	0.00	40.00
Less : Transfer to / (from) Debenture Redemption Reserve	0.00	(52.42)
Surplus carried forward	1030.17	1192.57

DIVIDEND

In view of the net loss for the year ending 31st March, 2014, the Board of Directors has not declared any dividend for the year.

EMPLOYEES STOCK OPTION SCHEME

No fresh options have been granted under India Cements Employees Stock Option Scheme, 2006 during the financial year.

No options at all have been granted under India Cements Employees Stock Option Scheme, 2007.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956.

"We confirm

1. That in the preparation of the accounts for the year ended 31st March, 2014, the applicable accounting standards have been followed.
2. That such Accounting Policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the loss of the Company for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31st March, 2014 have been prepared on a going concern basis."



MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis Report is given as addition to this report.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the listing agreement with Stock Exchanges, a report on Corporate Governance along with Auditors' Certificate of its compliance is included as part of the Annual Report and is given in Annexure 'C' and Annexure 'D' respectively. Further, a declaration on Code of Conduct signed by the Vice Chairman & Managing Director in his capacity as Chief Executive Officer of the Company is given as Annexure 'E'.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

A Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors at the meeting held on 10th February, 2014. The CSR Committee has since approved the Company's CSR Policy and the CSR Budget for 2014-15.

A report on CSR activities of the Company during 2013-14 is given in Annexure 'F'.

LICENCES & RECOGNITIONS

The Company's Dalavoi cement factory was granted Licence For The Environmental Management Systems Certification in accordance with IS / ISO 14001:2004 by the Bureau of Indian Standards, Chennai.

The Company's Sankari cement factory was granted Licence For The Environmental Management Systems Certification in accordance with IS / ISO 14001:2004 and The Occupational Health & Safety Management Systems Certification in accordance with IS 18001:2007 by the Bureau of Indian Standards, Chennai.

The Company's Malkapur cement factory has been recommended for granting Licence For the Quality Management Systems Certification in accordance with IS / ISO 9001:2008 by the Bureau of Indian Standards, Chennai.

The Company's in-house magazine "Compass" was awarded a Certificate of Merit in an In-house House Magazine Contest in 2014.

Chennai Super Kings, the cricket team of the Chennai cricket franchise owned by your Company has won the Trophy at the recently concluded Champions League T20 Tournament 2014.

OPERATIONS

COMPANY PERFORMANCE

The Company's performance has been discussed in detail in the "Management Discussion and Analysis" section.

With a poor GDP growth of sub 5% on an all India basis and with industrial activity taking a beating, the performance of the core industries was severely affected during the period under review with cement being no exception.

According to the information published by Department of Industrial Policy and Promotion (DIPP), the industry had registered practically flat growth during the year under review against an estimated growth of 5% in the previous year. Given such a back drop, the performance of the Company can be considered to be satisfactory as it could maintain the overall sales at 100.37 lakh tons including clinker as compared to 100.55 lakh tons in the previous year. The total sales and other income for the year was at Rs.4529.84 crores as compared to Rs.4615.67 crores in the previous year. With huge supply overhang particularly in the South, the selling price of cement went down substantially from the second quarter resulting in a top line erosion which reflected on the bottom line. The cost of production was impacted with increase in the price of Gypsum, Fuel, depreciation of rupee, higher transport charges resulting in a lower EBITDA of Rs.594.20 crores as compared to Rs.841.95 crores in the previous year. Finance cost including forex loss was higher at Rs.353.65 crores (Rs.307.75 crores) while depreciation charges were lower at Rs.276.39 crores as compared to Rs.281.84 crores in the previous year. There were also exceptional items relating to provision for Fuel Surcharge Adjustment claims of Andhra Pradesh DISCOMS and right of recompense to lenders together amounting for Rs.126.56 crores and resultant loss was at Rs.162.40 crores for the year as compared to a profit before tax of Rs.252.36 crores in the previous year. The year also witnessed the annual bout of cost increases in wages due to settlement and cost of living index, monthly dosage of increase in the prices of petroleum products, impact of power tariff increase by electricity boards of Tamil Nadu and Andhra Pradesh during the year and huge

depreciation of rupee against dollar. However, the impact was mitigated to certain extent with the fuller availability of power from power plant in Tamil Nadu and the commissioning of the power plant in Andhra Pradesh.

SHIPPING

During the year the performance of the division can be considered to be satisfactory with deployment of the three vessels which had done 54 voyages in total in the coastal trade and tramping. The total earnings of the division for the year was at Rs.67.72 crores as compared to Rs.58.57 crores in the previous year. In March 2014, the vessel "MV Chennai Perrumai" was sold for a consideration of approximately \$ 2.486 Million for scraping since it had served its economic life.

MERGER OF 2 SUBSIDIARIES WITH THE COMPANY

Application has been filed in the High Court of Judicature at Madras under Sections 391 to 394 of the Companies Act, 1956 for completing the procedural requirements for the proposed Scheme of Amalgamation and Arrangement between Trinetra Cement Limited and Trishul Concrete Products Limited with this Company.

CHENNAI SUPER KINGS CRICKET LIMITED

The Board of Directors of the Company at the meeting held on 26th September, 2014 approved the proposal to demerge Chennai Super Kings (CSK) - BCCI-IPL Franchise 20/20 Cricket Tournament Team of your Company into a wholly-owned subsidiary of the Company, by transferring its net assets at cost. The effective date of transfer will be 1st January, 2015. Accordingly, a new wholly-owned subsidiary, by name Chennai Super Kings Cricket Limited, is in the process of getting incorporated.

SUBSIDIARIES

Pursuant to General Circular No.2/2011 No.51/12/2007-CL-III dated 08.02.2011 issued by the Ministry of Corporate Affairs, Government of India, the Board of Directors has passed a resolution for sending the Balance Sheet of the Company without attaching a copy of the Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and the Report of the Auditors of the Subsidiary Companies namely Industrial Chemicals & Monomers Limited, ICL Financial Services Limited, ICL Securities Limited, ICL International Limited, Trishul Concrete Products Limited, Trinetra Cement Limited, Coromandel Electric Company Limited, India Cements Infrastructures Limited, PT. Coromandel Minerals Resources, Indonesia and Coromandel Minerals Pte. Limited, Singapore. However, pursuant to Accounting Standard 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financials of the subsidiaries. The Company will make available these documents / details upon request by any member of the Company and its subsidiaries interested in obtaining the same. The annual accounts of the Subsidiary Companies will also be kept for inspection by any member at the Registered / Corporate Offices of the Company and its Subsidiary Companies.

TRINETRA CEMENT LIMITED

During its third year of operation, the unit has achieved a clinker production of 8.82 lakh tons (8.92 lakh tons) while the grinding was up by 7% at 12.19 lakh tons as compared to 11.38 lakh tons. The sale of cement was also accordingly higher at 12.12 lakh tons (11.28 lakh tons). Significant improvements were achieved in the operating parameters with a reduction in power consumption and heat consumption due to stabilized operation of the plant during the year under review.

TRISHUL CONCRETE PRODUCTS LIMITED

During the year, the Company achieved a volume of 3.38 Lakh cu.m. of Readymix Concrete as compared to 3.48 Lakh cu.m. in the previous year. While the turnover of the Company was maintained at Rs.120 crores against Rs.121 crores in the previous year, there was a marginal improvement in profit before tax which was at Rs.84 lakhs as compared to Rs.25 lakhs in the previous year.

COROMANDEL ELECTRIC COMPANY LIMITED

With improvement in the availability of natural gas, the plant was able to generate net units of 204 Million KWH as against 193 Million KWH in the previous year. The company had wheeled 49 Million KWH of power to the cement plants of India Cements Limited in Tamil Nadu and the balance power of 155 Million units was sold to other group captive and third party consumers through the "Intra State Open Access". The total revenue earned by the Company stood at Rs.120.26 crores (Rs.93.01 crores) and the net profit after tax was at Rs.13.72 crores (Rs.17.80 crores) in the previous year. As per



the policy, the dividend pattern was maintained at 9% for equity shares and at the respective coupon rates of dividend for the participating / non-participating preference share capital. During the year under review, the company had redeemed the Third / Fourth instalments of redeemable cumulative participating/non-participating preference shares on their respective due dates.

INDIA CEMENTS INFRASTRUCTURES LIMITED

The company during the year under review commenced operations by acquiring land for development. During the current year the company is expected to develop this project and will also take up other projects.

PT. COROMANDEL MINERALS RESOURCES, INDONESIA AND COROMANDEL MINERALS PTE LIMITED, SINGAPORE

The company has already arranged for the first shipment of coal from the mines that is under development through its subsidiary abroad. However, with the significant drop in the international price of coal, it was felt prudent to conserve the reserves of our mine. All steps are being taken to secure the mines fully and the benefits of this acquisition will accrue to the company when the international price of coal starts increasing.

CONSOLIDATED FINANCIAL STATEMENTS

As prescribed by Accounting Standard 21 issued by the Institute of Chartered Accountants of India, the audited consolidated financial statements of India Cements Group are annexed.

ASSOCIATE COMPANIES

COROMANDEL SUGARS LIMITED

Coromandel Sugars Limited achieved a cane crushing of 7.02 lakh tonnes during the year under review, which was substantially less than the crushing of 7.94 lakh tonnes achieved in the previous year. However the sugar recovery had improved to 9.73% as against 9.44% achieved last year. The crushing during the previous year was higher on account of carry over cane from the earlier season available for crushing during the year.

The company has produced 68,240 tonnes of sugar (74948 in the previous year) and sold 61170 tonnes (67188 tonnes in the previous year).

Though the crushing was lower by nearly 12% during the year, the power export was marginally higher at 258.55 lakh KWHs as against 253.80 lakh KWHs in the previous year, because of the improved functioning of the boilers.

The sales and other income was lower at Rs.198.85 crores as against Rs.234.35 crores in the previous year because of reduced sales volume and drop of 8% in the selling price of sugar. This has resulted in the Profit Before Interest and Depreciation being lower at Rs.22.55 crores as against Rs.42.98 crores in the previous year. Profit Before Tax was Rs.0.79 crores as against Rs.22.78 crores in the previous year. During the current year, the company is expected to improve the crushing in view of the improved rainfall. Further the power plant which is in an advanced stage of completion is expected to commence commercial operations before the end of this year.

INDIA CEMENTS CAPITAL LIMITED (ICCL)

The main focus of the Company continues to be on Full Fledged Money Changing [FFMC] business, besides Travel & Tours and Forex Advisory Services. The Company's FFMC division continues to enjoy the status of Authorised Dealers, Category II. The wholly owned subsidiary viz. India Cements Investment Services Limited (ICISL) is in Stock Broking. The FFMC division operates out of 17 branches and Travels division operates at Chennai as an IATA accredited branch. The subsidiary ICISL runs its operations through 17 centres. The Gross income from operations of ICCL was Rs.422.17 lakhs and that of ICISL was Rs.134.65 lakhs for the year ended 31st March, 2014.

CURRENT PERFORMANCE

With the demand for cement being subdued, there was practically negligible growth in the Southern market during the first half of the current fiscal resulting in lowering capacity utilization further. The clinker production was lower at 36.10 lakh tons (39.29 lakh tons) while the cement dispatch was at 46.09 lakh tons (50.84 lakh tons). In addition, the company achieved a sale and export of 3 lakh tons of clinker for the current period under review. However, the cement prices have started improving from the month of July 2014.

EXPANSION / MODERNISATION

The operation of the power plant at Vishnupuram which was commissioned during the year got stabilized quickly after its initial teething troubles and has been producing to its capacity.

The company is also planning to install a new energy efficient Cement Mill Grinding facility at Sankarnagar replacing the old cement mills for which necessary approvals have been sought.

PUBLIC DEPOSITS

Your Company has stopped accepting deposits from public and shareholders from 16th September 2013. The total amount of fixed deposits including cumulative deposits, which had not become due but outstanding as at 31st March, 2014 stood at Rs.550.88 Lakhs. Deposits totaling Rs.34.94 Lakhs that matured for repayment were neither claimed by the Depositors nor instructions for renewal were received by the Company. Reminders were issued to the deposit holders and since the close of the financial year ended 31st March, 2014, deposits aggregating to Rs.16.50 Lakhs out of the above have either been claimed and paid or transferred to Investor Education and Protection Fund.

CONSERVATION OF ENERGY ETC.

The prescribed details as required under Section 217(1)(e) of the Companies Act, 1956 are set out in the Annexure 'A'.

RESEARCH & DEVELOPMENT

During the year, your Company spent Rs.100.27 Lakhs towards revenue expenditure of the R&D department besides contributing a sum of Rs.73.30 Lakhs to National Council for Cement and Building Materials (NCCBM), which carries out research on behalf of the industry as a whole.

PERSONNEL

Industrial relations continued to remain cordial during the year.

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are to be annexed to the Directors' Report. However, as per the provisions of Section 219 (1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary.

DIRECTORS

IDBI Bank Limited, vide its letter No.CBG-SSCB.53/206/Nom.8 dated 08.10.2013, nominated Mr.G.M.Yadwadkar on the Board of the Company with effect from 23.10.2013 in the place of Mr.K.P.Nair. The nomination of Mr.G.M.Yadwadkar was withdrawn by IDBI Bank Limited, vide its letter No.CBG-SSCB.53/122/Nom.8 dated 26.08.2014 and Mr.Nagaraj Garla was appointed on the Board of the Company with effect from 25.09.2014 in the casual vacancy caused by the withdrawal of nomination of Mr.G.M.Yadwadkar. The Board expresses its appreciation of the valuable contribution made by Mr.K.P.Nair and Mr.G.M.Yadwadkar during their tenure as directors.

Mr.Nagaraj Garla, IDBI Nominee Director, will hold his office upto the date of the ensuing Annual General Meeting and resolution for his election as director of the Company is included in the Notice dated 12th November, 2014 convening the 68th Annual General Meeting of the Company.

Under Article 109 of the Articles of Association of the Company, Mrs.Chitra Srinivasan retires by rotation at the ensuing Annual General Meeting of the Company and she is eligible for re-appointment.

Under Section 149(6) of the Companies Act, 2013, the Company proposes to appoint Mr.Arun Datta, Mr.R.K.Das, Mr.N.R.Krishnan, Mr.V.Manickam and Mr.N.Srinivasan (F&R), as independent directors of the Company to hold office for a term of two consecutive years with effect from 26th December, 2014 or upto the date of Annual General Meeting in 2016, whichever is earlier and resolutions for their election as independent directors of the Company are included in the Notice dated 12th November, 2014 convening the 68th Annual General Meeting of the Company.

Brief particulars of Directors eligible for reappointment in terms of Clause 49 of Listing Agreement are annexed to the Notice dated 12th November, 2014 convening the 68th Annual General Meeting.



AUDITORS

Messrs. Brahmayya & Co., and P.S.Subramania Iyer & Co., Chennai, the Auditors of the Company, retire at the ensuing Annual General meeting and are proposed to be appointed to hold office from the conclusion of the 68th Annual General Meeting until the conclusion of the 71st Annual General Meeting.

COST AUDITOR

Mr.S.A.Murali Prasad, Cost Accountant, Chennai has been appointed as Cost Auditor for the year 2014-15 at a remuneration of Rs.10 lakhs and this has been approved by the Government of India. The remuneration is subject to approval of members and hence is included in the Notice dated 12th November, 2014 convening the 68th Annual General Meeting of the Company.

INTERNAL AUDITORS

Messrs. Capri, Gopalaiyer and Subramanian, Kalyanasundaram & Associates and Bala & Co., Chennai have been appointed as Internal Auditors for the year 2014-15.

ACKNOWLEDGEMENT

The Directors are thankful to the Financial Institutions and the Bankers for their continued support. The Directors also thank the Central Government and the various State Governments for their support. The stockists continued their excellent performance during the year and the Directors are appreciative of this. The continued dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

On behalf of the Board

N.SRINIVASAN
Vice Chairman & Managing Director

RUPA GURUNATH
Wholetime Director

N.SRINIVASAN
Director

Place : Chennai

Date : 12th November, 2014

ANNEXURE 'A' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. Conservation of Energy:

(a) Energy conservation measures undertaken:

- i. Cooler mid air tapping for increasing the hot air temperature to dry the higher moisture in raw material and to ensure higher output from VRM.
- ii. Installation of 48 MW power plant at Vishnupuram in Andhra Pradesh for energy security and on cost economics.
- iii. Hydraulic drive of VRM Separator replaced with Variable Frequency Drive for energy improvement.
- iv. Installation of variable speed drive for cooler mill and cooler fans at some of the plants.
- v. Optimization of raw mill output by installing cyclone separator at one of the plants.
- vi. Modification of Kiln inlet venturi to allow more gas flow resulting in improved combustion efficiency and improved operations of the kiln avoiding inlet coating.
- vii. Modification of the cooler first grate plate with conventional one undertaken resulting in saving in electricity energy consumption.
- viii. Modification of the GCT outlet duct to improve air flow resulting in reduced load on the pre-heater fan.
- ix. Plant lighting modification done with the LED lighting.
- x. Top cyclone roof modification done to reduce heat loss due to radiation and to reduce false air.
- xi. Modification of dynamic separator to improve coal mill production and also to enable usage of Petcoke.
- xii. Modification of VRM damper to reduce load on main motor.

(b). Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- i. Dynamic Separator in Coal Mill section is being implemented in one more plant to reduce power consumption and to enable usage of Petcoke.
- ii. VFD for raw mill, coal mill and cooler drives for the plants in Andhra Pradesh to optimize power consumption.
- iii. Modification of preheater top stage cyclones for improving efficiency and for low pressure drop.
- iv. Installation of new energy efficient cement grinding system at one of the plants replacing all the old conventional ball mills.
- v. Introduction of coal stacker reclaimer at two of the plants to ensure optimum blending efficiency aiming at reduction in heat consumption.
- vi. Bag house in replacement of ESP for kiln for better efficiency and improvement in output.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:

The measures that are proposed to be taken/under implementation are expected to reduce the power consumption by nearly 2 to 3 units/Tn of cement and overall heat consumption by around 10-15 kcals per kg of clinker. However, during the year, the power consumption was higher than that of previous year by 1 unit while the fuel consumption marginally came down.

(d) Total energy consumption and energy consumption per unit of production:

Given in Form 'A' annexed.

B. Technology Absorption:

Efforts made in technology absorption:

Particulars given in Form 'B' annexed.

C. Foreign exchange earnings and outgo:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

There was no significant export sales during the year under review.

(b) Total foreign exchange used and earned:

	Current Year	Previous Year
Used Rs. lakhs	3930.22	3497.96
Earned Rs. lakhs	9166.38	824.53



FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Current Year	Previous Year
A. POWER & FUEL CONSUMPTION			
1. Electricity			
(a) Purchased			
Units - KWH - Lakhs		5526.36	7185.18
Total amount - Rs. Lakhs		32221.65	38530.99
Rate per unit - Rs.		5.83	5.36
(b) Own Generation			
(1) Through Diesel/Furnace Oil Genset *			
Units - KWH - Lakhs		524.64	637.96
Unit per Litre of Diesel/Furnace Oil-KWH		3.95	3.10
Cost per unit - Rs.		0.95	2.64
(2) Through Steam Turbine/Genset			
Units - KWH - Lakhs		3394.24	1469.71
Cost per unit - Rs.		4.31	3.76
2. Coal for Kilns (various grades incl. Lignite)			
Quantity	Tonnes	1226599	1259573
Total Cost	Rs.Lakhs	79423	79372
Average Rate	Rs./Tonne	6475	6301
3. HSD/Furnace Oil for Kilns			
Quantity	K.Litres	728.33	653.57
Total Cost	Rs.Lakhs	471.09	288.71
Average Rate	Rs./K.Litre	64681	44175
B. CONSUMPTION PER UNIT OF PRODUCTION			
	Standards (if any)		
Electricity (KWH/Tn of Cement)	110	93.55	92.33
Coal Consumption Per Tn of Clinker (Depending on Quality of Coal)	20-25	15.70	16.42
Diesel Oil/Furnace Oil per Tn of Cement (Litres)		0.07	0.07
* Including Power from Waste Heat Recovery Plant.			

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

Research and Development (R & D):

1. Specific areas in which R&D carried out by the Company
2. Benefits derived as a result of above R & D
3. Future plan of action
4. Expenditure on R & D:

The Company has started an in-house R&D department during December 1999 with a specified objective of carrying of R&D Projects in development of expert systems for the mills and kilns optimisation, Benchmark studies of our Cement Plants, optimisation of process systems and parameters ensuring product improvement and cost reduction.

(a) Capital : Nil

(b) Recurring : A sum of Rs.100.27 lakhs has been spent during the year for the functioning of R & D department. Besides this, a sum of Rs.73.30 lakhs is the contribution to National Council for Cement and Building Materials (NCCBM) which carries out Research on behalf of the Industry.

(c) Total : Rs.173.57 lakhs

(d) Total R&D expenditure as a percentage of total turnover : 0.04

Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:
 - (a) Technology imported
 - (b) Year of import
 - (c) Has technology been fully absorbed
 - (d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action.

Not applicable



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE ECONOMY

Belying all hopes for recovery during 2013-14, Indian economy remained weak with persisting slowdown and disturbing macro-economic indicators, such as inflationary pressure, escalating costs, high lending rates, high fiscal deficit, low investments and adverse currency movement.

The unprecedented free fall in Rupee was however arrested during the second quarter of the fiscal and its value had more or less stabilised now. With contraction in non-oil imports and pick up in merchandise exports, Forex reserves rose to \$304.2 Billion at the end of March, 2014. But, the country faced uncertainty over policy direction and business confidence continued to take a beating.

According to official estimates, GDP growth for the second year in succession tumbled below 5% to 4.7% during 2013-14. The growth was weighed down by a multi-year low industrial growth of 0.4% while healthy agricultural performance was the only bright spot.

INDUSTRIAL OUTPUT

Following excess rainfall last year, the agricultural sector had shown improvement and clocked a growth rate of 4.7% against mere 1.4% in the previous year. The growth in the services sector remained almost same at 6.8% against 7% in the previous year, but the industrial sector was hit by the worst ever stagnation in the last two decades. Industrial recovery was still far off with the contraction in manufacturing activity and with the eight core industries including coal, crude oil, petroleum products, natural gas, fertiliser, cement, steel and electricity (having a combined weight of 38% in Index of industrial production) recorded a growth of 2.6%. Industrial output contracted by 0.1% during 2013-14 against a marginal growth of 1.1% in the previous year. The manufacturing sector shrank 0.8% during the year under review against a marginal 1.3% growth in 2012-13.

EXPORTS / IMPORTS

During 2013-14, exports grew 4.1% in US Dollar terms to \$312.6 Billion from \$300.4 Billion in 2012-13. During the year under review, imports declined by 8.3% in US Dollar terms to \$450.1 Billion against \$490.73 Billion. Due to stringent curbs on non-oil imports like Gold, Silver and luxury items, the trade deficit was curtailed to \$137.5 Billion against a staggering \$190.3 Billion in the previous year.

The narrowing down of Trade deficit helped the country to contain the burgeoning current account deficit to 1.7% of GDP in 2013-14 from a record 4.7% in the previous year.

INFLATION

During the year under review, the headline inflation measured by Wholesale Price Index slightly moderated to 6% as compared to 7.4% in the previous year, while retail inflation measured by Consumer Price Index (CPI) declined to 9.5% from 10.2%.

Continuing the moderation this year, WPI eased to 2.38% in September, 2014 on the back of decline in food and fuel prices. Similarly, CPI had fallen to 6.46% in September, 2014.

FISCAL DEFICIT

The fiscal deficit of the Centre stood at 4.5% of GDP in 2013-14, a tad lower than the interim Budget estimate of 4.6% mainly aided by reduction in expenditure rather than realisation of higher revenue. Revenue deficit stood at 3.3%, reflecting the fiscal strain in the economy. In the current year, softening in global commodity prices and the fall in Brent crude prices are expected to ease the subsidy burden and help the Government to contain fiscal deficit to 4.1% of GDP in the current fiscal.

CEMENT INDUSTRY

The lower growth in cement consumption continued to affect the prospects of the industry in general and the units in South in particular. While the industry presently has a capacity of over 350 million tonnes (which is the second largest capacity in the world next to China), the Southern India accounts for more than 35% of the same resulting in huge capacity overhang in the South. With the result, while the average capacity utilisation of the whole of India was around 71%, the average capacity utilisation in the South is estimated to have been far lesser. As per the official statistics published by Department of Industrial Policy and Promotion (DIPP), the industry stagnated with no growth during the year under review against an estimated growth of 5.6% in the previous year. This low growth coupled with capacity pressure resulted in the cement prices heading South during most part of the year leading to a sub-optimal performance by the industry.

With the increase in lending rates and slowdown in the realty sector and with practically nil government spending on infrastructure projects, the demand for cement remained sluggish throughout the year. This was compounded by the non-availability of sand and restrictions on sand mining in various states. Overload restrictions on outward movement of cement / inward movement of raw materials imposed by government authorities resulted in increase in freight rates for outward movement of cement and increase in cost of input materials.

With the steep depreciation in the value of the Rupee pushing up the prices of imported raw materials and fuel and with steep and frequent escalations in the price of diesel pushing up cost of inward and outward transportation profit margins were further squeezed. The prices of critical input materials like fly ash was also revised upwards substantially by the state-owned thermal power stations, adding to the woes of the industry. The power situation continued to be grim during the early part of the year forcing the Company to outsource costlier power to meet energy requirements and thereby pushed up cost of production. The situation however improved during the latter half of the year following adequate monsoon.

The industry had to operate in such a challenging environment with reduced capacity utilisation, lower realisation and higher operating cost during the year under review.

COMPANY PERFORMANCE

The production and sale of cement for the year under review was as under:-

	In Lakh Ts	
	2013-14	2012-13
Clinker	78.14	76.73
Cement	98.03	99.40
Cement Sales	97.93	99.26
Clinker Sales	2.44	1.29
Total including Clinker Sales	100.37	100.55

Despite the constraints caused by the low demand, lower prices and lower operating margin resulting in lower cash flow, the Company could maintain the capacity utilisation as that of previous year. Production and sale of cement was range bound as a result of nil growth, limited domestic demand and the supply overhang. While the Tamil Nadu Plants could achieve a capacity utilisation of 74% during the year, with a lower demand-supply imbalance in Tamil Nadu and Kerala, the Andhra Pradesh plants which face a huge supply overhang could manage a capacity utilisation of 68% only despite cement being supplied to far off markets in Eastern India suffering higher transportation costs and



consequent lower margins. The Company could achieve a clinker export of 2.28 Lakh Ts and cement of 0.72 Lakh Ts during the year under review thereby increasing its overall capacity utilisation and revenues.

On the operating side, the parameters of power and fuel consumption were kept under check which was however varying between plants depending upon its capacity utilisation.

The new 48 MW power plant at Vishnupuram was commissioned during the year and this came in handy for reducing the overall cost of power with lesser off-take of higher cost open access power. The power plant at Sankarnagar also stabilised at higher levels of operation yielding further economies. The performance of the Chilamakur Cement Plant also further improved and was up to its enhanced rated capacity during the year.

On the sales front, while the tonnages could be maintained as that of previous year, the softening of prices from the second quarter resulted in top line erosion which resulted in the Net Plant Realisation (NPR) going down when compared with the previous year and this is the main factor for the drop in the profitability during the year under review. The Company also had to move outside its traditional normal marketing markets to far off places and helped to enhance capacity utilisation and improve overall profitability as did clinker and cement exports.

In order to comply with the revised pollution control norms, many of the ESPs at the plants are being replaced with bag filters to reduce the stack emission and during the year such conversions have taken place at Chilamakur and Yerraguntla and being carried out at Malkapur unit.

COST REDUCTION MEASURES

On the power front, the Company could achieve further savings with improved utilisation of the power plant at Sankarnagar which generated 268.7 Million units as against 150.8 Million units in the previous year which was consumed by your plants in Tamil Nadu. The Power plant at Vishnupuram, Andhra Pradesh was also commissioned during the year under review and after its initial teething troubles has settled down from the month of January 2014 resulting in a generation of 74 Million units of power during the year under review, thereby reducing the dependence on high cost purchased power in the power starved State. The Company also availed power at lower cost from APGPCL but supplies were affected due to lower availability of gas to that company.

The Company continuously evaluates its option of using indigenous and imported coal based on quality and price and during the year changes were effected in sources of supply to reduce cost of fuel effecting savings in cost per calorie. Presently the Company draws about 25% of coal from indigenous sources. The Company also used petcoke as an alternate fuel at two of its plants based on cost economies which also significantly contributed in maintaining the cost of fuel.

Much headway could not be achieved in the operating parameters of power and fuel consumption due to the capacity utilisation hovering around 70% due to poor demand in the market. However, significant economies achieved in one or two plants on specific power consumption and the Company also benefited from the much improved output to its rated capacity at the Chilamakur Plant despite operating for lesser number of days. The Company has been gradually improving its blended cement proportion thereby the conversion ratio, which was maintained more or less as that of previous year. The Company has also introduced a Voluntary Retirement Scheme during the year for its managerial staff in order to bring down the overall cost of manpower.

RENEWABLE ENERGY AND CLEAN DEVELOPMENT MECHANISM (CDM)

The Company has generated 508 Lakh units of power from the Waste Heat Recovery System at Vishnupuram, which was consumed by that unit. The Company's wind mills contributed a quantum of 251.48 Lakh units of power only (previous year 327.48 Lakh units) due to problems in evacuation of power caused by restricted grid availability for wind power evacuation.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The biggest challenge facing the country and thereby the industry is the very poor economic growth, which has further decelerated during the year under review. This has resulted in a longer downturn in the cement cycle than usual, adding to the woes of the industry. However, the recent projections by experts indicating a revival of growth of over 5% given the strong economic fundamentals of the country, give some hope for the industry to expect a pick-up in demand. However, with a new Central Government in place, having been voted in with a clear mandate, based on a growth agenda on the "Gujarat Model", we could expect the government to quickly push through policies to invigorate the Indian economy, being unfettered by coalition politics. The new governments in Telangana and Andhra Pradesh are expected to revive economic growth in the region with substantial Central Government investments slated in both the States as part of the partition package, which should spur infrastructure spending and consequently cement demand. The indications of lower fiscal deficits also point to a situation of softening of interest rates which may augur well for the growth of the industry.

The second major challenge facing the industry is the massive capacity second only to China and the very low capacity utilisation. Over the last 5 years the capacity addition has been over 125 million tonnes much ahead of increase in demand resulting in idle capacities. With around 350 million tonnes of capacity and 250 million tonnes of consumption during the year under review, the industry's overall capacity utilisation has been only 70% much below the remunerative levels of utilisation. However, based on the 12th Five Year Plan, substantial investments have been targeted in infrastructure sector which if addressed by the new Government will translate into improved performance in the construction industry and in cement industry in particular. With no major expansion plans in the anvil and with the capacity creation tapering down in the last two years, it is expected that any reasonable increase in cement consumption will lead to better capacity utilisation in the coming years.

The availability of key input materials for the industry like indigenous coal, gypsum are also of concern with substantial increase in prices and deterioration in quality. However, the Company resorts to cost effective imports to overcome this problem at present. The Company has also taken steps to mitigate these risks through usage of alternate fuels like Petcoke. During the year under review, the Company moved its first shipment of coal from its captive mines in Indonesia. The Company continually evaluates the types of fuel and their indigenous and imported sources of supply in its endeavour to achieve an optimum and effective mix both in terms of quality and cost. The Company is also constantly on the lookout for other alternate cheaper fuels but the availability of the same is very limited within the vicinity of the plants. Since the last two years there has been substantial hike in the service charges for supply of fly ash by the thermal power plants in various States imposing additional costs to the Company. Availability of fly ash has also been a constraint from time to time during breakdowns of State run thermal plants. However, with the setting up of new thermal power plants both in the public and private sector and their expansion / stabilisation, availability of fly ash is expected to be surplus over the next two or three years which could considerably ease the cost of fly ash and ensure its adequate availability.

Electrical energy, which is the second component of energy costs, continues to be in short supply both in Tamil Nadu and Andhra Pradesh during the year under review necessitating purchase of costlier power from private parties through the power exchange to meet the requirements of the Company for its Andhra Pradesh plants in particular. While power continues to be in short supply in several States including Tamil Nadu and Andhra Pradesh, the Company has majorly addressed this problem by: -

- a) Setting up 48 mw power plant at Sankarnagar & Vishnupuram
- b) Drawing power from its subsidiary Coromandel Electric Company Limited
- c) Availing wind power from its wind mills.

Hence going forward the need to buy expensive power is not anticipated.

Logistics cost is another area of concern for the industry with the distribution costs accounting for a big chunk of the total expenses. The ever increasing prices of petroleum products with dosages of monthly increases resulted in frequent revision in rates of freights for inward and



outward movement of materials and this was further compounded by the overload restrictions imposed by the relevant authorities in Tamil Nadu, which resulted in further hike in freight rates. With the steep hike in railway freight during the last two years, the alternative mode of transport by rail also became expensive and the Company judiciously employs different modes of transport based on their respective costs to and from its plants. The policies of the new Government on pricing of petroleum products and railway freight are awaited.

OUTLOOK

Leading Global markets are facing unbalanced growth prospects. It is only the US that is showing strong growth. Euro zone is still crisis-ridden. After consistently clocking double digit growth for a number of years, China is struggling with slowdown with IMF expecting the economy to grow at 7.4% in 2014 against 7.7% in 2013.

For Indian Economy, the worst phase of sub five per cent GDP growth seems to be over. In the first quarter of Financial year 2015, GDP grew 5.7%. IMF has raised its growth projection to 5.6% in 2014-15 from 5.4% earlier. World Bank also expects economy to expand at 5.6% this year, followed by a further acceleration to 6.4% in 2015-2016. RBI also expects 5.5% growth this year and 6% next year.

The prospects for the cement industry appear to have significantly brightened since the close of the year. With a stable Central Government having been voted to power with a comfortable majority and with new Governments having assumed office in Andhra Pradesh and Telangana, we could expect policy impetus and vibrant economic activity, which could augur well for cement demand. This is particularly so in AP and Telangana where one can expect enhanced infrastructural spending including on the building of a State Capital in AP. Improvement in macro-economic conditions, recovery in growth and the positive outlook for infrastructure and construction industry augur well for the cement industry in the medium term.

VALUE ENHANCING STRATEGIES

With the creation of capacity ahead of demand, the Company is well poised for taking part in any upswing in the market for cement demand with a latent capacity of 30% on hand.

To ensure adequate availability of electrical energy and to control the cost thereof, the Company has been constantly improving the captive energy sources as earlier detailed. The total capacity thus created of around 125 MW will take care of most of the energy needs of the Company.

As earlier reported, the Company has also acquired mining rights in Indonesia as part of energy security. One shipload of coal was moved during the year under review to meet the requirements of the power. This will ensure sufficient coal availability for the power plants and with proper blending this coal could service the needs of cement plants also.

The Company has also got 2 ships (capacity 90508 Ts) in its fold to cover against the risk of volatility in international freight rates of coal and other imported raw materials.

As earlier mentioned, the Company has also pruned down the overall manpower leading to increase in productivity. The Company has also introduced a voluntary separation scheme for the management staff during the year.

The Company is also constantly exploring the residual markets of East, West, North to improve the capacity utilisation with reasonable contribution to improve the bottom line. The Company is also resorting to exports of clinker and cement to enhance capacity utilisation and earnings.

With no major capacity addition in pipeline, the Company is considering its options to expand its capacity further either at an existing location or in North or Central India for which it is pursuing mining leases. This would enable the Company to enhance its participation in the next boom cycle of the industry.

The Company constantly endeavours to enhance the quality of its product and resorts to supply of premium quality products in certain highly competitive but remunerative markets. It plans to introduce premium quality Pozzolona cement from one of its factories to further enhance its production of blended cements to reduce cost as a strategy to penetrate traditional OPC markets.

The Company plans to install a new Roll Press with a closed circuit mill for cement grinding at its Sankarnagar plant in place of the old existing cement mills in order to reduce the power cost and enhance quality of production.

COMPETITION COMMISSION

On a complaint filed by the Builders' Association of India against 11 Cement Manufacturers in India including your Company alleging cartelization and abuse of dominance, the Office of the Director General of the Competition Commission was ordered to investigate into the matter. Based on the investigation by Director General, an Order imposing a penalty of Rs.187.48 Crores equal to 0.5 times of the profit from 20th May 2009 to 31st March 2011 was served on us. We, besides the other cement companies filed appeals before the Competition Appellate Tribunal challenging the said Order on various grounds and the Hon'ble Competition Commission Appellate Tribunal after elaborate hearing has reserved its orders. On the basis of the arguments of senior advocates and as per their considered views we are confident that the said Order would be set aside by the Hon'ble Tribunal. The orders in the appeal are awaited still. In the meantime there is an interim Order passed against the commission directing them not to initiate any coercive steps for the recovery of the penalty which has been extended periodically and is still in force. The management backed by legal opinion from learned Senior Counsels' strength believes that the Company has a good case on merits to succeed and hence no provision has been made in the books of accounts but the amount of penalty is shown as a contingent liability.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year at all the units. Training and multi task development skills are given prime importance. The overall number of employees in the rolls of the Company at the end of the year under review was 2901 (3103).

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Your Company has a well-defined internal control system to support efficient business operations and statutory compliance. External auditors carry out concurrent audit of all the plants and offices which adds to the stability of the internal control systems. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides for checks and balances at every stage. The Company has a strong system of budgetary control which covers all aspects of operations, finance, capital expenditure at a macro level on a monthly basis reporting directly to top management. All the physical performances and efficiency parameters are monitored on a daily basis and actions are taken then and there. The Company has an Audit Committee of Directors to review financial statements to shareholders. The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement with Stock exchanges and Section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors from time to time.



FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

HIGHLIGHTS OF FINANCIAL PERFORMANCE

	Rs. Crore	
	2013-14	2012-13
Net Sales/Income from operations	4440.88	4597.04
Other Income	88.96	18.63
Total Income	4529.84	4615.67
Total Expenditure	3935.64	3773.72
Operating Profit	594.20	841.95
Operating Margin %	13.12	18.25
Interest & Finance Charges	353.65	307.75
Gross Profit after Interest but before Depreciation and Tax	240.55	534.20
Depreciation	276.39	281.84
Profit / (Loss) before Exceptional items	(35.84)	252.36
Exceptional items	126.56	–
Profit / (Loss) before Tax	(162.40)	252.36
Current Tax	–	83.64
Deferred Tax	–	5.17
Profit / (Loss) after tax	(162.40)	163.55

The net sales and income from operations was lower on account of the fall in cement price during the year as explained elsewhere. The total expenditure was up by 4% mainly on account of the increase in the cost of inputs, increase in price of petroleum products and on account of rupee depreciation. Finance costs had gone up on account of fuller utilisation of cash credit and availing of loans for operations and also due to charges on account of foreign exchange fluctuation to the tune of Rs.46 crores during the year as compared to Rs.26 crores in the previous year. Depreciation was marginally lower than that of previous year. There were exceptional items on account of fuel surcharge adjustment of AP TRANSCO Rs.69 crores and right of recompense to lenders around Rs.57 crores resulting in a net loss of Rs.162 crores as compared to Rs.163 crores profit in the previous year.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ANNEXURE 'C' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement with the Stock Exchanges)

A. MANDATORY REQUIREMENTS

1] Company's Philosophy:

The Company's Philosophy on Corporate Governance aims at the attainment of the highest levels of transparency, accountability and responsibility in all operations and all interactions with its Shareholders, Investors, Lenders, Employees, Government and other stakeholders.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, consistently over a sustained period of time.

2] Board of Directors:

The Board consists of a Vice Chairman & Managing Director and Wholetime Director and 8 other non-executive directors including two directors nominated by IDBI Bank Limited and Life Insurance Corporation of India.

The Board functions both as a full Board and through Committees. The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with Board, while the Committees oversee operational issues.

The Board has constituted six Committees viz., Audit Committee, Share Transfer Committee, Shareholders'/Investors' Grievance Committee, Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Compensation Committee.

During the year 2013-2014, Six Board Meetings were held on 20.05.2013, 08.06.2013, 12.08.2013, 07.11.2013, 10.02.2014 and 26.02.2014.

The composition of Directors, attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee memberships are given below:

Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.13 to 31.03.14)	Attendance at last AGM	No. of other Directorships held in public companies	
					(As on 31/03/2014)	
					No. of Membership (M) / Chairmanship(C) in other Board Committee(s)*	
1.	Sri N.Srinivasan <i>Vice Chairman & Managing Director</i>	Promoter, Executive Director	6	Yes	10	1 (M) & 5 (C)
2.	Smt. Chitra Srinivasan	Promoter, Non-Executive Director	4	Yes	Nil	Nil
3.	Smt. Rupa Gurunath <i>Wholetime Director</i>	Promoter, Executive Director	6	Yes	6	1 (M)
4.	Sri Arun Datta	Independent, Non-Executive Director	6	No	2	Nil
5.	Sri Basavaraju Nominee of Life Insurance Corporation of India in its capacity as Lender / Shareholder	Independent, Non-Executive Director	6	No	1	2 (M)
6.	Sri R.K.Das	Independent, Non-Executive Director	6	Yes	8	Nil
7.	Sri N.R.Krishnan	Independent, Non-Executive Director	5	Yes	6	3 (M) & 3 (C)



Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.13 to 31.03.14)	Attendance at last AGM	No. of other Directorships held in public companies	No. of Membership (M) / Chairmanship(C) in other Board Committee(s)*
					(As on 31/03/2014)	
8.	Sri V.Manickam	Independent, Non-Executive Director	6	No	1	1 (M)
9.	Sri N. Srinivasan (F&R)	Independent, Non-Executive Director	6	Yes	14	4 (M) & 5 (C)
10.	Sri G.M. Yadwadkar* ¹ Nominee of IDBI Bank Ltd., in its capacity as Lender	Independent, Non-Executive Director	2	NA	1	Nil
11.	Sri K.P. Nair* ² Nominee of IDBI Bank Ltd., in its capacity as Lender	Independent, Non-Executive Director	3	No	NA	NA

* Only Audit Committee and Shareholders'/Investors' Grievance Committee are considered for the purpose.

*¹ Appointed as a Director of the Board w.e.f. 23.10.2013 by IDBI Bank Limited.

*² Ceased to be a Director of the Board w.e.f. 23.10.2013, consequent to withdrawal of nomination by IDBI Bank Limited.

3] Audit Committee:

The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred to by the Board of Directors from time to time.

The Audit Committee met five times during the year i.e., on 20.05.2013, 12.08.2013, 07.11.2013, 10.02.2014 and 26.02.2014.

The composition and attendance of Audit Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.Srinivasan (F&R), Chairman *	5	5
2.	Sri Arun Datta	5	5
3.	Sri R.K. Das	5	5

* Appointed as Chairman of the Committee w.e.f. 20.05.2013.

The Company Secretary is also Secretary to the Audit Committee.

4] Remuneration Committee & Policy:

The Remuneration Committee has been constituted to recommend/review the remuneration package of the Executive Directors taking into account their qualification, experience, expertise, contribution and the prevailing levels of remuneration in Companies of corresponding size and stature.

During the year 2013-2014, Remuneration Committee met once i.e., on 20.05.2013 to recommend to the Board payment of commission to Sri N.Srinivasan, Managing Director and Smt.Rupa Gurunath, Wholetime Director, out of net profit of the Company for the year 2012-2013, pursuant to the resolutions passed by the Shareholders at their Annual General Meetings held on 13th August 2012 and 2nd August 2010 respectively.

The composition and attendance of Remuneration Committee meeting are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.R.Krishnan, Chairman *	1	1
2.	Sri Arun Datta	1	1
3.	Sri N.Srinivasan (F&R)	1	1

* Appointed as a Member & Chairman of the Committee w.e.f. 20.05.2013.

Details of remuneration paid to the Directors for the year ended 31st March, 2014:

(i) Executive Directors:

The two executive Directors (Managing Director and Wholetime Director) are paid remuneration as decided by the Board of Directors on the recommendation of the Remuneration Committee of the Board with the approval of Shareholders and other necessary approvals. There are no stock options available / issued to any Executive Director of the Company.

Details of remuneration paid to the Executive Directors for the year ended 31st March, 2014:

(Rs. lakhs)

Name & Position	Salary	Perquisites & allowances	Provident Fund	Retirement Benefits	Others	Total
Sri N.Srinivasan Vice Chairman & Managing Director	360.00	108.00	43.20	69.00	6.21	586.41
Smt. Rupa Gurunath Wholetime Director	120.00	36.00	14.40	23.00	0.00	193.40
Total	480.00	144.00	57.60	92.00	6.21	779.81*

* subject to necessary approvals.

(ii) Non-Executive Directors:

Remuneration by way of sitting fees is paid to all non-executive directors at the rate of Rs.20,000/- for attending each meeting of the Board and Rs.10,000/- for attending each committee meeting.

Particulars of sitting fees including for committee meetings paid to non-executive directors during the financial year 2013-2014 are as follows:

Name of the Director	Sitting Fees Paid (Rs.)
Smt.Chitra Srinivasan	80000
Sri Arun Datta	220000
Sri Basavaraju	120000
Sri R.K.Das	170000
Sri N.R.Krishnan	110000
Sri V.Manickam	120000
Sri K.P.Nair / Sri G.M.Yadwadkar (Paid to IDBI Bank Limited)	100000
Sri N.Srinivasan (F&R)	290000

No remuneration other than sitting fee as aforesaid is paid to Non-Executive Directors.

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the year 2013-2014.

There are no stock options available/issued to any Non-Executive Director of the Company.

There are no convertible instruments issued to any of the Non-Executive Directors of the Company. The details of Equity Shares of the Company held by the Non-Executive Directors as on 31st March 2014, are as follows:

Name of the Director	No. of Equity Shares
Smt.Chitra Srinivasan	78580
Sri Arun Datta	4000
Sri Basavaraju	Nil
Sri R.K.Das	1500
Sri N.R.Krishnan	Nil
Sri V.Manickam	Nil
Sri N.Srinivasan (F&R)	Nil
Sri G.M.Yadwadkar	Nil



5] a] Share Transfer Committee:

All shares received for transfer were registered in favour of transferees and certificates despatched within prescribed time, wherever the documents received were in order.

During the year 2013-2014, 8361 Equity Shares were transferred in physical mode in favour of transferees and share certificates were despatched within prescribed time from the date of receipt.

During the financial year 2013-2014, the Committee met 12 times.

The composition and attendance of the Share Transfer Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.Srinivasan, Chairman	12	12
2.	Sri N.Srinivasan (F&R)	12	11
3.	Smt.Rupa Gurunath*	12	10

* Appointed as a Member of the Committee w.e.f. 20.05.2013.

b] Shareholders' / Investors' Grievance Committee:

During the year 2013-2014, 104 complaints were received from shareholders and investors. All the complaints have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts/Forums where they are pending.

During the financial year 2013-2014, the Shareholders' / Investors' Grievance Committee met 4 times i.e., on 20.05.2013, 12.08.2013, 07.11.2013 and 10.02.2014.

The composition and attendance of the Shareholders'/Investors' Grievance Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri Arun Datta, Chairman*	4	4
2.	Sri N.Srinivasan	4	4

* Appointed as a Member & Chairman of the Committee w.e.f. 20.05.2013.

Sri G.Balakrishnan, Company Secretary is the Compliance Officer.

c] Corporate Social Responsibility (CSR) Committee

In terms of Section 135 of the Companies Act, 2013, the Board of Directors at its meeting held on 10.02.2014 constituted a CSR Committee comprising the following Directors as its Members for formulating and monitoring CSR Policy/Activities:

Sl. No.	Name of the Member
1.	Sri N.Srinivasan, Chairman
2.	Sri N.R.Krishnan
3.	Sri N.Srinivasan (F&R)

d] Compensation Committee of Board of Directors:

Compensation Committee of Board of Directors has been constituted for administration of India Cements Employees Stock Option Scheme (ICL ESOS).

During the year, no stock options / shares were granted / allotted to employees and hence no Compensation Committee meeting was held.

The composition of the Compensation Committee of Board of Directors is given below:

Sl. No.	Name of the Member
1.	Sri N.Srinivasan, Chairman
2.	Sri N.Srinivasan (F&R)

6] Annual General Meetings:

The last three Annual General Meetings were held as under:

Year	Type	Location	Date	Time	Special Resolutions passed in the AGM by the Shareholders
2011	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	24.08.2011	9.30 A.M.	No
2012	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	13.08.2012	10.00 A.M.	No
2013	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	18.09.2013	9.40 A.M.	No

No item of business requiring voting by postal ballot is included in the Notice convening the 68th Annual General Meeting of the Company.

7] Disclosures:

- a) There are no significant Related Party transactions during the year of material nature with the promoters, directors or the management or their subsidiaries or relatives, etc., potentially conflicting with Company's interests at large. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report.
- b) As per Clause 49(V) of the Listing Agreement, the Chief Executive Officer i.e. Managing Director and the Chief Financial Officer i.e. President (Finance & Accounts) certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31st March 2014 in the form prescribed by Clause 49 of the Listing Agreement which is annexed.
- c) There were no instances of non-compliance on any matter relating to the capital market, during the last three years.
- d) The Company did not have a Whistle Blower Policy as on 31.03.2014.
- e) The Company has complied with all mandatory requirements of the Clause 49 of the Listing Agreement. As regards the non-mandatory requirements, the extent of compliance has been stated in Part B of this report.
- f) Details of information on re-appointment of directors:
A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or for other person on a beneficial basis, names of companies in which the person already holds directorship, membership of committees of the Board and relationship with other directors, forms part of the Notice convening the 68th Annual General Meeting.
- g) ICL Code of Conduct for Prevention of Insider Trading:
The Company has adopted and implemented ICL Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. The Code prohibits purchase/sale of securities of the Company by an 'insider' including Directors, Designated Employees, etc., while in possession of unpublished price sensitive information.
- h) ICL Code of Conduct for Directors and Senior Management:
The Company has framed and implemented ICL Code of Conduct for its Directors and Senior Management. The Code of Conduct has also been posted on the Company's website "www.indiacements.co.in". Affirmation of compliance of Code of Conduct for the financial year 2013-2014 has been received from all the Directors and Senior Management personnel of the Company.
- i) Transfer to Investor Education and Protection Fund:
The Company has transferred a sum of Rs.1.96 lakhs during the financial year to the Investor Education and Protection Fund established by the Central Government. The said amount represents unclaimed fixed deposits and interest thereon, which remained unclaimed with the Company for a period of 7 years from their respective due dates of payment.



j) Unclaimed Shares:

The Company does not have any share(s) remaining unclaimed, issued pursuant to public / other issues.

k) Subsidiary Company:

The Company does not have a "material non-listed Indian subsidiary" as defined in Clause 49(III) of the Listing Agreement.

l) Cost Auditor and Cost Audit Report 2012-2013:

Name, Membership number & address of Cost Auditor : Sri S.A. Murali Prasad, Membership No.2730
4 (New), Brindavan Street, Chennai 600004.

Filing of Cost Audit Report 2012-2013 with the Central : Due date of filing : 27.09.2013
Government : Actual Date of filing : 27.09.2013

8] Means of Communication:

- a) Quarterly results are published in the pro-forma prescribed by Stock Exchanges, in leading English newspapers including 'The Hindu' and Tamil newspaper 'Dina Thandhi'. As the Company publishes the audited annual results within the stipulated period of 60 days from the close of the financial year as required by the Listing Agreement with Stock Exchanges, the unaudited results for the last quarter of the financial year are not published.
- b) The annual financial results of the Company are also communicated in the prescribed pro-forma to Stock Exchanges and also published in the newspapers.
- c) The financial results are displayed on the Company's website "www.indiacements.co.in".

9] General Information for Shareholders:

- (i) Date, Time and Venue of the Annual General Meeting : 26th December, 2014 at 9.15 A.M. at IMAGE Auditorium, No.3, Thandavarayan Street, M.R.C. Nagar, R.A. Puram, Chennai - 600 028.
- (ii) Financial year 1st April to 31st March (Provisional) : Will be published on or before:
Results for Quarter ending June 30, 2014 : 14th August, 2014
Results for Quarter ending September 30, 2014 : 14th November, 2014
Results for Quarter ending December 31, 2014 : 14th February, 2015
Results for Quarter ending March 31, 2015 (audited) : 30th May, 2015
- (iii) Dates of Book Closure : 17th December, 2014 to 26th December, 2014 (both days inclusive)
- (iv) Dividend payment date : Not applicable

(v) Listing on Stock Exchanges:

- I a) The Company's Equity Shares are listed on the following Stock Exchanges:
 - i) Madras Stock Exchange Limited, Exchange Building, 11, Second Line Beach, Chennai - 600 001 (Stock Code: INDCEM)
 - ii) BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 (Stock Code : 530005)
 - iii) National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 (Stock Code EQ: INDIACEM)
- b) Company's Equity Shares are traded in Group "A" category in BSE Limited.
- c) The Company has paid the Listing Fees for the year 2014-15 to all Stock Exchanges where the Company's equity shares are listed.
- II The Company's Global Depository Receipts (GDRs) are listed in Luxembourg Stock Exchange, P.O. Box 165, L-2811 Luxembourg, Europe and Listing Fee for the year 2014 has been paid.

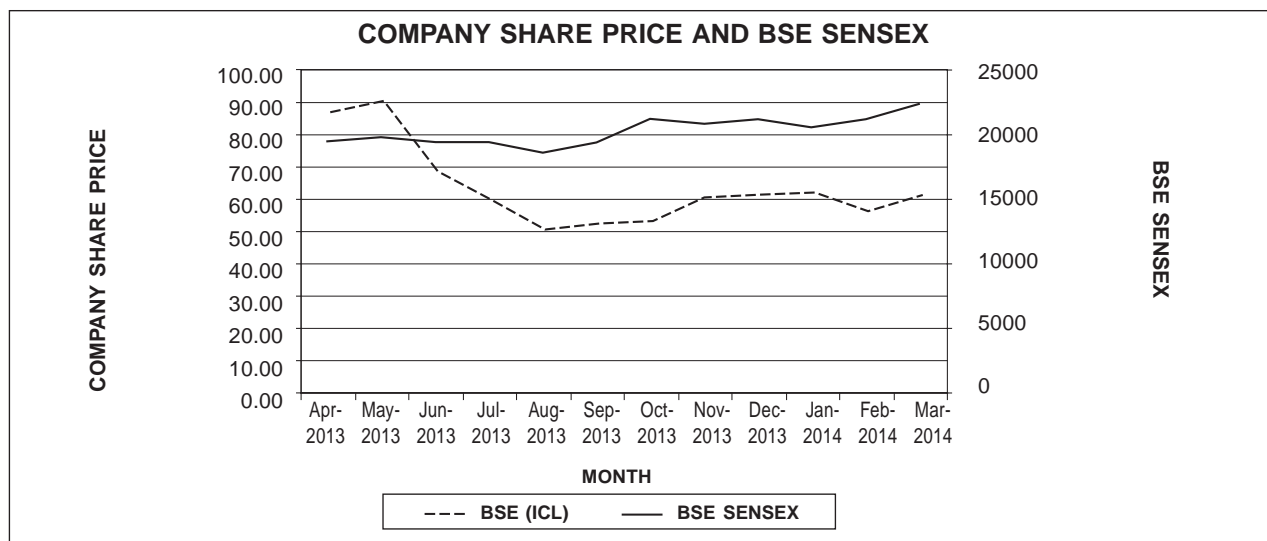
- III The Company's Global Depository Shares (GDSs) are listed in Luxembourg Stock Exchange, P.O. Box 165, L-2811 Luxembourg, Europe and Listing Fee for the year 2014 has been paid.
- IV The equity shares of the Company have been included in the list of equity shares on which derivatives are available for trading in futures and options segment by National Stock Exchange of India Limited and BSE Limited.

(vi) Market Price Data:

(In Rupees)

Month	Madras Stock Exchange Limited		BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low	High	Low
April 2013	–	–	86.75	80.45	86.75	80.35
May 2013	–	–	90.80	66.75	90.95	66.70
June 2013	–	–	68.45	53.75	68.40	53.75
July 2013	–	–	59.90	49.85	60.05	49.90
August 2013	–	–	50.55	44.10	50.60	44.10
September 2013	–	–	52.15	47.50	52.25	47.45
October 2013	–	–	53.10	46.90	53.20	46.75
November 2013	–	–	60.20	50.90	60.15	50.90
December 2013	–	–	61.35	55.55	61.35	55.60
January 2014	–	–	61.85	47.70	61.90	47.50
February 2014	–	–	56.05	48.90	56.10	48.80
March 2014	–	–	60.90	53.70	60.85	53.60

(vii) Stock price performance in comparison to BSE Sensex:





(viii) Registrar and Share Transfer Agent:

The Company has appointed Integrated Enterprises (India) Limited as Registrar and Share Transfer Agent (RTA). Shareholders / Investors / Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the Registrar at the following address:

Integrated Enterprises (India) Limited
 2nd Floor, "Kences Towers"
 No.1, Ramakrishna Street
 North Usman Road
 T.Nagar
 Chennai - 600017.
 Phone : 044-28140801 to 28140803
 Fax: 044-28142479
 Email: corpseiv@integratedindia.in

(ix) Share Transfer System:

Shares lodged in physical form with the Company/RTA are processed and returned, duly transferred, within prescribed time from the date of receipt, if the documents submitted are in order. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.

(x) a) Distribution of Shareholding as on 31st March, 2014:

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 500	88615	89.62	10624288	3.46
501 to 1000	5636	5.70	4504071	1.47
1001 to 2000	2459	2.49	3715496	1.21
2001 to 3000	746	0.76	1922116	0.63
3001 to 4000	321	0.32	1153559	0.37
4001 to 5000	281	0.28	1329503	0.43
5001 to 10000	410	0.41	3052053	0.99
10001 and above	416	0.42	280877571	91.44
TOTAL	98884	100.00	307178657	100.00

b) Pattern of Shareholding as on 31st March, 2014:

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV) * 100
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals / Hindu Undivided Family	3	20015896	20015896	6.71	6.51	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	3	66168057	66168057	22.19	21.54	66100625	99.90
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-
(e)	Any Other (specify): Directors & Relatives	3	542420	542420	0.18	0.18	-	-
	Sub-Total (A) (1)	9	86726373	86726373	29.08	28.23	66100625	76.22
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	9	86726373	86726373	29.08	28.23	66100625	76.22
(B)	Public shareholding						N.A.	N.A.
(1)	Institutions						N.A.	N.A.
(a)	Mutual Funds / UTI	26	8454436	8439946	2.84	2.75	-	-
(b)	Financial Institutions / Banks	28	2005486	1997561	0.67	0.65	-	-
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	8	26314396	26314146	8.82	8.57	-	-
(f)	Foreign Institutional Investors	114	110448414	110406714	37.04	35.96	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (B)(1)	176	147222732	147158367	49.37	47.93	-	-



Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV) * 100
(2)	Non-institutions						N.A.	N.A.
(a)	Bodies Corporate	1242	31446855	31385030	10.55	10.24	-	-
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs.1 lakh	93663	22643866	21328236	7.59	7.37	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	156	5181232	5060900	1.74	1.69	-	-
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	Any Other (specify)							
	i Directors & Relatives	2	5500	4000	0.00	0.00	-	-
	ii Foreign Corporate Body	4	336967	336967	0.11	0.11	-	-
	iii Overseas Corporate Bodies	2	2000	1500	0.00	0.00	-	-
	iv Non-Resident Individuals	1352	1130818	1125460	0.38	0.37	-	-
	v Custodian of enemy Property	37	11854	0	0.00	0.00	-	-
	vi Trust	15	450024	450024	0.15	0.15	-	-
	vii Hindu Undivided Families	1832	974427	974427	0.33	0.32	-	-
	viii Clearing Member	392	2096552	2096552	0.70	0.68	-	-
	Sub-Total (B)(2)	98697	64280095	62763096	21.55	20.93	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)	98873	211502827	209921463	70.92	68.86	N.A.	N.A.
	TOTAL (A)+(B)	98882	298229200	296647836	100.00	97.09	66100625	22.16
(C)	Shares held by Custodians and against which Depository Receipts have been issued				N.A.		N.A.	N.A.
	(1) Promoter and Promoter Group	-	-	-	-	-	-	-
	(2) Public							
	i. Global Depository Receipts (GDRs)	1	741315	729878	-	0.24	-	-
	ii. Global Depository Shares (GDSs)	1	8208142	8208142	-	2.67	-	-
	TOTAL (C)	2	8949457	8938020	N.A.	2.91	N.A.	N.A.
	GRAND TOTAL (A)+(B)+(C)	98884	307178657	305585856		100.00	66100625	21.52

(xi) Dematerialisation of Equity Shares and Liquidity:

As on 31st March, 2014, 99.48% of the Company's Equity Shares have been dematerialized.

As per directives issued by SEBI, it is compulsory to trade in the Company's shares in the dematerialised form with effect from 29th November, 1999. The ISIN Number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the Company's shares in Demat form is INE383A01012.

During the year 2013-2014, the Company had received 167 requests for dematerialisation of shares. The Company has acted upon all valid requests received for dematerialisation during the year 2013-2014.

(xii) Outstanding GDRs / ADRs / Warrants or any Convertible Debentures, conversion date and likely impact on equity shares as on 31st March, 2014.

7,41,315 GDRs are outstanding (0.24% of total paid-up equity share capital). Each GDR represents one underlying equity share of Rs.10/- each.

41,04,071 GDSs are outstanding. Each GDS represents two underlying equity shares of Rs.10/- each (82,08,142 underlying shares represented by GDS constitutes 2.67% of total paid-up equity share capital).

India Cements Employees Stock Option Scheme, 2006:

Out of 14,82,000 options granted to employees under India Cements Employees Stock Option Scheme, 2006 -

- 14,22,000 options were exercised by the employees and equal number of shares were allotted to them;
- 48,500 options were expired; and
- 11,500 options lapsed since the same were not exercised.

(xiii) Plant Locations:

Sankarnagar, Tirunelveli District, Tamil Nadu	Chilamakur, Kadapa District, Andhra Pradesh
Sankari, Salem District, Tamil Nadu	Yerraguntla, Kadapa District, Andhra Pradesh
Dalavoi, Ariyalur District, Tamil Nadu	Vishnupuram, Nalgonda District, Telangana
Vallur Village, Tiruvallur District, Tamil Nadu	Malkapur, Ranga Reddy District, Telangana
	Parli Vajinath, Beed District, Maharashtra

(xiv) Address for Correspondence

: The India Cements Limited,
Regd. Office: "Dhun Building",
 827, Anna Salai, Chennai 600 002.
Corporate Office: "Coromandel Towers",
 93, Santhome High Road, Karpagam Avenue,
 R.A. Puram, Chennai - 600 028.
 Tel. No. : (091) (044) 28521526 / 28572100 / 400
 Fax No. : (091) (044) 28517198 / 28516271

Corporate Identity Number : L26942TN1946PLC000931

Website : www.indiacements.co.in

For Investor Complaints

Contact Person : Sri G.Balakrishnan
 Senior President & Company Secretary

Email-Id : investor@indiacements.co.in



B. NON-MANDATORY REQUIREMENTS:

1. The Board - A non-executive Chairman may be entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. : The Company does not have a non-executive Chairman.

Independent Directors may have a tenure not exceeding, in the aggregate, a period of nine years, on the Board of a Company. : No tenure has been fixed for independent directors as on 31.03.2014

The Company may ensure that the person who is being appointed as an independent director has the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an independent director. : This is ensured.
2. Remuneration Committee. : Please refer to Serial No. A - 4 of this Report.
3. Shareholders Rights - A half-yearly declaration of financial performance including summary of the significant events in last six months, may be sent to each household of Shareholders. : As the Company's half-yearly results are published in leading English newspapers having circulation all over India and in Tamil newspaper and also in the Company's website, the same are not sent to the Shareholders of the Company. There is no publication of second half-yearly results as the annual results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.
4. Audit qualifications - Company may move towards a regime of unqualified financial statements. : Nil
5. Training of Board Members - A Company may train its Board Members in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as directors and the best ways to discharge them. : At present, the Company does not have any such Training programme for Directors.
6. Mechanism for evaluating non-executive Board Members - The performance evaluation of non-executive directors could be done by a Peer Group comprising the entire Board of Directors, excluding the director being evaluated; and Peer Group evaluation could be the mechanism to determine whether to extend / continue the terms of appointment of non-executive directors. : The Company did not have any such mechanism for evaluating the performance of non-executive Board Members as on 31.03.2014.
7. Whistle Blower Policy. : The Company did not have a Whistle Blower Policy as on 31.03.2014.

CEO AND CFO CERTIFICATION

To the Board of Directors of The India Cements Limited

In compliance with Clause 49(V) of the Listing Agreement with the Stock Exchanges, we hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended 31st March 2014 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations; and
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2013-2014, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have not observed any deficiencies in the design or operation of internal controls.
- (d) We have indicated to the auditors and the Audit Committee that there are:
 - (i) no significant changes in the internal control during the year;
 - (ii) no significant changes in accounting policies during the year; and
 - (iii) no instances of significant fraud where the involvement of management or an employee having a significant role in the Company's internal control system have been observed.

Place : Chennai

Date : 12th November, 2014

N.Srinivasan

Vice Chairman & Managing Director

R.Srinivasan

President (Finance & Accounts)



ANNEXURE 'D' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members, The India Cements Limited.

We have examined the compliance of conditions of Corporate Governance by The India Cements Limited, for the year ended March 31, 2014, 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 procedure and implementation 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 explanation given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by The Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended /pending for more than 30 days.

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

For P. S. SUBRAMANIA IYER & CO.,
Chartered Accountants
Firm Registration No. 004104S

V.SWAMINATHAN
Partner
Membership No.22276

Place : Chennai
Date : 12th November, 2014

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No. 000511S

N. SRI KRISHNA
Partner
Membership No. 26575

ANNEXURE 'E' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

CODE OF CONDUCT – DECLARATION UNDER CLAUSE 49(1)(D)

This is to certify that :

1. In pursuance of the provisions of Clause 49(1)(D) of the Listing Agreement with Stock exchanges, a Code of Conduct for the Board members and the Senior Management Personnel of the Company has been approved by the Board in its meeting held on 9th November 2005.
2. The said Code of Conduct has been uploaded on the website of the Company and has also been circulated to the Board members and the Senior Management Personnel of the Company.
3. All Board members and Senior Management Personnel have affirmed compliance with the said Code of Conduct, for the period ended 31st March, 2014.

Place : Chennai
Date : 12th November, 2014

for THE INDIA CEMENTS LIMITED
N. SRINIVASAN
VICE CHAIRMAN & MANAGING DIRECTOR

ANNEXURE 'F' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

CORPORATE SOCIAL RESPONSIBILITY (CSR)

INTRODUCTION

During the year 2013-14, all the Plants together carried out about 100 different activities and these activities reached nearly two and half lakhs of beneficiaries in 167 villages in and around our plants. Presented below are highlights of some of the activities.

ENRICHING LIVELIHOODS

Livelihood training programmes

As in the last year, this year the focus was on improving the livelihood activities in the villages. Several plants like Trinetra Cement, Chilamakur, Yerraguntla, Parli Grinding Unit, Sankari, Sankarnagar, Dalavoi and Chennai Grinding Unit (CGU) have very successfully organised tailoring training for women. Totally about 400 women have been trained and each of them is able to earn a minimum of Rs.1000 a month with a majority of them earning about Rs.4000 to 5000 a month. Some of these plants also distributed sewing machines to very needy women like widows. The women were selected through a rigorous process of beneficiary identification.

The Parli Grinding Unit (PGU) organised a special training for 90 women from Below Poverty Line (BPL) families in making pickles, spices and candles. These women are now earning about Rs.1000 a month as additional income for the family.

The Dalavoi and Vishnupuram plants organised training in driving for young men and enabled them to obtain valid licenses.

Farm related activities

Many of the plants also organised veterinary camps as this initiative is highly appreciated by the local farmers. Such camps save considerable amount of time and money for the farmers by providing veterinary care in the villages where the farmers live.

A new initiative this year was to organise a Farmers' Seminar by the PGU in Parli town. The experts from the Agriculture Department discussed various issues relating to increase in crop production, protection of crops from natural disasters and so on.

WORKING FOR THE CAUSE OF EDUCATION

In this year the CSR programmes covered nearly 300 Government run schools in the 167 CSR target villages. Nearly one third of the annual budget was spent on these activities.

The major activities included improving the infrastructure of the schools. Thus, we have provided compound wall, class rooms, auditorium, library, sports equipments and toilets - especially for girl students and such other facilities.

The other major set of activity was to improve the quality of education. Towards this goal, we have provided computers, library books, organised summer camps, special coaching classes, Career Guidance Programme, motivating students for passing and scoring high marks in school final examinations and so on. In addition we have sponsored poor students for higher education. For instance the Parli Grinding Unit has been sponsoring students for a nursing course. The Vishnupuram Plant sponsors girls for paramedical courses.

The Trinetra Plant organised for the first time in the area, an Inter school competition and distribution of scholarship to brilliant students of nearby schools in the presence of Administrative Officials. Totally 900 students of 15 schools participated. Such competitions are a recurring event in the PGU where children from nearly 15 villages participate every year.

The CGU is continuing to successfully offer an ABACUS training classes for Govt (ADW) High schools. In this program, 150 students were effectively trained for ABACUS skills. It was really motivating to know from the School Headmasters that the students who had undergone this training are showing good improvement in their logical skills.

Motivational Camps for 10th and 12th standard students have been organised by Sankari, Dalavoi and few other plants. These camps have helped the students to gain self confidence, face the examination boldly and consequently the percentage of students passing has increased.



INFRASTRUCTURE

Several infrastructural facilities in the community have been provided by us. Augmenting water supply has been a constant effort in our activities. Out of the many such activities, the effort by Yerraguntla plant stands out.

In the Kadirevaripalli Village near Yerraguntla plant a drinking water facility was recently inaugurated as the village does not have any source of clean water. A site measuring around 2.00 cents was donated by one of our retired employee Mr. K. Lokanatha Reddy, who hails from that village, for installing the water plant. The Water plant is located between SC colony and main village as decided by village elders; thus it is accessible to all the people. As a part of RO plant installation, the plant has dug a bore and provided motor, constructed a room with RCC slab to house the RO plant. After inauguration of the plant, the plant has also provided 100 water cans of 20 litre capacity each to the poor among the village people, as per their request. The village panchayat is collecting Re.1/- per can from the users, to meet the monthly maintenance expenses.

HEALTH CAMPS

The Sankari Plant organised an Eye and Dental camp for Government School students. This program was an eye opener for the poor children. Many students were diagnosed with dental defects. By arranging this program early diagnosis was possible.

Many plants also organised general health camps and nearly 25,000 persons have benefitted from these camps. In addition special camps were held for seniors who needed cataract surgery.

OTHER ACTIVITIES

The Trinetra Plant contributed to the Program "Mahi Mahotsav" which was organized on 1st February, 2014 and 2nd February, 2014 to promote tourism and local folk art of tribes in Banswara District. This programme was conducted by district administration and tourism department with the help of local industrialist and NGOs. In this 2-day celebration many events like water sports, rangoli, group dance, Folk dance, etc. were organized.

On request of the Police Department, Kadapa, the Chilamakur Plant constructed and donated Police Sub Control Room for Police picket in the centre of Chilamakur Village for the benefit of public. With this, Police Dept, has established a Mini police station like and being provided their services round the clock to the public and it minimizes the distance between the Police and public.

INDEPENDENT AUDITORS' REPORT

To

The Members of The India Cements Limited

1. Report on the Financial Statements

- a. We have audited the accompanying financial statements of The India Cements Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.
- b. The original financial statements of the Company for the year ending 31st March 2014 were approved by the Board of Directors at its meeting held on 26th May 2014 and we have issued our audit report in terms of clause 41 of the listing agreement on those financial statements.

The audited financial statements for the financial year ending 31st March 2014 have been published in terms of listing agreement. Further the Company was in the process of seeking Regulatory Approvals for Scheme of Amalgamation for merging two of its subsidiaries with itself and an arrangement for withdrawing a sum of Rs.126.56 Crores from the General Reserve to adjust certain non-recurring items of exceptional expenditure that were debited to the P & L for the year ended March 31, 2014. The Company sought the consent of stock exchanges for said scheme. The Stock Exchange directed the Company to withdraw the portion relating to withdrawing from General Reserve to meet exceptional items of expenditure. In view of the reservations expressed by the stock exchanges against the arrangement as stated above a modified scheme has been filed before the High Court of Madras. As the adjustment of charging of expenditure against the reserves explained above stands withdrawn, the Audit Committee in its meeting held on 12th November 2014 recommended to the Board of Directors to modify the audited financial statements for the year ending 31st March 2014 (which were originally approved by the Board of Directors on 26th May 2014 and our report of even date issued in terms of clause 41 of listing agreement was qualified in this regard) and the Board of Directors in its meeting held on 12th November 2014 approved the modified financial statements for the year ending 31st March 2014.

In view of the aforesaid decision of the management vide their communication dated 12th November 2014 in accordance with the provisions of Standard on Auditing (SA) 560 on subsequent events issued by Institute of Chartered Accountants of India we are issuing this report on the modified financial statements.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditors' Responsibility

- a. Our responsibility is to express an opinion on these financial statements based on our audit. 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 misstatement.

- b. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.
- c. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Emphasis of Matter

- a) We draw attention to note no.33.2(g) of the financial statements, regarding the appeal filed by the Company against the order of the Competition Commission of India (CCI), imposing a penalty of Rs.187.48 crores before the Competition Appellate Tribunal concerning the alleged contravention of provisions of Competition Act 2002. CCI in its interim order dated 17th May, 2013 directed the Company to pay 10% of the imposed penalty. The Company is advised by legal experts that it has good case before appellate tribunal and accordingly no provision has been considered necessary by the Company in this regard. Our opinion is not qualified in respect of this matter.
- b) The Shareholders of the Company approved the remuneration paid/payable to its Directors. Owing to the inadequate profits for the current year, as computed under Section 349 of the Companies Act, 1956, the managerial remuneration paid / payable has exceeded the limits specified under Section 198 read with Section 309 of the Companies Act, 1956 by Rs.683.81 lacs. The Company is in the process of obtaining requisite approvals from the Central Government. Our opinion is not qualified in respect of this matter.

6. Report on Other Legal and Regulatory Requirements

- a) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- b) As required by Section 227(3) of the Act, we report that:
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

P.S. SUBRAMANIA IYER & CO.
Chartered Accountants
103, P.S. Sivaswamy Salai
Mylapore
Chennai - 600 004

BRAHMAYYA & CO.
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai - 600 014

- iii. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- iv. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- v. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

7. Other matter

- a) We have restricted our audit procedures on the events subsequent to 26th May 2014 (subsequent events) as defined under SA 560 solely to the matters referred to in Clause 1(b) above which is the cause of the amendments to the original financial statements except that we have not carried out any audit procedure in relation to audited financial statements as amended.

For P. S. SUBRAMANIA IYER & Co.,
Chartered Accountants
Firm Registration No: 004104S
V.SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & Co.,
Chartered Accountants
Firm Registration No. 000511S
N.SRI KRISHNA
Partner
Membership No. 26575

Place : Chennai
Date : 12th November, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT (REFERRED TO IN PARAGRAPH 6(a) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE INDIA CEMENTS LIMITED)

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, the Fixed Assets are physically verified by the management, according to a phased programme designed to cover all the items over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, the management during the year has verified a portion of fixed assets and no material discrepancies between the book records and physical inventory have been noticed.
- c) The fixed assets disposed off during the year, in our opinion, do not constitute substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) a) According to information and explanations given to us, the inventories of the Company at all its locations have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the explanations given to us and on the basis of our examination of the inventory records, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of accounts.
- (iii) a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- e) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased/services awarded are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) a) To the best of our knowledge and belief and according to the information and explanations given to us, there were no transactions during the year pursuant to the contracts or arrangements referred to in Section 301 of the Act. Accordingly, sub-clause (b) is not applicable.
- (vi) The Company has during the year accepted deposits from public. In our opinion, the Company has complied with the provisions of Sections 58A, 58AA or any other relevant provisions of the Act and Companies (Acceptance of Deposit) Rules, 1975. To the best our knowledge and according to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

P.S. SUBRAMANIA IYER & CO.
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Balaji Nagar, Royapettah
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- (viii) We have broadly reviewed the cost records and accounts relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in relation to activity of manufacture of cement and we are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete. To the best of our knowledge and according to information and explanations given to us the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for any other activity of the Company.
- (ix) (a) According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employee State Insurance, Investor Education and Protection Fund, Income tax, Wealth tax, Customs duty, Excise duty, Cess, Sales tax and Service tax and any other statutory dues applicable to it with the appropriate authorities though there has been instances where we noticed delays in depositing Excise duty, Sales tax, Service tax and Provident fund.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Service tax, Sales tax, Customs duty, Excise duty and Cess were in arrears as at the year end for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, details of dues of Sales tax, Income tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess, which have not been deposited as on 31st March, 2014 on account of any dispute is as per Annexure.
- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during financial year covered by our audit and the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayments of its dues to financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of paragraph 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, and according to the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of paragraph 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company taking into consideration the overall realizable value of assets and current business plans.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination, the term loans have been applied for the purpose for which they were obtained.
- (xvii) *In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company and after placing reliance on the reasonable assumptions made by the Company for the classification of long-term and short-term usages of funds, certain funds raised on short term basis have been used for long term purposes amounting to Rs.88007.30 lacs. Other than these we are of the opinion that Prima facie, no funds raised on short-term basis have been used for long-term investment.*

P.S. SUBRAMANIA IYER & CO.
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- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xix) According to the information and explanations given to us, the Company has repaid the outstanding debentures at the year end as per original terms of issue. As at the year end 31st March 2014, the Company does not have any outstanding secured debentures.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted Auditing Practices in India and according to the information and explanations given to us, we have not come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For P. S. SUBRAMANIA IYER & Co.,
Chartered Accountants
Firm Registration No: 004104S
V.SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & Co.,
Chartered Accountants
Firm Registration No. 000511S
N.SRI KRISHNA
Partner
Membership No. 26575

Place : Chennai
Date : 12th November, 2014

P.S. SUBRAMANIA IYER & CO.
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Annexure to the Independent Auditors' Report to the Members of The India Cements Limited for the year ended 31st March 2014

Category	Pending With	Financial Year	Amount Rs.lakhs
Cenvat	Addl. Commissioner	2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2011-13, 2009-11, 2009-13, 2012-14, 2013-14, 2006-12	321.76
	Appellate Tribunal	1995-96, 1996-97, 1997-98, 1999-00, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2006-11, 2012-13, 2005-07, 2011-13, 2007-09, 2008-10, 2009-11, 2010-12, 1994-98, 1998-00, 2005-08, 2005-10, 2006-08, 2007-12, 2012-14	9,163.41
	Asst. Commissioner	1998-99, 2004-05, 2010-11, 2011-12, 2011-13, 2010-12	21.53
	Commissioner	2008-09, 2010-11, 2011-12, 2012-13, 2011-13, 2008-10, 2009-11, 2010-12, 2008-13, 2012-14, 2006-12, 2010-14, 2008-11	5,874.20
	Commissioner (Appeals)	2000-01, 2011-12, 2011-13	0.75
	Dy. Commissioner	2009-11, 2012-14	4.47
	Jt. Commissioner	2011-12, 2007-09, 2012-14	61.93
	Superintendent	2010-11	0.31
	High Court	1994-95, 1994-96, 1995-96, 1996-97, 1997-98, 1998-99, 2000-01, 2007-08, 2008-09, 2009-10, 2005-07, 2007-09	502.17
Supreme Court	1995-96, 1996-97, 2007-08	803.55	
CST	Asst. Commissioner	1973-74	4.17
	High Court	1991-92, 1992-93, 1993-94	76.17
Income Tax	Dy. Commissioner	2009-10, 2010-11	6,040.77
	Appellate Tribunal	1991-92, 2008-09	7,691.39
	High Court	1982-83, 1983-84, 1984-85, 1985-86, 1986-87	363.83
	Supreme Court	1996-97	810.65
Sales Tax	Asst. Commissioner	1970-71, 1971-72, 1975-76, 1976-77, 1977-78, 1978-79	109.30
	Dy. Commissioner (Appeals)	1997-98	3.84
	High Court	1969-70, 1970-71, 1985-86, 1987-88, 1988-89, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, 1994-95, 1995-96, 1996-97, 1998-99, 2002-03	1,097.87
Service tax	Addl. Commissioner	2006-07, 1997-99	38.37
	Asst. Commissioner	2011-13, 2012-13, 2012-14	4.62
	Appellate Tribunal	2005-06, 2008-09, 2010-11, 2011-12, 2007-11, 2005-09, 2008-10, 1997-99, 2006-09	808.91
	Commissioner	2008-09, 2010-11, 2011-12, 2012-13, 2005-07, 2011-13, 2004-08, 2007-09, 2008-10, 2009-11, 2010-12, 2006-08, 2012-14	12,450.35
	Commissioner (Appeals)	2008-09, 1997-99	5.97
	Jt. Commissioner	2007-08, 2012-13, 2007-09, 2006-08	90.07
High Court	2005-06, 2006-07, 2007-08, 2004-08, 2004-09, 2004-06	1,410.38	
VAT	Addl. Commissioner	2006-07, 2008-09	268.74
	Appellate Tribunal	2005-06	22.01
	High Court	2005-06, 2007-08, 2008-09, 2009-10, 2012-13	719.98
	Jt. Commissioner	2010-11	36.73
	Appellate Jt. Commissioner	2013-14	126.89
Customs Duty	Addl. Commissioner	2013-14	41.33
	Commissioner	2013-14	4,152.36
		TOTAL	53,128.78

For P. S. SUBRAMANIA IYER & Co.,
Chartered Accountants
Firm Registration No: 004104S
V.SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & Co.,
Chartered Accountants
Firm Registration No. 000511S
N.SRI KRISHNA
Partner
Membership No. 26575

Place : Chennai
Date : 12th November, 2014



BALANCE SHEET AS AT 31ST MARCH 2014

	Note No.	Rs.Lakhs	2014 Rs.Lakhs	Rs.Lakhs	2013 Rs.Lakhs
EQUITY AND LIABILITIES :					
1. Shareholders' Funds:					
a. Share Capital	3	30717.83		30717.82	
b. Reserves and Surplus	4	<u>354408.51</u>	385126.34	<u>378246.08</u>	408963.90
2. Non-Current Liabilities:					
a. Long-term borrowings	5	205782.96		193773.15	
b. Deferred tax liabilities	6	32968.82		32968.82	
c. Other Long-term liabilities	7	11306.26		12356.76	
d. Long-term provisions	8	<u>5925.16</u>	255983.20	<u>6423.47</u>	245522.20
3. Current Liabilities:					
a. Short-term borrowings	9	60880.65		81626.70	
b. Trade Payables	10	86429.24		77563.49	
c. Other Current Liabilities	11	85247.41		59074.43	
d. Short-term provisions	12	<u>16.72</u>	232574.02	<u>7537.23</u>	225801.85
			<u>873683.56</u>		<u>880287.95</u>
ASSETS :					
1. Non-Current Assets:					
a. Fixed Assets	13				
(i) Tangible Assets		397300.40		391489.83	
(ii) Intangible Assets		18819.79		22714.76	
(iii) Capital Work-in-Progress		<u>10129.79</u>		<u>33923.83</u>	
		426249.98		448128.42	
b. Non-current Investments	14	94348.58		94808.10	
c. Long-term loans and advances	15	<u>208518.28</u>	729116.84	<u>189968.53</u>	732905.05
2. Current Assets:					
a. Current Investments	16	205.37		974.96	
b. Inventories	17	55093.49		49605.68	
c. Trade Receivables	18	42249.88		46558.66	
d. Cash and Bank Balances	19	306.38		474.24	
e. Short-term loans and advances	20	<u>46711.60</u>	144566.72	<u>49769.36</u>	147382.90
			<u>873683.56</u>		<u>880287.95</u>
Notes on Accounts	1 to 33				

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants

V.SWAMINATHAN
Partner
Membership No. 22276

Place : Chennai

Date : 12th November, 2014

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
Vice Chairman & Managing Director

R.SRINIVASAN
President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director

G.BALAKRISHNAN
Senior President &
Company Secretary

N.SRINIVASAN
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

	Note No.	Rs.Lakhs	2013-14 Rs.Lakhs	Rs.Lakhs	2012-13 Rs.Lakhs
Revenue from Operations	21		444087.73		459703.53
Other Income	22		8896.03		1863.16
Total Revenue			452983.76		461566.69
Expenses:					
Cost of materials consumed	23		60545.09		57740.33
Changes in Inventories of Finished goods / Work-in-Progress	24		(3105.79)		(1876.75)
Employee benefits expense	25		35131.24		33394.15
Finance costs	26		35364.83		30774.65
Other Expenses:					
Manufacturing and Other Operating Expenses	27	143732.67		138887.49	
Administration and Other Charges	28	23281.92		24676.45	
Selling and Distribution Expenses	29	133293.44		123583.07	
Donations	30	685.97	300994.00	967.12	288114.13
Depreciation and amortisation expense		33413.71		33994.83	
Less : Transfer from Revaluation Reserve		5475.92		5512.33	
Less : Transfer from Deferred Income		298.80	27638.99	298.80	28183.70
Total Expenses			456568.36		436330.21
Profit/(Loss) before exceptional items and tax			(3584.60)		25236.48
Exceptional Items:					
Provision for disputed Fuel Surcharge Adjustment	33.3	6943.25		0.00	
Right of Recompense to Lenders	33.17	5712.51		0.00	
			12655.76		0.00
Profit/(Loss) before tax			(16240.36)		25236.48
Tax expense:					
Current tax		0.00		8364.18	
Deferred tax		0.00	0.00	517.34	8881.52
Profit/(Loss) after tax			(16240.36)		16354.96
Earnings per Share (face value of Rs.10/- per equity share):	31				
Basic (Rs.)			(5.29)		5.32
Diluted (Rs.)			(5.29)		5.32
Notes on Accounts	1 to 33				

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRINIVASAN
Vice Chairman & Managing Director

RUPA GURUNATH
Wholetime Director

N.SRINIVASAN
Director

V.SWAMINATHAN
Partner
Membership No. 22276

N.SRI KRISHNA
Partner
Membership No. 26575

R.SRINIVASAN
President (Finance & Accounts)

G.BALAKRISHNAN
Senior President &
Company Secretary

Place : Chennai

Date : 12th November, 2014



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Rs.Lakhs	2013-14 Rs.Lakhs	Rs.Lakhs	2012-13 Rs.Lakhs
A. Cash flow from operating activities :				
Net profit / (loss) before exceptional items, tax & extraordinary items		-3584.60		25236.48
Exceptional Items		-12655.76		0.00
Net profit / (loss) before tax and extraordinary items		-16240.36		25236.48
Adjusted for :				
Depreciation	27638.99		28183.70	
Provision for Doubtful Debts & Advances	-448.27		339.56	
Foreign Exchange	4660.16		2611.20	
Profit on sale of Investments	0.00		0.00	
Profit / (Loss) on sale of Assets	-1771.71		41.38	
Interest Expense	36213.81		32903.01	
Interest Income	-7298.68		-6478.28	
Dividend Income	-111.84		-203.83	
Deferred revenue expenditure / income	11.04	58893.50	-156.04	57240.70
Operating profit before Working Capital changes		42653.14		82477.18
Trade and other receivables	11335.98		-32034.23	
Inventories	-5487.81		2975.19	
Trade and other payables	9455.33	15303.50	20355.81	-8703.23
Cash generated from operations		57956.64		73773.95
Direct Taxes		-4399.59		-7149.67
Cash flow before extraordinary items		53557.05		66624.28
Extraordinary items		0.00		0.00
Net cash from operating activities	(A)	53557.05		66624.28
B. Cash flow from Investing activities :				
Purchase of Fixed Assets		-8632.38		-53581.56
Sale of Fixed Assets		6827.79		405.64
Sale of Investments		1229.11		445.52
Purchase of Investments		0.00		-11032.71
Interest received		1033.82		1174.89
Dividend received		111.84		203.83
Refund by / advances to Subsidiaries, Associates and Others		-24917.01		5220.61
Net cash from Investing activities	(B)	-24346.83		-57163.78

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

	2013-14	2012-13
	Rs.Lakhs	Rs.Lakhs
C. Cash flow from financing activities :		
Proceeds from issue of share capital	0.01	0.01
Dividend paid	-7186.26	-7140.20
Proceeds from long-term borrowings	88792.00	94753.97
Repayment of borrowings	-70839.55	-62557.18
Interest paid (net)	-40168.49	-34352.62
Net Cash from financing activities	(C) -29402.29	-9296.02
Increase / (Decrease) in cash and cash equivalent	(A+B+C) -192.07	164.48
Cash and cash equivalent at the beginning of the year	375.56	211.08
Cash and cash equivalent at the close of the year	183.49	375.56

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants

V.SWAMINATHAN
Partner
Membership No. 22276

Place : Chennai

Date : 12th November, 2014

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
Vice Chairman & Managing Director

R.SRINIVASAN
President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director

G.BALAKRISHNAN
Senior President &
Company Secretary

N.SRINIVASAN
Director



NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), includes generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned. GAAP comprises of mandatory Accounting Standards issued by the National Advisory Committee on Accounting Standards (NACAS) and The Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use, read with Note No.33.18.

During the year ended 31.03.2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company for preparation and presentation of its Financial Statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of Financial Statements. However, it has significant impact on presentation and disclosure made in the Financial Statements.

2. SIGNIFICANT ACCOUNTING POLICIES

1. Use of estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2. Inventories

- (a) Valuation of inventories of raw materials, packing materials, stores, spares, fuels is at weighted average cost.
- (b) Work-in-Process & Semi-finished goods are valued at cost or net realisable value whichever is lower and do not include interest and other administrative overheads.
- (c) Finished goods are valued at cost or net realisable value whichever is lower. The value of finished goods includes excise duty and does not include interest and other administrative overheads.
- (d) Construction and Infrastructure Projects are valued at cost or net realisable value whichever is lower.

3. Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank, in hand (including cheques in hand) and short-term investment with an original maturity of three months or less.

4. Fixed Assets

Fixed Assets are valued and shown adopting the following basis:

- (a) Fixed assets and Capital Work-in-Progress of all the cement manufacturing facilities were revalued and shown at revalued amounts as at 31st March 2004. All other fixed assets acquired are shown at the cost of acquisition.
- (b) Fixed assets acquired on hire purchase or on Financial Lease are shown at their principal cost, excluding the interest cost included in these agreements which is charged to revenue over the life of the agreement.
- (c) Expenditures and outlays of money on uncompleted projects of a capital nature are shown as Capital Work-in-Progress until such time these projects are completed and commissioned. All costs including financing costs incurred on specific projects/ acquisition of undertakings are charged to the concerned heads.
- (d)
 - (i) The Company provides depreciation on written down value method for Motor Vehicles and for assets acquired prior to 1.4.1982 at Head Office and at Sankarnagar.
 - (ii) Software development costs are capitalised and depreciated along with computers on Straight Line method as per Section 205(2)(b) of the Companies Act, 1956.
 - (iii) Ships are depreciated on Straight Line method, over its estimated useful life.
 - (iv) Indian Premier League Franchisee Rights are capitalised and amortised over a period of ten years.
 - (v) For all other assets Straight Line method as per Section 205(2)(b) of the Companies Act, 1956 is adopted.
 - (vi) Depreciation on incremental value arising from the revaluation of fixed assets is charged to the Revaluation Reserve Account.
 - (vii) Fixed Assets are tested for impairment and impairment loss, if any, is recognised wherever the carrying amount of the asset / group of asset exceeds its estimated recoverable amount. Previously recognised impairment loss, if any, is reversed or further provided depending on changes in circumstances as above.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014 (Contd.)

5. (a) Foreign Currency Transactions
 - (i) Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011 the Company has exercised the option of adjusting the cost of the depreciable capital assets arising on the exchange differences, in respect of accounting periods commencing from 1st April 2011, on long-term foreign currency monetary items, which were hitherto recognized as income or expenses in the period in which they arise. As a result, such exchange difference so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective assets.
 - (ii) In respect of other long-term foreign currency monetary items, such exchange differences are accumulated in foreign currency monetary items translation difference account and amortized over the balance period of such liability.
- (b) Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Assets and Liabilities, other than those and for the purposes as mentioned in 5(a) above, in Foreign currencies are translated at values prevailing as at the year end. Gains / Losses, if any, arising therefrom are recognised in the Profit and Loss Account.
- (c) Forward Exchange contracts used to hedge Foreign Currency Transactions are initially recognised at the spot rate on the date of contract. Forward Exchange contracts remaining unsettled at the end of the year are translated at the year end rates. The difference in translation of Forward Exchange contracts are recognised in the Profit and Loss Account. The discount or premium is amortised over the tenure of the contract.
6. (a) Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability and is net of rebates, discounts and incentives.
- (b) Revenue from Construction and Infrastructure Projects under Infrastructure Division is recognised on percentage of completion method.
- (c) Revenue on time charter of ships is recognized on a proportionate basis.
7. Research and Development
Research and Development expenses not resulting in any tangible property / equipment are charged to revenue.
8. Borrowing Costs
Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit and Loss Account.
9. Claims / Incomes arising from price escalation and / or any other item of compensation and which are indeterminate are accounted on cash basis.
10. Trade investments, investments in subsidiaries and associate companies are long term investments and are carried at cost. The other investments are carried at lower of cost or realisable value. Provision for diminution in value is made wherever necessary in accordance with the Accounting Standard.
11. Employee Benefits
Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis for which a trust has been created. The actuarial gains / losses arising on retirement benefits are also recognised in the Profit and Loss Account. Unavailed leave balances are accounted based on respective employee's earnings as at the Balance Sheet date.
12. Fringe Benefits arising on options vested under Employees Stock Option Scheme (ESOS), 2006 are charged to Profit and Loss Account and credited to Stock Options Outstanding Account. On allotment of shares, corresponding amount is transferred from Stock Options Outstanding Account to Securities Premium Account.
13. Premium on Redemption of Debentures / Bonds.
Premium on Redemption of Debentures / Bonds is accounted on redemption and set-off against the Securities Premium Account.
14. Tax Expense
 - (a) Current income tax is measured and accounted based on the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 at the tax rates prevailing during the year.
 - (b) Deferred Tax
Deferred tax is measured and accounted based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date.



3. SHARE CAPITAL	No. of Shares	Par value per share (Rs.)	2014	No. of Shares	Par value per share (Rs.)	2013
			Rs.Lakhs			Rs.Lakhs
AUTHORISED :						
Equity Shares	460000000	10	46000.00	460000000	10	46000.00
Redeemable Cumulative Preference Shares	7500000	100	7500.00	7500000	100	7500.00
			<u>53500.00</u>			<u>53500.00</u>
ISSUED :						
Equity Shares	307178723	10	30717.87	307178723	10	30717.87
			<u>30717.87</u>			<u>30717.87</u>
SUBSCRIBED AND PAID UP :						
Equity Shares fully paid up:						
Opening balance	307177216	10	30717.72	307176747	10	30717.67
Add : Partly paid up shares, subscribed fully during the year	124	10	0.01	469	10	0.05
Add : Subscribed during the year	0	10	0.00	0	10	0.00
Total issued, subscribed and fully paid up	<u>307177340</u>		<u>30717.73</u>	<u>307177216</u>		<u>30717.72</u>
Equity Shares - subscribed, but not fully paid (other than Directors):						
Opening balance	1441	10	0.10	1910	10	0.14
Less: Partly paid up shares, subscribed fully during the year	124	10	0.00	469	10	0.04
Total - Equity Shares subscribed, but not fully paid	<u>1317</u>		<u>0.10</u>	<u>1441</u>		<u>0.10</u>
Total	<u>307178657</u>		<u>30717.83</u>	<u>307178657</u>		<u>30717.82</u>

List of shareholders holding more than 5% of the equity share capital (Par value per share is Rs.10/-)

Shareholder's Name	No. of shares held	% held	Total face value Rs. Lakhs	No. of shares held	% held	Total face value Rs. Lakhs
The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation And The Boston Company Asset Management LLC together with PAC	41107453	13.38	4110.75	40010552	13.03	4001.06
EWS Finance & Investments Pvt. Ltd	27643432	9.00	2764.34	27643432	9.00	2764.34
Prince Holdings (Madras) Private Ltd	25500000	8.30	2550.00	25500000	8.30	2550.00
Life Insurance Corporation of India	20922404	6.81	2092.24	20703547	6.74	2070.35
Smt. Vidya Subramanian	19954024	6.50	1995.40	19954024	6.50	1995.40
Trishul Investments Private Limited	17525976	5.71	1752.60	17525976	5.71	1752.60

Terms / Rights / restrictions attached to shares:

The Company has only one class of Equity share. Each share has a paid up value of Rs.10/-. Every shareholder is entitled to one vote per share, except for the holders of Global Depository Receipts / Global Depository Shares, as given below:

During the year 1994-95, the Company allotted 58,57,987 equity shares of Rs.10/- each consequent to issue of equivalent number of Global Depository Receipts (GDRs). Holders of these GDRs have no voting rights with respect to the Deposited shares.

During the year 2005-06, the Company allotted 5,12,27,592 underlying equity shares of Rs.10/- each represented by 2,56,13,796 Global Depository Shares (GDSs) in the ratio of 2:1. Holders of these GDSs have no voting rights with respect to the Deposited shares.

3. SHARE CAPITAL (Contd.)

During the previous year 2012-13, the Company had declared and distributed a dividend of Rs.2.00 per share.

Shares reserved for issue under Employees Stock Option Scheme:

During the year 2006-07, the Company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1st December 2006. There are no shares reserved for issue under options as at March 31, 2014.

4. RESERVES AND SURPLUS

	2014 Rs.Lakhs	2013 Rs.Lakhs
Capital Reserve	<u>16.17</u>	<u>16.17</u>
Capital Redemption Reserve	<u>2500.00</u>	<u>2500.00</u>
Securities Premium*		
Opening balance	147670.90	147670.89
Add : Additions on ESOS exercised	0.00	0.00
Add : Transfer from Stock Options Outstanding Account	0.00	0.00
Add : Calls in arrears received	0.02	0.01
Less: Premium on redemption of Bonds	0.00	0.00
Closing balance	<u>147670.92</u>	<u>147670.90</u>
* Securities Premium is net of calls in arrears of Rs.0.05 lakh (As on 31 st March 2013: Rs.0.07 lakh).		
Debenture Redemption Reserve		
Opening balance	48.00	5290.00
Add : Additions during the year	0.00	0.00
Less: Transfer to Profit & Loss Account	0.00	5242.00
Closing balance	<u>48.00</u>	<u>48.00</u>
Contingency Reserve (Refer Note No.33.5(a))	<u>20000.00</u>	<u>20000.00</u>
Revaluation Reserve		
Opening balance	43106.98	48729.10
Less: Transfer to depreciation	5475.92	5512.33
Less: Withdrawals	1833.55	109.79
Closing balance	<u>35797.51</u>	<u>43106.98</u>
General Reserve		
Opening balance	43407.42	39407.42
Add : Additions during the year	0.00	4000.00
Closing balance	<u>43407.42</u>	<u>43407.42</u>
Deferred Income (Refer Note No.33.24)		
Opening balance	3193.93	3492.73
Less: Transfer / withdrawals	298.80	298.80
Closing balance	<u>2895.13</u>	<u>3193.93</u>



4. RESERVES AND SURPLUS (Contd.)

	2014 Rs.Lakhs	2013 Rs.Lakhs
Shipping Tonnage Tax Reserve (Refer Note No. 33.15)	<u>90.00</u>	<u>90.00</u>
Foreign currency monetary item translation difference account (Refer Note No. 33.18)		
Opening balance	(1043.98)	(887.94)
Foreign Currency Monetary Item translation loss during the year	(479.82)	(479.75)
Amortised during the year	490.86	323.71
Closing balance	<u>(1032.94)</u>	<u>(1043.98)</u>
Surplus in Profit & Loss Account		
Opening balance	119256.66	108847.37
Add : Profit / (Loss) after tax for the year	(16240.36)	16354.96
Sub-total	<u>103016.30</u>	<u>125202.33</u>
Appropriations:		
Proposed Dividend on Equity Capital	0.00	6143.57
Dividend Distribution Tax	0.00	1044.10
Transfer to General Reserve	0.00	4000.00
Transfer to / (from) Debenture Redemption Reserve	0.00	(5242.00)
Sub-total	<u>0.00</u>	<u>5945.67</u>
Closing balance	<u>103016.30</u>	<u>119256.66</u>
Total - Reserves & Surplus	<u>354408.51</u>	<u>378246.08</u>

NON-CURRENT LIABILITIES (Note No.5 to 8)

5. LONG-TERM BORROWINGS

SECURED:

1. Debentures	0.00	135.32
2. Term Loans:		
Banks	150010.28	115636.72
Others	5002.58	12696.07
Total Secured	<u>155012.86</u>	<u>128468.11</u>

UNSECURED:

Banks	0.00	11284.79
Others	50770.10	54020.25
Total - Long-Term Borrowings (Refer Note No. 32 for Security clause)	<u>205782.96</u>	<u>193773.15</u>

6. DEFERRED TAX LIABILITIES

Liability on account of Depreciation (Net of Unabsorbed Depreciation)	35414.78	35414.78
Asset arising on account of other timing differences	2445.96	2445.96
Net Deferred Tax liability	<u>32968.82</u>	<u>32968.82</u>

7. OTHER LONG-TERM LIABILITIES

Capital Expenditure - Payable towards franchisee rights (Refer Note No. 33.19)	9828.00	10920.00
Deposits	1478.26	1436.76
	<u>11306.26</u>	<u>12356.76</u>

	2014 Rs.Lakhs	2013 Rs.Lakhs
8. LONG-TERM PROVISIONS		
Provision for employee benefits - Unavailed Leave (Refer Note No.33.23 (b))	<u>5925.16</u>	<u>6423.47</u>
CURRENT LIABILITIES (Note No.9 to 12)		
9. SHORT-TERM BORROWINGS		
1. Loans repayable on Demand (Secured):		
Cash Credit facilities from scheduled banks	43360.00	59466.40
(The fund based and non-fund based working capital facilities are secured by a first charge on pari passu basis on all the current assets and second charge on the movable fixed assets and immovable properties of the Company).		
2. Other loans (Unsecured):		
Short-Term Rupee Loans - Banks	7500.00	21160.30
Short-Term Foreign Currency Loan-Banks	10020.65	0.00
Commercial Paper - Others	0.00	1000.00
	<u>60880.65</u>	<u>81626.70</u>
10. TRADE PAYABLES		
1. Creditors for Goods including Acceptances (Refer Note No. 33.16)	48134.52	43351.43
2. Customer Credit balances	6683.97	6374.27
3. Other Trade Payables	23453.36	20402.45
4. Trade Deposits from Customers	8157.39	7435.34
	<u>86429.24</u>	<u>77563.49</u>
11. OTHER CURRENT LIABILITIES		
1. Current maturities of long-term debt		
SECURED:		
1. Debentures	0.00	56.10
2. Term Loans:		
Banks	33640.50	19279.58
Others	4164.00	2021.71
Total Secured	<u>37804.50</u>	<u>21357.39</u>
UNSECURED:		
Banks	11284.79	0.00
Others	4491.39	5534.60
Total Unsecured	<u>15776.18</u>	<u>5534.60</u>
Total Current maturities of Long-Term Debt (Refer Note No. 32 for Security clause)	<u>53580.68</u>	26891.99
2. Interest accrued but not due on borrowings	3513.51	2808.03
3. Other payables:		
Creditors for Capital Goods (Refer Note No.33.19)	4383.60	6675.39
Other Liabilities (includes payable to Directors Rs.Nil : Previous year Rs.900 lakhs)	23609.90	22534.72
4. Investor Education and Protection Fund: (Appropriate amounts shall be transferred to the fund as and when due)		
Unpaid dividends	122.89	98.68
Unpaid matured deposits and interest accrued thereon	36.83	65.62
	<u>85247.41</u>	<u>59074.43</u>
12. SHORT-TERM PROVISIONS		
Proposed Dividend (Including Dividend distribution tax)	16.72	7202.98
Provision for Income Tax (Net of Advance tax)	0.00	334.25
	<u>16.72</u>	<u>7537.23</u>



Rs.Lakhs

NON-CURRENT ASSETS (Note No.13 to 15)
13. FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	As at 31 st Mar-13	Additions 2013-14	Deductions Previous Year	As at 31 st Mar-14	For the Year 2013-14	Deductions Previous Year	As at 31 st Mar-14	As at 31 st Mar-13
Tangible Assets:								
Land	55696.52	1368.84 (7738.66)	22.01 (71.86)	57043.35	0.00	0.00	57043.35	55696.52
Buildings	65693.30	2548.63 (5800.34)	90.18 (57.42)	68151.75	1594.90 (1478.19)	7.10 (6.16)	53616.20	52745.55
Railway siding	13367.33	196.83 (809.37)	126.64	13437.52	625.72 (594.69)	94.59	8637.71	9098.65
Plant and Machinery including Electrical installations *	454306.32	36314.11 (9662.37)	5312.36 (1036.44)	485308.07	23501.29 (22752.69)	3356.13 (671.78)	260393.84	249537.25
Wind Electric Generators	7825.81	0.00	0.00	7825.81	295.75 (398.51)	0.00	2510.16	2805.91
Ships	33367.74	171.87 (8808.66)	12762.86	20776.75	1691.23 (3328.12)	8050.23	10720.77	16962.76
Furniture & Fixtures	1975.83	88.15 (142.69)	20.66 (7.24)	2043.32	116.51 (114.42)	6.23 (3.00)	1086.00	1128.79
Office Equipments and computers	4529.45	360.13 (997.16)	218.47 (67.70)	4671.11	426.81 (418.50)	200.46 (61.32)	1968.66	2063.35
Vehicles	3594.60	303.40 (430.76)	105.50 (216.12)	3792.50	399.55 (448.97)	54.31 (157.71)	1323.71	1471.05
Total Tangible Assets	640356.90	41351.96 (33790.01)	18658.68 (1456.78)	663050.18	28651.76 (29529.09)	11769.05 (899.97)	397300.40	391489.83
Intangible Assets:								
Franchise Rights (Refer Note No.33.19)	36400.00	0.00	0.00	36400.00	3640.00 (3640.00)	0.00	14250.85	17890.85
Computer software and Licences	7443.72	866.98 (1674.10)	0.00	8310.70	1121.95 (825.74)	0.00	4568.94	4823.91
Total Intangible Assets	43843.72	866.98 (1674.10)	0.00	44710.70	4761.95 (4465.74)	0.00	18819.79	22714.76
Total Tangible and Intangible Assets	684200.62	42218.94 (35464.11)	18658.68 (1456.78)	707760.88	33413.71 (33994.83)	11769.05 (899.97)	416120.19	414204.59
Capital Work-in-Progress							10129.79	33923.83
Total							426249.98	448128.42

* Includes Rs.1776.04 lakhs of equipments on "right to use" basis, which is depreciated over its useful life (Previous Year: Rs.1776.04 lakhs).

* Foreign currency translation difference capitalised during the year: Rs.1166.66 Lakhs (Previous year:Rs.1166.46 Lakhs).

During the year finance cost amounting to Rs.1110.00 Lakhs has been capitalised (Previous year:Rs.1789.54 Lakhs).

14. NON-CURRENT INVESTMENTS

	No. of shares/ debentures	Face Value Per share/ debenture (Rs.)	2014 Cost Rs.Lakhs	2013 Cost Rs.Lakhs
1. TRADE INVESTMENTS - (Unquoted) - In Subsidiaries:				
1. Fully paid Equity Shares:				
Coromandel Electric Company Limited	140000	10	0.00	14.00
2. Fully paid Non-Dividend bearing Equity Shares:				
Coromandel Electric Company Limited	90000	10	9.00	9.00
Preference Shares of Coromandel Electric Company Limited (CECL):				
3. 13.25% Redeemable Cumulative Participating Preference Shares	508	10000	10.18	20.37
4. 18% Redeemable Cumulative Participating Preference Shares	11600	10000	332.54	616.18
5. 14% Redeemable Cumulative Preference Shares	4000000	10	0.00	151.69
			<u>351.72</u>	<u>811.24</u>
2. OTHER INVESTMENTS				
A. Fully paid Equity Shares of Companies (Quoted):				
6. Karur KCP Packagings Limited	996500	10	398.60	398.60
B. Shares of Companies - (Unquoted):				
(i) Subsidiaries:				
Fully paid Preference Shares:				
7. Industrial Chemicals and Monomers Limited	5000	100	0.20	0.20
8. 9% Non-Convertible Cumulative Redeemable Preference Shares of Trinetra Cement Limited	1000000	100	1000.00	1000.00
9. 9% Non-Convertible Non-Cumulative Redeemable Preference Shares of Trinetra Cement Limited	69500000	100	69500.00	69500.00
Fully paid Equity Shares:				
10. Industrial Chemicals and Monomers Limited	2196691	10	35.58	35.58
11. ICL Financial Services Limited	5962000	10	596.20	596.20
12. ICL Securities Limited	6130200	10	613.02	613.02
13. ICL International Limited	50000	10	5.00	5.00
14. PT. Coromandel Minerals Resources, Indonesia	2940	4284	125.94	125.94
15. Coromandel Minerals Pte. Ltd., Singapore	7011500		2281.75	2281.75
16. India Cements Infrastructures Limited	50000	10	5.00	5.00
Subsidiaries - Total			<u>74162.69</u>	<u>74162.69</u>
(ii) Associates:				
Fully paid Equity Shares:				
17. Coromandel Sugars Limited	100	10	0.01	0.01
18. Raasi Cement Limited (net of provision Rs.74,41,684)	79530	10	0.00	0.00
19. Coromandel Travels Limited	200000	10	20.00	20.00
Debentures:				
20. Zero % Unsecured Convertible Debentures of Coromandel Travels Limited	6531000	100	6531.00	6531.00
21. Zero % Unsecured Convertible Debentures of Coromandel Sugars Limited	3550000	100	3550.00	3550.00
Associates - Total			<u>10101.01</u>	<u>10101.01</u>
(iii) Other than Subsidiaries / Associates:				
22. Andhra Pradesh Gas Power Corporation Limited	5896000	10	4831.01	4831.01
23. Jagati Publications Private Limited	1111110	10	4000.00	4000.00
24. Carmel Asia Holdings Private Limited	190839	10	500.00	500.00
Other than Subsidiaries / Associates - Total			<u>9331.01</u>	<u>9331.01</u>



14. NON-CURRENT INVESTMENTS (Contd.)

	No. of shares/ debentures	Face Value Per share/ debenture (Rs.)	2014 Cost Rs.Lakhs	2013 Cost Rs.Lakhs
C. Government and Trustee Securities (Unquoted):				
25. National Savings Certificates			1.25	1.25
26. Indira Vikas Patra Certificates			0.02	0.02
			<u>1.27</u>	<u>1.27</u>
D. Other Investments Fully paid Shares of Co-operative Societies - Long Term (Unquoted):				
27. The India Cements Employees Co-operative Stores Limited, Sankarnagar	2500	50	1.25	1.25
28. The India Cements Employees Co-operative Stores Limited, Sankari West	5000	10	0.50	0.50
29. The India Cements Mines Employees Co-operative Stores Limited, Sankari West	5300	10	0.53	0.53
			<u>2.28</u>	<u>2.28</u>
Grand Total (1 + 2)			<u>94348.58</u>	<u>94808.10</u>
Note:				
Aggregate of Quoted Investments:				
Cost			398.60	398.60
Market Value			223.71	248.63
Aggregate of Unquoted Investments:				
Cost			93949.98	94409.50
15. LONG-TERM LOANS AND ADVANCES				
Unsecured and considered good:				
Capital Advances			15532.40	28708.69
Loans and Advances to related parties (Refer Note No.33.5(a))			116290.91	88969.09
Other Loans and Advances:				
Body Corporates (Refer Note No.33.5(a))			69236.66	65376.61
Deposits			6377.78	6048.91
Secured:				
Housing Loan and other Loans to Employees			1080.53	865.23
			<u>208518.28</u>	<u>189968.53</u>
CURRENT ASSETS (Note No.16 to 20)				
16. CURRENT INVESTMENTS (QUOTED)				
Fixed Income Interval Fund of Unit Trust of India			205.37	974.96
Number of Units: 20144.95 (Previous year: 95636.56)				
Face Value per Unit: Rs.1019.45 (Previous year: Rs.1019.45)				
Market Value: Rs.205.37 lakhs (Previous Year: Rs.974.96 lakhs)				
17. INVENTORIES				
Stores / Spares (Including coal and packing material)			32017.70	29213.54
Raw Materials			6357.58	6779.72
Work-in-Process			781.08	759.16
Semi-finished Goods			9270.65	6702.11
Finished Goods			6139.22	5834.25
Construction & Infrastructure - Projects in Progress			482.18	316.90
Stock-in-Trade			45.08	0.00
			<u>55093.49</u>	<u>49605.68</u>

	2014 Rs.Lakhs	2013 Rs.Lakhs
18. TRADE RECEIVABLES		
Outstanding for more than six months	5038.99	4034.37
Less: Provision for doubtful debts	<u>(431.32)</u>	<u>(496.23)</u>
Sub-total	4607.67	3538.14
Others	37642.21	43020.52
Total - Trade Receivables, considered good	<u>42249.88</u>	<u>46558.66</u>
(Net of security deposit Rs.28492.87 lakhs (As at 31 st March 2013: Rs.30399.81 lakhs))		
19. CASH AND BANK BALANCES		
a. Cash & Cash Equivalents		
Cash, cheques and stamps on hand	72.12	86.96
Cash at Scheduled Banks in Current Accounts	10.15	167.47
Fixed Deposits with Scheduled Banks (Towards Deposits from Public)	101.22	121.13
Total Cash & Cash Equivalents	<u>183.49</u>	<u>375.56</u>
b. Other Bank Balances		
Earmarked balances with banks for Unpaid Dividend	122.89	98.68
	<u>306.38</u>	<u>474.24</u>
20. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)		
Advance for goods	6860.50	21764.35
Advance payment of Tax (Net of provision)	4065.34	0.00
Prepaid Expenses	2130.54	741.11
Other Advances (Net of provision Rs.409 lakhs (Previous Year: Rs.409 lakhs))	33655.22	27263.90
	<u>46711.60</u>	<u>49769.36</u>
	2013-14 Rs.Lakhs	2012-13 Rs.Lakhs
21. REVENUE FROM OPERATIONS		
Sales including Excise Duty	476824.88	499392.37
Other Operating Revenues:		
Trade Sales	807.20	597.84
Freight Earnings - Shipping	6772.21	5857.43
Value of Power Generated from Wind Farms	1321.55	1781.37
Income from Construction & Infrastructure Projects	1085.22	0.00
Income from Indian Premier League (Refer Note No.33.19)	<u>16616.69</u>	<u>13662.57</u>
	26602.87	21899.21
Revenue from Operations including Excise Duty	503427.75	521291.58
Less: Excise Duty	<u>(59340.02)</u>	<u>(61588.05)</u>
Revenue from Operations	<u>444087.73</u>	<u>459703.53</u>
22. OTHER INCOME		
Dividend Income #	111.84	203.83
Interest Income	1033.82	1174.89
Other Non-Operating Income:		
Rent Recovery	29.53	30.85
Profit on Sale of Assets	5119.85	137.51
Foreign Exchange translation difference	42.29	29.95
Miscellaneous Income	<u>2558.70</u>	<u>286.13</u>
	7750.37	484.44
	<u>8896.03</u>	<u>1863.16</u>

Includes dividend received from subsidiaries Rs.81.43 lakhs (Previous year: Rs.144.47 lakhs)



	Rs.Lakhs	2013-14 Rs.Lakhs	Rs.Lakhs	2012-13 Rs.Lakhs
23. COST OF MATERIALS CONSUMED				
Raw Materials Consumed:				
Opening Stock		6779.72		3922.04
Add: Purchases	40363.84		41549.04	
Add: Own Quarrying (Net) (Refer Note No. 33.6 (a))	19759.11		19048.97	
		<u>60122.95</u>		<u>60598.01</u>
		<u>66902.67</u>		<u>64520.05</u>
Less: Closing Stock		<u>6357.58</u>		<u>6779.72</u>
Raw Materials Consumed		<u>60545.09</u>		<u>57740.33</u>
24. (INCREASE) / DECREASE IN STOCK				
Opening Stock of:				
Work-in-Process	759.16		633.66	
Semi-finished Goods	6702.11		6106.58	
Finished Goods	5834.25		4995.43	
Construction & Infrastructure - Projects in Progress	316.90		0.00	
		<u>13612.42</u>		11735.67
Less: Closing Stock of:				
Work-in-Process	781.08		759.16	
Semi-finished Goods	9270.65		6702.11	
Finished Goods	6139.22		5834.25	
Stock-in-Trade	45.08		0.00	
Construction & Infrastructure - Projects in Progress	482.18		316.90	
		<u>16718.21</u>		<u>13612.42</u>
Total - (Increase) / Decrease in stock		<u>(3105.79)</u>		<u>(1876.75)</u>
25. EMPLOYEE BENEFITS EXPENSE				
(a) Employees other than Directors:				
Salaries, Wages and Bonus		24933.32		23042.93
Contribution to Provident Fund		1077.46		966.66
Gratuity		1317.40		1068.54
Superannuation		2262.45		1013.08
Employees' Provident Fund Admn. Charges		90.46		80.57
Employees' State Insurance Scheme		11.65		43.60
Workmen and Staff Welfare Expenses		4760.87		4759.50
Unavailed leave (Refer Note No.33.23(b))		(102.18)		739.04
Total - Employees other than Directors		<u>34351.43</u>		<u>31713.92</u>
(b) Directors:				
Directors' Remuneration:				
Managing Director :				
Salary	360.00		360.00	
HRA	108.00		108.00	
Contribution to Provident Fund	43.20		43.20	
Contribution to Gratuity and Superannuation Funds	69.00		69.00	
Commission	0.00		750.00	
Others	6.21	586.41	6.63	1336.83
Wholetime Director:				
Salary	120.00		120.00	
HRA	36.00		36.00	
Contribution to Provident Fund	14.40		14.40	
Contribution to Gratuity and Superannuation Funds	23.00		23.00	
Commission	0.00		150.00	
Others	0.00	193.40	0.00	343.40
Total - Directors' Remuneration		<u>779.81</u> *		<u>1680.23</u>
Total - Employee benefits expense (a + b)		<u>35131.24</u>		<u>33394.15</u>

* Managerial Remuneration subject to approval by the Central Government

	2013-14		2012-13
	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs
25. EMPLOYEE BENEFITS EXPENSE (Contd.)			
Computation of Net Profit under Section 309(5) of the Companies Act, 1956:			
Profit / (Loss) before taxes		(16240.36)	25236.48
Add: Managerial Remuneration		779.81	1680.23
Loss on sale of assets		3348.14	178.89
Provision for doubtful debts		(448.27)	339.56
Less: Bad debts written off		(201.15)	(127.71)
Profit on sale of assets / investments		(5,119.85)	(137.51)
Net profit / (loss) as per Section 309 (5) of the Companies Act		<u>(17881.68)</u>	<u>27169.94</u>
Commission: Managing Director		0.00	750.00
Wholetime Director		0.00	150.00
Total		<u>0.00</u>	<u>900.00</u>
26. FINANCE COSTS (NET)			
Interest Expense		21862.77	17079.40
Other Borrowing Costs		8799.61	11054.10
Loss / (Gain) on Foreign currency transactions / translations		4702.45	2641.15
		<u>35364.83</u>	<u>30774.65</u>
27. MANUFACTURING AND OTHER OPERATING EXPENSES			
Stores Consumed (Refer Note No.33.6(a))		4603.78	4621.39
Power and Fuel		127623.79	125508.52
Repairs & Maintenance:			
Building	71.58		60.66
Machinery	5888.22		5633.54
Others	4251.63		2180.13
Total Repairs & Maintenance		<u>10211.43</u>	<u>7874.33</u>
Agency and Port Charges - Shipping		103.15	129.23
Trade Purchase		1011.37	558.10
Excise Duty on stock adjustment		179.15	195.92
		<u>143732.67</u>	<u>138887.49</u>
28. ADMINISTRATION AND OTHER CHARGES			
Insurance		750.03	657.55
Rent		427.86	419.09
Rates and Taxes		738.40	730.00
Printing and Stationery		248.67	251.98
Postage, Telephones and Telegrams		481.81	386.83
Other Administration Expenses		16776.63	20781.91
Legal Fees		332.03	471.32
Directors' Sitting Fees		12.10	10.52
Auditors' Expenses:			
Audit Fees	80.00		80.00
Cost Audit Fees	10.00		10.00
Certifications / Others	17.70		19.24
Tax Audit / Other Services	11.24		10.00
Travel / out of pocket expenses	4.72	123.66	5.85
Amortisation of Deferred Revenue Expenses (Refer Note No.33.18)		490.86	323.71
Loss on sale of Assets		3348.14	178.89
Provision for Doubtful Advances / Debtors (Net of old Balances written back- Rs.584.51 lakhs)		(448.27)	339.56
Provision for Doubtful Advances / Debtors - Opening balance	905.23		693.38
Add: Additional provisions during the year	136.24		339.56
	<u>1041.47</u>		<u>1032.94</u>
Less: Bad debts / advances written off during the year	201.15		127.71
Provision for Doubtful Advances / Debtors - Closing balance	840.32		905.23
		<u>23281.92</u>	<u>24676.45</u>



		2013-14 Rs.Lakhs	2012-13 Rs.Lakhs
29. SELLING AND DISTRIBUTION EXPENSES			
Packing Charges		20218.60	18712.42
Entry Tax		122.10	148.54
Freight outwards		90228.20	88193.67
Handling		10680.58	7654.62
Advertisement		3469.49	2833.73
Others		8574.47	6040.09
		<u>133293.44</u>	<u>123583.07</u>
30. DONATIONS			
The India Cements Educational Society		400.00	400.00
Others		285.97	567.12
		<u>685.97</u>	<u>967.12</u>
31. EARNINGS / LOSS PER SHARE (EPS)			
Earnings:			
Earnings available to Equity Shareholders - Basic	A	(16240.36)	16354.96
Income or expenses accounted in Financial Statements attributable to potential equity shareholders		0.00	0.00
Earnings - Diluted	B	<u>(16240.36)</u>	<u>16354.96</u>
No. of Shares:			
No. of Equity Shares of Rs.10/- each		307178657	307178657
Weighted average No. of Equity Shares	C	<u>307178657</u>	<u>307178657</u>
No. of Potential Equity Shares		0	0
Weighted average No. of Potential Equity Shares		0	0
Total weighted average No. of Shares - Diluted	D	<u>307178657</u>	<u>307178657</u>
EPS:			
Basic (Rs.)	A / C	(5.29)	5.32
Diluted (Rs.)	B / D	(5.29)	5.32

32. SECURITY FOR SECURED BORROWINGS
Break up of Debentures and Term Loans

	Non-Current Portion		Current Maturities		Total		Last Instalment Due on	Principal Payable Frequency
	2014 Rs.Lakhs	2013 Rs.Lakhs	2014 Rs.Lakhs	2013 Rs.Lakhs	2014 Rs.Lakhs	2013 Rs.Lakhs		
SECURED:								
(a) Debentures								
(i) 2385 Debentures of Rs.375000/- each	0.00	30.41	0.00	13.22	0.00	43.63	Paid	
(ii) 7630 Debentures of Rs.500000/- each	0.00	104.91	0.00	42.88	0.00	147.79	Paid	
TOTAL (i) and (ii)	0.00	135.32	0.00	56.10	0.00	191.42		
(b) Term Loans								
From Banks								
(i) IDBI Bank Ltd.	1114.64	2275.26	1411.15	954.13	2525.79	3229.39	31.03.2016	Quarterly
(ii) IDBI Bank Ltd.	581.04	1118.14	537.10	366.71	1118.14	1484.85	31.03.2016	Quarterly
(iii) IDBI Bank Ltd.	50.12	108.98	72.59	54.93	122.71	163.91	31.03.2016	Quarterly
(iv) IDBI Bank Ltd.	0.00	0.00	0.00	3057.25	0.00	3057.25	Paid	
(v) IDBI Bank Ltd.	50000.00	0.00	0.00	0.00	50000.00	0.00	01.09.2019	Monthly
(vi) Punjab National Bank	911.53	4265.51	3746.24	5020.94	4657.77	9286.45	30.06.2015	Monthly
(vii) Kotak Mahindra Bank	0.00	1222.22	1222.22	1333.33	1222.22	2555.55	25.02.2015	Monthly
(viii) Kotak Mahindra Bank	1916.67	2916.67	1000.00	1000.00	2916.67	3916.67	04.02.2017	Monthly
(ix) Kotak Mahindra Bank	6513.60	6513.60	0.00	0.00	6513.60	6513.60	24.07.2015	Bullet
(x) Kotak Mahindra Bank	1283.57	2990.08	1712.07	1534.32	2995.64	4524.40	23.11.2015	Monthly
(xi) Kotak Mahindra Bank	1958.33	0.00	500.00	0.00	2458.33	0.00	21.02.2019	Monthly
(xii) Axis Bank Ltd	2500.42	11667.09	833.00	0.00	3333.42	11667.09	31.03.2017	Quarterly
(xiii) Axis Bank Ltd	0.00	2321.57	2321.57	2321.57	2321.57	4643.14	07.12.2014	Yearly
(xiv) Axis Bank Ltd	17500.00	10000.00	2000.00	0.00	19500.00	10000.00	30.06.2016	Quarterly
(xv) ICICI Bank	26145.00	31374.00	5229.00	0.00	31374.00	31374.00	07.11.2019	Half yearly
(xvi) ICICI BANK	9090.92	16363.60	0.00	3636.40	9090.92	20000.00	30.09.2018	Quarterly
(xvii) IDBI Bank	19444.44	22500.00	5555.56	0.00	25000.00	22500.00	31.03.2018	Monthly
(xviii) Karnataka Bank	4750.00	0.00	3750.00	0.00	8500.00	0.00	30.06.2016	Quarterly
(xix) HDFC Bank	6250.00	0.00	3750.00	0.00	10000.00	0.00	30.06.2016	Quarterly
Total Secured Loans from Banks	150010.28	115636.72	33640.50	19279.58	183650.78	134916.30		
From Others								
(xx) IFCI Ltd	0.00	36.16	0.00	17.71	0.00	53.87	Paid	
(xxi) Housing Development Finance Corporation Ltd	0.00	6827.00	0.00	2004.00	0.00	8831.00	Paid	
(xxii) L&T Infrastructure Finance Company Ltd.	2500.91	5832.91	832.00	0.00	3332.91	5832.91	24.11.2015	Quarterly
(xxiii) Aditya Birla Finance Limited	2501.67	0.00	3332.00	0.00	5833.67	0.00	24.11.2015	Quarterly
Total Secured Loans from Others	5002.58	12696.07	4164.00	2021.71	9166.58	14717.78		
Total Secured Long-term borrowings	155012.86	128468.11	37804.50	21357.39	192817.36	149825.50		
UNSECURED:								
From Banks								
(i) HDFC Bank Ltd	0.00	1284.79	1284.79	0.00	1284.79	1284.79	24.12.2014	Bullet
(ii) JP Morgan Chase Bank NA	0.00	10000.00	10000.00	0.00	10000.00	10000.00	13.09.2014	Bullet
Total Unsecured Term Loans from Banks	0.00	11284.79	11284.79	0.00	11284.79	11284.79		
From Others								
(iii) Interest free Sales Tax Deferral Loans	50435.13	53645.64	4275.48	4964.44	54710.61	58610.08	12 to 14 years	Monthly
(iv) Deposits from Public	334.97	374.61	215.91	570.16	550.88	944.77	Various Dates	
Total Unsecured Loans from Others	50770.10	54020.25	4491.39	5534.60	55261.49	59554.85		
Total Unsecured Long term Borrowings	50770.10	65305.04	15776.18	5534.60	66546.28	70839.64		
Total Long term Liabilities & Current Maturities	205782.96	193773.15	53580.68	26891.99	259363.64	220665.14		



32. SECURITY FOR SECURED BORROWINGS (Contd.)

SECURITY CLAUSE

(b) Term Loans:

1. Items (b) (i) and (b) (ii) are secured by first equitable mortgage and charge on pari passu basis (with other Lenders / Debenture Trustees) on the immovable and movable assets (with exclusion of assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security), subject to prior charge created and / or to be created on the movable assets in favour of the Company's bankers for working capital requirements. Further loan mentioned in (b) (i) carry an option for conversion into equity shares at par not exceeding 20% of the sanctioned loan / outstanding loan in the advent of certain events and subject to conditions.
2. Item (b) (iii) is secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
3. Item (b) (v) is initially secured by first charge on the land situated at Vallur Village, Tiruvallur District, belonging to a subsidiary company and to be secured by way of first exclusive mortgage / charge on certain specified cement plant / assets of the Company.
4. Item (b) (vi) is secured by a first pari passu charge (with other Lenders / Debenture Trustees) on the movable and immovable fixed assets of the Company save and except book debts and subject to prior charges created / to be created in favour of the Company's bankers on its current assets for securing the borrowings for working capital requirements.
5. Items (b) (vii), (b) (viii) and (b) (xi) are secured by way of exclusive first charge on the immovable properties of the Company being the land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai.
6. Item (b) (ix) is secured by way of first charge on the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
7. Item (b) (x) is secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai, by way of extension and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
8. Items (b) (xii), (b) (xxii) and (b) (xxiii) are secured by way of hypothecation of movable fixed assets of the Company's plant at Vishnupuram, Nalgonda District excluding the movable assets of thermal power plant and further secured by a first pari passu mortgage and charge on the immovable properties of the Company.
9. Item (b) (xiii) is secured by a pari passu charge on all the movable assets of the Company excluding the current assets and movable assets at Chennai and Parli grinding units and further secured by a joint first equitable mortgage / charge on the immovable properties excluding immovable properties of Chennai and Parli grinding units of the Company.
10. Item (b) (xiv) is secured by way of hypothecation of the movable fixed assets of the proposed thermal power plant of the Company at Vishnupuram, Nalgonda District, Andhra Pradesh.
11. Item (b) (xv) is secured by way of hypothecation of the movable fixed assets of the Company's captive power plant at Vishnupuram and further secured by a joint first equitable mortgage and pari passu charge on the immovable properties of the Company.
12. Item (b) (xvi) is secured by way of hypothecation of all movable properties on pari passu basis subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements and further secured by a joint first equitable mortgage and pari passu charge on the immovable properties of the Company.
13. Item (b) (xvii) is secured by exclusive charge on the land situated at Vallur Village, Tiruvallur District, belonging to a subsidiary company.
14. Item (b) (xviii) and (b) (xix) are secured by joint equitable mortgage on the land and building situated at No.9, Boat Club Road, III Avenue, R.A. Puram, Chennai.

	2014 Rs.Lakhs	2013 Rs.Lakhs
33.1 Estimated amounts of Contracts for Capital Expenditure and Commitments	4838.76	5071.60
33.2 Monies for which the Company is contingently liable:		
a. Outstanding Letters of Credit opened by Bankers.	1384.10	4838.42
b. Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates).	54734.41	49725.33
c. Sales Tax demands for various years under dispute.	1372.68	1209.05
d. Contingent Liability pertaining to Raasi Cement Limited (Residuary Company) for Sales Tax, Central Excise and Income Tax.	2272.81	2272.81
e. Contingent Liability on account of CENVAT Cases, Income Tax and Others.	49514.50	48071.25
f. Other claims against the Company not acknowledged as Debts.	21222.96	19328.99
g. The Competition Commission has imposed a penalty of Rs.187.48 Crores on the Company (as well as other companies) based on complaint filed by the Builders Association of India alleging cartelization and abuse of dominance. The Company has appealed against the order before the "Competition Appellate Tribunal" which in its interim order dated 17/05/2013 directed the Company to pay 10% of the penalty. The Company has accordingly paid a sum of Rs.18.75 Crores and the same is included under advances. The Company, based on external expert legal advice, believes no provision in the accounts is considered necessary.	18748.00	18748.00
33.3 The Company has received demands for fuel surcharge adjustment (FSA) from various Andhra Pradesh Electricity Distribution Companies (DISCOMS) pursuant to clause 45B of the Andhra Pradesh Electricity Regulatory Commission (Conduct of Business Amendment) Regulations 2003, (FSA Regulations). The levy has been subject matter of challenge ever since the DISCOMS made their claim in the year 2010 in respect of the period 2008-2009 onwards. The challenge with respect to the 2008-2009 and 2009-2010 were initially accepted by a single judge of the Andhra Pradesh High Court and the appeals filed by state undertakings with respect to the year 2008-2009 and 2009-2010 is currently pending before the Supreme Court and a full bench of Andhra Pradesh High Court respectively. With respect to the levy for the year 2010-2011 and 2011-2012, no stay has been granted against the levy and collection of the FSA charges. The Company has made a payment aggregating to Rs. 51.64 crores till March 31, 2014 towards FSA charges for the period 2010-2013 and the same has been shown under Advances. There is an outstanding amount of Rs.17.79 crores payable towards the said period. The Company will continue to pursue the legal action for resolution of the dispute but as a prudent measure created a provision for the entire amount of demand for the period 2010 to 2013 in the financial statements.	0.00	1363.57
33.4 Building includes purchase of flats on leasehold lands for which the documents of title are yet to be executed in favour of the Company.	11.13	11.13
33.5 Loans and Advances:		
a. Advances include advances to Subsidiaries, Associates and others which are in the nature of strategic Long Term Investments in Cement, Sugar, Shipping etc. Though these investments are in cyclical industries, having regard to intrinsic value of such investments, the management is of the opinion that these advances will realise values stated in the long term. The Company, however, as a prudent measure has created a Contingency Reserve in the earlier years to the extent of Rs.200.00 Crores for any possible under recovery of these advances.	185527.57	154345.70
b. Current Advances include Disputed CENVAT / Sales Tax Claims pending in different stages of appeal. Management is of the opinion that these are recoverable at values stated.	803.52	715.57
33.6 (a) Raw Materials consumed:		
Own Quarrying includes:		
(i) Salaries & Wages	1802.51	1701.43
(ii) Stores Consumed	3866.83	2944.67
(iii) Royalty	6815.23	6956.02
(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	19131.13	15638.90
33.7 Repairs and Maintenance includes Stores & Spares.	5403.14	5233.17
33.8 Detailed quantitative information of goods manufactured during the Report Period:		
(a) Installed capacity in Tonnes (per annum)	14050000	14050000
(b) Production in Tonnes	9803286	9939598
(c) Sales – Quantity in Tonnes - Cement	9793356	9925942
Quantity in Tonnes - Clinker	244346	128529
Sales – Value of Cement (Gross)	470140.87	496278.20
Value of Clinker	6684.01	3114.17
	476824.88	499392.37
(d) Opening Stock of Cement produced in Tonnes	171957	158301
Value	5834.25	4995.43
(e) Closing Stock of Cement produced in Tonnes	181887	171957
Value	6139.22	5834.25



	2014 Rs.Lakhs	2013 Rs.Lakhs
33.9 Value of Import on CIF basis:		
(a) Raw Materials	3413.94	2560.62
(b) Fuel	73944.48	41736.66
(c) Spare Parts and Components	274.64	181.05
(d) Capital goods	0.00	187.05
33.10 Earnings in Foreign Exchange (on accrual basis):		
Export		
Cement – Quantity in Tonnes	71859	24545
– Value	2892.76	824.53
Clinker – Quantity in Tonnes	227460	0
– Value	6273.62	0.00
33.11 Expenditure in Foreign Currency (on accrual basis):		
Legal & Consultancy Charges	49.66	263.90
Travel Expenses and others	148.13	187.85
Indian Premier League - payments to foreign players / others	3732.43	3046.21
33.12 Remittances in Foreign Currency:		
Final Dividend on account of GDS:		
No. of Shareholders	1	1
No. of Shares	8707572	9052244
Amount remitted (Rs. Lakhs)	174.15	181.04
Year to which it pertains	2013	2012
Final Dividend on account of GDR:		
No. of Shareholders	1	1
No. of Shares	741315	2620914
Amount remitted (Rs. Lakhs)	14.83	52.42
Year to which it pertains	2013	2012
33.13 Details of imported and indigenous materials consumed during the year:		
Raw materials:		
Imported	4488.30	4072.57
Indigenous	56056.79	53667.76
Total	<u>60545.09</u>	<u>57740.33</u>
Percentage to Total Consumption:		
Raw materials:		
Imported	7.41%	7.05%
Indigenous	<u>92.59%</u>	<u>92.95%</u>
Total	<u>100.00%</u>	<u>100.00%</u>
Spare Parts and Components:		
Imported	470.29	299.25
Indigenous	1682.54	1741.47
Total	<u>2152.83</u>	<u>2040.72</u>
Percentage to Total Consumption:		
Spare Parts and Components:		
Imported	21.85%	14.66%
Indigenous	<u>78.15%</u>	<u>85.34%</u>
Total	<u>100.00%</u>	<u>100.00%</u>
33.14 Details of Raw Materials consumed:		
Quantity in Tonnes:		
Limestone	11028270	10856214
Gypsum	507859	517833
Others	2371449	2414930

Value:	2014 Rs.Lakhs	2013 Rs.Lakhs
Limestone	25558.11	22404.31
Gypsum	7393.52	7969.22
Others	20843.28	19598.11
Freight on Inter Unit Transfer of Clinker	6750.18	7768.69
Total	<u>60545.09</u>	<u>57740.33</u>

- 33.15 The Company had opted for the "Tonnage Tax Scheme" under the Income Tax Act, 1961 in the financial year 2007-08 and has opted out of the said scheme with effect from the financial year 2008-09. The condition for utilizing the Reserve under The Income Tax Act, 1961 has been fulfilled by acquiring a ship during the year 2012-13.
- 33.16 As at Balance Sheet date, amounts aggregating to Rs.NIL are due to Micro, Small and Medium Enterprises and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.
- 33.17 Note on Debt Restructuring:
- The Corporate Debt Restructuring (CDR) Cell formed by the Reserve Bank of India approved a Debt Restructuring proposal for all debts other than public deposits with effect from 01.01.2003.
 - Pursuant to the said CDR Scheme, the lenders are eligible to claim Right of Recompense (ROR). The Company has paid an amount of Rs. 57.12 crores as ROR including fees to IDBI Bank (monitoring institution) and exited from CDR Scheme. The said sum of Rs.57.12 crores has been debited to the Profit and Loss Account as extraordinary item of expenditure.
- 33.18 Recognition of Foreign Currency Fluctuations:
- Long-term Monetary Liability pursuant to the notification issued by the Ministry of Corporate Affairs dated 29th December 2011 on Accounting Standard 11, the Company has opted to:
 - capitalize the exchange gain/loss on the loans against purchase of fixed assets after the same has been put to use and depreciated over the balance life of the asset.
 - exchange loss other than those attributable to capital assets amounting to Rs.479.82 Lakhs (as on 31st March 2013:Rs.479.75 lakhs), has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.490.86 Lakhs (as on 31st March 2013 : Rs.323.71 Lakhs) has been amortized during the year (included in Administration and other charges) and the balance of Rs.1,032.94 Lakhs will be amortized over the remaining period of the liability.
 - Short Term Monetary Liability:
Exchange gain / loss on short term monetary liability is continued to be credited / debited to the Profit & Loss Account.
- 33.19 The Company has as part of the initiatives to promote corporate image and its brands participated in the editions of IPL T/20 tournaments with its team "The Chennai Super Kings". The right to operate the franchise has provided a platform to build corporate and brand image as a pan India Company. The consideration to operate the franchise, aggregating to USD 91 Million is payable over a period of 10 years in equal installments commencing from 2008.
- As per the agreement, BCCI-IPL will share its income from the sale of media rights and sponsorship income with all the franchisees. In addition to the Central revenue as mentioned above the franchisee will also have local revenue like gate collections, team sponsorships, uniform sponsors etc. The revenue from operating the franchise is grouped under Revenue from operations. Currently, the Company is following a policy of accounting for all the expenditure and revenue associated with IPL related operation upon commencement of each Season.
- The costs involved in operating the franchise like remuneration to the players, travelling and accommodation expenses, advertisements, promotions, etc. are accounted in accordance with the Generally Accepted Accounting Principles. The expenses are grouped under the natural heads of accounts.
- The Company capitalized the entire franchisee fee payable to BCCI-IPL as a "Franchise Right" under intangible asset. Considering the revenue by operating the franchise and the potential cash flows arising therefrom the "Franchise Right" is being amortized over a period of 10 years. The amount payable to BCCI towards the same, in the next 12 months from the date of Balance Sheet is grouped under Creditors for Capital Goods under Current Liabilities and payable after 12 months from the date of Balance Sheet is grouped under Non-Current liabilities.
- 33.20 Pending finalisation of ongoing negotiations with various Banks / Financial Institutions, the claims towards Interest / Penal interest by Banks / Financial Institutions are under negotiation for waiver, amount not determinable.



33.21 Related Party Disclosures:

A. Names of the related parties and the nature of the relationship:

- (i) Subsidiary Companies:
 Industrial Chemicals and Monomers Limited
 ICL Financial Services Limited
 ICL Securities Limited
 ICL International Limited
 PT. Coromandel Minerals Resources, Indonesia
 Trishul Concrete Products Limited
 Trinetra Cement Limited (Formerly Indo Zinc Limited)
 Coromandel Minerals Pte. Ltd., Singapore
 Coromandel Electric Company Limited
 India Cements Infrastructures Limited
- (ii) Associate Companies:
 Raasi Cement Limited
 Coromandel Sugars Limited
 India Cements Capital Limited
 Coromandel Travels Limited
 Unique Receivable Management Pvt. Limited
- (iii) Key Management Personnel (KMP):
 Sri N. Srinivasan – Vice Chairman & Managing Director
 Smt. Rupa Gurunath – Wholetime Director
- (iv) Relative of KMP, having transactions with the Company:
 Smt. Chitra Srinivasan – Director

B. Transactions with Subsidiaries and Associate Companies:

Subsidiaries:

	2014 Rs.Lakhs	2013 Rs.Lakhs
Sale of Goods	3727.27	4467.76
Sale of Shares	14.00	Nil
Purchase of Shares	1328.64	10213.22
Purchase of Goods	24.25	9.35
Sale of Assets	5000.00	Nil
Rendering of Services	Nil	Nil
Receiving of Services	4605.45	5086.59
Interest on Advances	1411.59	682.43
Dividend received from Subsidiary Companies	81.43	144.47
Guarantees Outstanding at the year end	35500.00	31500.00
Net increase / (decrease) in loans and advances	29611.73	(3986.73)
Outstanding balance included in current asset	113161.42	83549.69

Associates:

Sale of Goods	100.00	23.19
Purchase of Shares	Nil	Nil
Rendering of Services	Nil	Nil
Receiving of Services	1227.18	1136.19
Interest on Advances	339.53	197.53
Guarantees Outstanding at the year end	14576.00	14848.25
Outstanding balance included in current asset	3129.48	5419.40

	2014 Rs.Lakhs	2013 Rs.Lakhs
C. Transactions relating to persons mentioned in A. (iii) above:		
Remuneration	779.81 *	1680.23
Dividend paid during the year	9.28	9.28
Total	<u>789.09</u>	<u>1689.51</u>
* subject to approval by the Central Government.		
D. Transactions relating to persons mentioned in A. (iv) above:		
Directors' Sitting Fee	0.80	0.40
Dividend paid during the year	1.57	1.57
Total	<u>2.37</u>	<u>1.97</u>
33.22 Details of Loans and Advances given to Subsidiaries, Associates and Others:		
A. Loans and Advances to Subsidiaries:		
(i) Rate of Interest:		
Industrial Chemicals and Monomers Limited	Nil	Nil
ICL Financial Services Limited	Nil	Nil
ICL Securities Limited	Nil	Nil
ICL International Limited	Nil	Nil
PT. Coromandel Minerals Resources, Indonesia	Nil	Nil
Trishul Concrete Products Limited	Nil	Nil
Trinetra Cement Limited (Formerly Indo Zinc Limited)	8%	8%
Coromandel Minerals Pte. Ltd, Singapore	Nil	Nil
Coromandel Electric Company Limited	Nil	Nil
India Cements Infrastructures Limited	Nil	Nil
(ii) Closing Balance at the end of the year:		
Industrial Chemicals and Monomers Limited *	1426.68	1394.46
ICL Financial Services Limited *	53076.28	53261.85
ICL Securities Limited *	12962.05	13161.53
ICL International Limited *	2832.89	2685.54
PT. Coromandel Minerals Resources, Indonesia **	215.01	207.46
Trishul Concrete Products Limited **	258.07	153.86
Trinetra Cement Limited (Formerly Indo Zinc Limited) *	36171.13	10061.44
Coromandel Minerals Pte. Ltd, Singapore (Adv. for Equity) **	4665.23	2623.55
India Cements Infrastructures Limited *	1554.08	0.00
Total	<u>113161.42</u>	<u>83549.69</u>
* - Loans; ** - Advances		
(iii) Maximum Balance during the year:		
Industrial Chemicals and Monomers Limited	1426.68	1394.46
ICL Financial Services Limited	53261.85	53853.05
ICL Securities Limited	13161.53	13969.03
ICL International Limited	2902.96	2685.67
PT. Coromandel Minerals Resources, Indonesia	215.01	207.46
Trishul Concrete Products Limited	268.07	37491.71
Trinetra Cement Limited (Formerly Indo Zinc Limited)	36176.05	18810.14
Coromandel Minerals Pte. Ltd, Singapore (Adv. for Equity)	4665.24	2623.55
India Cements Infrastructures Limited	1553.66	0.00
Total	<u>113631.05</u>	<u>131035.07</u>



	2014 Rs.Lakhs	2013 Rs.Lakhs
B. Loans and Advances to Associates:		
(i) Rate of Interest:		
Coromandel Sugars Limited	8%	8%
India Cements Capital Limited	8%	8%
Coromandel Travels Limited	Nil	Nil
Unique Receivable Management Pvt. Limited	Nil	Nil
(ii) Closing Balance at the end of the year:		
Coromandel Sugars Limited	1036.04	3356.48
India Cements Capital Limited	2093.44	2062.92
Total	3129.48	5419.40
(iii) Maximum Balance during the year:		
Coromandel Sugars Limited	11356.54	3799.64
India Cements Capital Limited	2093.44	2062.92
Total	13449.98	5862.56

Notes:-

- Loans to Employees as per Company's policy are not considered.
- Pursuant to the Scheme of Amalgamation approved by the Honourable High Court of Judicature at Madras, the Company has issued equity shares to the Shareholders of Visaka Cement Industry Limited [Visaka]. As per the said Order 199.54 lakh shares of the Company have been allotted in aggregate, to the subsidiaries in exchange for their shares of Visaka and the same are held in a Trust on their behalf.

33.23 Employee Benefits:

The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Accounting Standard 15 issued by ICAI, are as under:

(a) Contribution to Pension Funds:

The Company offers pension plans for managerial grade employees and wholtime Directors. While some of the employees are eligible for Defined Benefit Plan of Pension, others are eligible for Defined Contribution Plan of Pension. The Defined Benefit Plans of Pension are managed by Life Insurance Corporation of India and the provision has been made on the basis of actuarial valuation.

The estimated aggregate value of Pension liability, discounted @9% p.a., under the Defined Benefit Plans as at 31st March 2014, are Rs.6,096.71 Lakhs (as at 31st March 2013, are Rs.5,412.74 Lakhs) as per the details given below:

Defined Benefit Scheme:

	2013-14 Rs. Lakhs	2012-13 Rs. Lakhs
Opening Balance as per actuarial valuation	5412.74	4789.13
Less: Settlements during the year	436.00	239.69
Sub total	4976.74	4549.44
Add: Provision created during the year	1119.97	863.30
Closing Balance as on 31 st March	6096.71	5412.74
Assumptions:		
Discount rate	9.00%	8.00%
Salary escalation rate	2.00%	2.00%
Average Age	49 yrs.	48 yrs.
Average accrued service	15 yrs.	14 yrs.
Annuity rates for pension computation	Rates applicable for 15 years certain and life thereafter, with return of corpus.	

Defined Contribution Scheme:

	2013-14 Rs.Lakhs	2012-13 Rs.Lakhs
Amount charged to the Statement of Profit & Loss during the year	301.21	362.93

(b) Leave of absence and encashment:

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Accounting Standard 15. The total amount of provision available for the unavailed leave balances as at 31st March 2014 is Rs.5925.16 Lakhs (as at 31st March 2013:Rs.6,423.47 Lakhs). Liability has been created based on actuarial valuation done during the year, with the Discount rate of 9%.

(c) Gratuity:

The employees are eligible for Gratuity benefits as per the Payment of Gratuity Act, 1972. The Gratuity Scheme is governed by a Trust created for this purpose by the Company. The amount of contribution to be made is arrived at based on an actuarial valuation done at the Balance Sheet date, as given below and is accounted accordingly.

	2013-14 Rs. Lakhs	2012-13 Rs. Lakhs
Opening balance as per actuarial valuation	4516.27	3660.34
Add: Interest income during the year	145.45	180.08
Less: Settlements during the year	851.02	422.98
Sub-total	3810.70	3417.44
Add: Provision created during the year	1388.12	1098.83
Closing Balance as on 31 st March	5198.82	4516.27
Assumptions:		
Discount rate	9.00% p.a.	8.00% p.a.
Salary escalation rate	2.00% p.a.	2.00% p.a.
Average age	53 years	52 years
Average accrued service	27 years	26 years

33.24 Note on Waste Heat Recovery Project:

The Company during the year 2004-05 commissioned the Waste Heat Recovery project at Vishnupuram Plant as per the MOU signed by the Company with New Energy Development Organisation (NEDO), Japan, Ministry of Commerce and Industry, Government of India. As per the MOU, the necessary equipment has been provided to the Company free of cost by the Government of Japan through Government of India. The value of the equipment and concessional import duty thereon under EPCG scheme have been capitalised and treated as Deferred Income in the accounts. The depreciation on the value of the equipment is adjusted against the Deferred Income.

33.25 The Board of Directors have approved a Scheme of Amalgamation and Arrangement between Trinetra Cement Limited and Trishul Concrete Products Limited (Transferor Companies) with the Company and its Shareholders under Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013). The Financial Statements have been prepared without giving effect to, pending approval of the said Scheme by SEBI, Honorable High Court of Madras and other Regulatory Bodies.

33.26 General Permission for exemption from disclosure of foreign exchange earnings and expenditure with regard to shipping operations has been issued by the Government of India.

33.27 Previous year's figures have been regrouped wherever necessary.

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRINIVASAN
Vice Chairman & Managing Director

RUPA GURUNATH
Wholetime Director

N.SRINIVASAN
Director

V.SWAMINATHAN
Partner
Membership No. 22276

N.SRI KRISHNA
Partner
Membership No. 26575

R.SRINIVASAN
President (Finance & Accounts)

G.BALAKRISHNAN
Senior President &
Company Secretary

Place : Chennai

Date : 12th November, 2014



STATEMENT ATTACHED TO THE BALANCE SHEET AS AT 31ST MARCH, 2014 PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956.

	Name of the Subsidiaries									
	Industrial Chemicals and Monomers Ltd.	ICL Securities Ltd.	ICL Financial Services Ltd.	ICL International Ltd.	Trishul Concrete Products Ltd.	Trinetra Cement Ltd. (Formerly Indo Zinc Ltd.)	Coromandel Electric Company Ltd.	India Cements Infra-structures Ltd.	PT. Coromandel Minerals Resources, Indonesia	Coromandel Minerals Pte. Ltd., Singapore
1. Financial year ending	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.12.2013	31.12.2013
2. Extent of Holding Company's interest at the end of the financial year of the subsidiary	98.59%	100.00%	100.00%	100.00%	88.47%	61.22%	65.71%	100.00%	100.00%	100.00%
3. The net aggregate amount of the subsidiaries' profit less losses or vice versa so far it concerns the members of the holding company's accounts	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
(a) for the financial year mentioned against item 1 above	32.87 (Loss)	199.29 Profit	201.59 Profit	201.92 (Loss)	74.62 Profit	2669.93 (Loss)	901.39 Profit	49.08 (Loss)	35.35 (Loss)	15.69 (Loss)
(b) of the previous financial years of the subsidiaries since they became the holding company's subsidiaries	549.38 (Loss)	173.47 Profit	1418.68 (Loss)	2463.21 (Loss)	134.53 Profit	3670.70 (Loss)	2093.13 Profit	0.31 (Loss)	0.21 (Loss)	338.21 (Loss)
4. (a) The net aggregate amount of the subsidiaries' profits less losses, for the financial year against item 1 above so far as these profits are dealt with in the holding company's accounts.	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts
(b) The net aggregate amount of the subsidiaries' profits less losses, for the previous financial years of the subsidiaries since it became the holding company's subsidiaries, so far as these profits are dealt with in the holding company's accounts.	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts
5. Changes in the holding company's interest in the subsidiaries between the end of the financial year of the subsidiary and the end of the holding company's financial year.									Nil	Nil
6. Material changes which have occurred between the end of the aforesaid financial year of the subsidiaries and the end of holding company's financial year in respect of :	As the financial year of all the subsidiaries other than PT. Coromandel Minerals Resources and Coromandel Minerals Pte. Ltd. coincides with the financial year of the holding company i.e., The India Cements Ltd., Sec. 212(5) of the Companies Act, 1956 is not applicable.									
(a) the subsidiaries' fixed assets.									Nil	Nil
(b) its investments.									Nil	Nil
(c) the money borrowed by it for any purpose other than that of meeting current liabilities.									Nil	Nil

N.SRINIVASAN
Vice Chairman & Managing Director
R.SRINIVASAN
President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director
G.BALAKRISHNAN
Senior President &
Company Secretary

N.SRINIVASAN
Director

Place : Chennai

Date : 12th November, 2014

INFORMATION IN AGGREGATE FOR EACH SUBSIDIARY AS AT 31ST MARCH, 2014

Subsidiaries:

Industrial Chemicals and Monomers Limited	ICML
ICL Securities Limited	ICLSL
ICL Financial Services Limited	ICLFSL
ICL International Limited	ICLIntl
Trishul Concrete Products Limited	TCPL
Trinetra Cement Limited (Formerly Indo Zinc Limited)	TCL
Coromandel Electric Company Limited	CECL
India Cements Infrastructures Limited	ICIL
PT. Coromandel Mineral Resources, Indonesia	CMR
Coromandel Minerals Pte Ltd, Singapore	CMPL

	ICML	ICLSL	ICLFSL	ICLIntl	TCPL	TCL	CECL	ICIL	CMR	CMPL	Rs. Lakhs
Capital : Paid up	227.82	613.02	596.20	5.00	218.73	70948.78	436.20	5.00	128.54	2281.75	
Advance towards equity	8.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Reserves	0.00	372.76	0.00	0.00	1418.49	0.00	6386.33	0.00	0.76	680.22	
Accumulated losses	1623.38	0.00	1217.09	2665.15	0.00	10042.55	0.00	49.35	35.34	353.90	
Total Assets (including investments)	48.66	13951.52	52458.11	200.82	42852.49	136222.43	13608.80	5009.83	4138.09	7285.64	
Total liabilities	1435.91	12965.74	53079.00	2860.97	41215.27	75316.20	6786.27	5054.18	4044.13	4677.57	
Details of Investments (including investments held thro' Trusts)	0.02	12855.00	51683.30	0.00	3324.55	0.00	0.00	0.00	8.71	0.00	
Turnover	0.00	199.48	201.81	182.72	12013.20	46249.81	12026.38	0.00	1259.32	0.00	
Profit / (Loss) before Taxation	-33.34	199.29	201.59	-201.92	84.34	-4361.21	1492.83	-49.08	-35.35	-15.69	
Provision for Taxation	0.00	0.00	0.00	0.00	0.00	0.00	121.15	0.00	0.00	0.00	
Profit / (Loss) after taxation	-33.34	199.29	201.59	-201.92	84.34	-4361.21	1371.68	-49.08	-35.35	-15.69	
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	106.87	NIL	Nil	Nil	

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
V. SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & CO.,
Chartered Accountants
N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
Vice Chairman & Managing Director
R.SRINIVASAN
President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director
G.BALAKRISHNAN
Senior President &
Company Secretary

N.SRINIVASAN
Director

Place : Chennai

Date : 12th November, 2014

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

**The Board of Directors
The India Cements Limited**

1. Report on the Consolidated Financial Statements

- a) We have audited the accompanying consolidated financial statements of The India Cements Limited ("the Company"), its subsidiaries and associates (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.
- b) The original consolidated financial statements of the Company for the year ending 31st March 2014 were approved by the Board of Directors at its meeting held on 26th May 2014 and we have issued our audit report in terms of clause 41 of the listing agreement on those financial statements.

The audited consolidated financial statements for the financial year ending 31st March 2014 have been published in terms of listing agreement. Further the Company was in the process of seeking Regulatory Approvals for Scheme of Amalgamation for merging two of its subsidiaries with itself and an arrangement for withdrawing a sum of Rs.126.56 Crores from the General Reserve to adjust certain non-recurring items of exceptional expenditure that were debited to the P & L for the year ended March 31, 2014. The Company sought the consent of stock exchanges for said scheme. The Stock Exchange directed the Company to withdraw the portion relating to withdrawing from General Reserve to meet exceptional items of expenditure. In view of the reservations expressed by the stock exchanges against the arrangement as stated above a modified scheme has been filed before the High Court of Madras. As the adjustment of charging of expenditure against the reserves explained above stands withdrawn, the Audit Committee in its meeting held on 12th November 2014 recommended to the Board of Directors to modify the audited consolidated financial statements for the year ending 31st March 2014 (which were originally approved by the Board of Directors on 26th May 2014 and our report of even date issued in terms of clause 41 of listing agreement was qualified in this regard) and the Board of Directors in its meeting held on 12th November 2014 approved the modified consolidated financial statements for the year ending 31st March 2014.

In view of the aforesaid decision of the management vide their communication dated 12th November 2014 in accordance with the provisions of Standard on Auditing (SA) 560 on subsequent events issued by Institute of Chartered Accountants of India we are issuing this report on the modified consolidated financial statements.

2. Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with General circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

- a. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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 consolidated financial statements are free from material misstatement.
- b. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 consolidated financial statements.
- c. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and associates as given below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- b. in the case of the consolidated Statement of Profit and Loss, of the Loss of the Group for the year ended on that date; and
- c. in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

P.S. SUBRAMANIA IYER & CO.
Chartered Accountants
103, P.S. Sivaswamy Salai
Mylapore
Chennai - 600 004

BRAHMAYYA & CO.
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai - 600 014

5. Emphasis of Matter

- a. We draw attention to note no.33.3(a) of the consolidated financial statements, which describes the uncertainty related to the outcome of the appeal filed by the Company against the order of the Competition Commission of India (CCI), before the Competition Appellate Tribunal concerning the alleged contravention of provisions of Competition Act, 2002 imposing a penalty on the Company amounting to Rs.187.48 crores. CCI in its interim order dated 17th May, 2013 directed the Company to pay 10% of the imposed penalty. The Company is advised by legal experts that it has good case before appellate tribunal and accordingly no provision has been considered necessary by the Company in this regard. Our opinion is not qualified in respect of this matter.
- b. The Shareholders of the Company approved the remuneration paid / payable to its Directors. Owing to the inadequate profits for the current year, as computed under Section 349 of the Companies Act, 1956, the managerial remuneration paid / payable has exceeded the limits specified under Section 198 read with Section 309 of the Companies Act, 1956 by Rs.683.81 lacs. The Company is in the process of obtaining requisite approvals from the Central Government. Our opinion is not qualified in respect of this matter.

6. Other Matter

- a) Brahmayya & Co., did not audit the financial statements and other financial information of four subsidiaries included in these consolidated financial results, whose financial statements reflect total assets of Rs.66,659.14 lakhs, net assets of Rs.(3,690.79) lakhs and net cash flows of Rs.4.76 lakhs as at 31st March 2014, total revenue of Rs.584.01 lakhs (including other income), net profit of Rs.165.60 lakhs for the year then ended that have been audited by P S Subramania Iyer & Co., on whose reports Brahmayya & Co., has placed reliance for the purpose of this report. Further, P S Subramania Iyer & Co., did not audit the financial statements and other financial information of three subsidiaries included in these consolidated financial results, whose financial statements reflect total assets of Rs.61,350.28 lakhs, net assets of Rs. 8,415.35 lakhs and net cash flows of Rs.79.75 lakhs as at 31st March 2014, total revenue of Rs.24,039.58 lakhs (including other income), net profit of Rs.1,406.93 lakhs for the year then ended that have been audited by Brahmayya & Co., on whose reports P S Subramania Iyer & Co., has placed reliance for the purpose of this report.
- b) Brahmayya & Co., and P S Subramania Iyer & Co., did not audit the financial statements and other financial information of an Indian subsidiary and an overseas subsidiary included in the consolidated financial statements, whose financial statements together comprise total assets of Rs.1,40,360.51 lakhs and net assets of Rs.60,998.97 lakhs, net cash flows of Rs.105.77 lakhs as at 31st March 2014, total revenue (including other income) of Rs. 47,509.13 lakhs, net loss of Rs.4,396.55 lakhs for the year then ended. The financial statements and other financial information of this subsidiary have been audited by other auditor whose reports have been furnished to us by the Management and our audit opinion in the consolidated financial results, to the extent they have been derived from such financial statements is solely based on the reports of the other auditor.
- c) In respect of the financial information of the associates considered in the consolidated financial results, whose financial statements reflect the Group's share of losses aggregating to Rs.386.95 lakhs for the year then ended on 31st March 2014 (after adjustments on consolidation) are based on the financial statements audited by other auditor whose reports have been furnished to us by the Management and our audit opinion in the consolidated financial results, to the extent they have been derived from such financial statements is solely based on the reports of the other auditor.
- d) Further in respect of an overseas subsidiary whose total assets of Rs.7285.63 lakhs and net assets of Rs. 2,608.07 lakhs, as at 31st March 2014, total revenue of Nil, net loss of Rs.15.68 lakhs and net cash flows of Rs.159.43 lakhs for the year then ended are based on the unaudited financial statements. These unaudited financial statements are approved by the Board of Directors of the Company which have been furnished to us by the management and our report in so far as it relates to the amounts included in the overseas subsidiary is based solely on the unaudited financial statements.
- e) We have restricted our audit procedures on the events subsequent to 26th May 2014 (subsequent events) as defined under SA 560 solely to the matters referred to in clause 1(b) above which is the cause of the amendments to the original financial statements except that we have not carried out any audit procedure in relation to audited financial statements as amended arising on account of events explained in the referred para 1(b) above.

Our opinion is not qualified in respect of other matter.

For P. S. SUBRAMANIA IYER & Co.,
Chartered Accountants
Firm Registration No: 004104S
V.SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & Co.,
Chartered Accountants
Firm Registration No. 000511S
N.SRI KRISHNA
Partner
Membership No. 26575

Place : Chennai
Date : 12th November, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014

	Note No.	Rs.Lakhs	2014 Rs.Lakhs	Rs.Lakhs	2013 Rs.Lakhs
EQUITY AND LIABILITIES:					
1 Shareholders' Funds:					
a. Share Capital	3	30717.83		30717.82	
b. Reserves and Surplus	4	<u>336376.28</u>	367094.11	<u>368388.08</u>	399105.90
2 Share Application money pending allotment			9.53		9.53
3 Minority Interest			2503.50		2133.38
4. Non-Current Liabilities:					
a. Long-term borrowings	5	224069.61		213212.31	
b. Deferred tax liabilities	6	33674.29		33594.00	
c. Other Long-term liabilities	7	16033.24		14851.54	
d. Long-term provisions	8	<u>7906.73</u>	281683.87	<u>7943.57</u>	269601.42
5 Current Liabilities:					
a. Short-term borrowings	9	67751.45		86926.49	
b. Trade Payables	10	98310.55		88652.22	
c. Other Current Liabilities	11	95776.25		68246.71	
d. Short-term provisions	12	<u>43.46</u>	261881.71	<u>7579.19</u>	251404.61
			<u>913172.72</u>		<u>922254.84</u>
ASSETS:					
1 Non-Current Assets:					
a. Fixed Assets:	13				
(i) Tangible Assets		499278.79		494881.58	
(ii) Intangible Assets		21690.95		25050.04	
(iii) Capital Work-in-Progress		<u>11236.84</u>		<u>35582.28</u>	
		532206.58		555513.90	
b. Non-current investments	14	44009.95		43623.89	
c. Long-term loans and advances	15	<u>170178.92</u>	746395.45	<u>165470.61</u>	764608.40
2 Current Assets:					
a. Current Investments	16	205.37		974.96	
b. Inventories	17	60215.27		55614.31	
c. Trade Receivables	18	46172.53		49146.67	
d. Cash and Bank balances	19	718.84		1019.99	
e. Short-term loans and advances	20	<u>59465.26</u>	166777.27	<u>50890.51</u>	157646.44
			<u>913172.72</u>		<u>922254.84</u>

Notes on Accounts 1 to 33

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
V. SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & CO.,
Chartered Accountants
N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
Vice Chairman & Managing Director
R.SRINIVASAN
President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director
G.BALAKRISHNAN
Senior President &
Company Secretary

N.SRINIVASAN
Director

Place : Chennai

Date : 12th November, 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

	Note No.	Rs.Lakhs	2013-14 Rs.Lakhs	Rs.Lakhs	2012-13 Rs.Lakhs
Revenue from Operations	21		508475.55		515946.78
Other Income	22		2429.31		2382.40
Total Revenue			510904.86		518329.18
Expenses:					
Cost of materials consumed	23		80981.69		73665.30
Changes in Inventories of Finished goods / Work-in-Progress	24		(2497.20)		(3395.77)
Employee benefits expense	25		38485.33		36176.67
Finance costs	26		41073.17		36907.95
Other Expenses:					
Manufacturing and Other Operating Expenses	27	157883.91		153648.89	
Administration and Other Charges	28	24791.97		25724.67	
Selling and Distribution Expenses	29	149002.53		135483.09	
Donations	30	685.97	332364.38	1017.12	315873.77
Depreciation and amortisation expense		37740.35		38208.48	
Less : Transfer from Revaluation Reserve		5475.92		5512.33	
Less : Transfer from Deferred Income		298.80		298.80	
Less : Amount Capitalised		0.00	31965.63	2.31	32395.04
Total Expenses			522373.00		491622.96
Profit / (Loss) before Exceptional Items and Tax			(11468.14)		26706.22
Exceptional Items:					
Provision for disputed Fuel Surcharge Adjustment	33.3 (b)	6943.25		0.00	
Right of Recompense to Lenders	33.18 (b)	5712.51	12655.76	0.00	0.00
Profit / (Loss) before tax			(24123.90)		26706.22
Tax Expense:					
Current tax		312.90		8739.83	
Current tax - MAT Credit		(272.05)		(375.65)	
Deferred tax		80.29	121.14	480.41	8844.59
Profit / (Loss) after tax			(24245.04)		17861.63
Proportionate Profit / (Loss) of Associate Companies					
Adjustments in value of Investments in associates in accordance with AS 23			386.95		1387.85
Minority Interest			(480.02)		(447.18)
Profit / (Loss) for the Year			(24338.11)		18802.30
Earnings per Share (face value of Rs.10/- per equity share):	31				
Basic (Rs.)			(7.92)		6.12
Diluted (Rs.)			(7.92)		6.12
Notes on Accounts	1 to 33				
As per our Report of 12 th November, 2014					

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
V. SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & CO.,
Chartered Accountants
N.SRI KRISHNA
Partner
Membership No. 26575

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Vice Chairman & Managing Director
R.SRINIVASAN
President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director
G.BALAKRISHNAN
Senior President &
Company Secretary

N.SRINIVASAN
Director

Place : Chennai

Date : 12th November, 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

		2013-14		2012-13
	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs
A. Cash flow from operating activities :				
Net profit / (loss) before exceptional items, tax & extraordinary items		-11468.14		26706.22
Exceptional items		-12655.76		0.00
Net profit / (loss) before tax and extraordinary items		-24123.90		26706.22
Adjusted for:				
Depreciation	31965.63		32395.04	
Provision for Doubtful Debts & Advances	-396.66		365.24	
Foreign Exchange	4682.46		2875.18	
Profit on sale of Investments	0.00		0.00	
Profit / (Loss) on sale of Assets	3092.58		-28.69	
Interest Expense	40470.27		38087.66	
Interest Income	-5991.65		- 5868.15	
Dividend Income	- 429.49		- 458.44	
Deferred Revenue Expenditure / Income	11.04	73404.18	-156.04	67211.80
Operating profit before Working Capital changes		49280.28		93918.02
Trade and other receivables	-2489.42		- 35660.60	
Inventories	-4600.96		651.84	
Trade payables	14074.70	6984.32	21320.78	-13687.98
Cash generated from operations		56264.60		80230.04
Direct Taxes		-4655.46		- 7054.69
Cash flow before extraordinary items		51609.14		73175.35
Extraordinary items		0.00		0.00
Net cash from operating activities	(A)	51609.14		73175.35
B. Cash flow from Investing activities :				
Purchase of Fixed Assets		-24268.55		-56451.15
Sale of Fixed Assets		1901.46		776.14
Sale of Investments		770.48		0.00
Purchase of Investments		0.00		-973.60
Interest received		1138.28		1247.19
Dividend received		429.49		458.44
Refund by / advances to subsidiaries, Associates and others		1585.59		536.40
Net cash from Investing activities	(B)	- 18443.25		- 54406.58

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

	2013-14	2012-13
	Rs.Lakhs	Rs.Lakhs
C. Cash flow from financing activities :		
Proceeds from issue of share capital	0.01	0.01
Dividend paid	- 7200.67	- 7204.30
Proceeds from long-term borrowings	92202.17	97014.65
Repayment of borrowings	- 74035.30	- 68973.04
Interest paid (Net)	- 44457.46	- 39823.17
Net Cash from financing activities	(C) <u>- 33491.25</u>	<u>- 18985.85</u>
Increase / (Decrease) in cash and cash equivalent	(A+B+C) - 325.36	- 217.08
Cash and cash equivalent at the beginning of the year	921.31	1138.39
Cash and cash equivalent at the close of the year	595.95	921.31

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRINIVASAN
Vice Chairman & Managing Director

RUPA GURUNATH
Wholetime Director

N.SRINIVASAN
Director

V. SWAMINATHAN
Partner
Membership No. 22276

N.SRI KRISHNA
Partner
Membership No. 26575

R.SRINIVASAN
President (Finance & Accounts)

G.BALAKRISHNAN
Senior President &
Company Secretary

Place : Chennai

Date : 12th November, 2014

CONSOLIDATED ACCOUNTS

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2014

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), includes generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned. GAAP comprises of mandatory Accounting Standards issued by the National Advisory Committee on Accounting Standards (NACAS) and The Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use, read with Note no.33.18.

During the year ended 31.03.2012, the revised Schedule VI notified under the Companies Act, 1956, became applicable to the Company for preparation and presentation of its Financial Statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of Financial Statements. However, it has significant impact on presentation and disclosure made in the Financial Statements.

2. SIGNIFICANT ACCOUNTING POLICIES

1. Use of estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2. Inventories

- (a) Valuation of inventories of raw materials, packing materials, stores, spares, fuels is at weighted average cost.
- (b) Work-in-Process & Semi-finished goods are valued at cost or net realisable value whichever is lower and do not include interest and other administrative overheads.
- (c) Finished goods are valued at cost or net realisable value whichever is lower. The value of finished goods includes excise duty and does not include interest and other administrative overheads.
- (d) Construction and Infrastructure Projects are valued at cost or net realisable value whichever is lower.

3. Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank, in hand (including cheques in hand) and short-term investment with an original maturity of three months or less.

4. Fixed Assets

Fixed Assets are valued and shown adopting the following basis:

- (a) Fixed assets and Capital Work-in-Progress of all the cement manufacturing facilities were revalued and shown at revalued amounts as at 31st March 2004. All other fixed assets since acquired are shown at the cost of acquisition.
- (b) Fixed assets acquired on hire purchase or on Financial Lease are shown at their principal cost, excluding the interest cost included in these agreements which is charged to revenue over the tenure of the agreement.
- (c) Expenditures and outlays of money on uncompleted projects of a capital nature are shown as Capital Work-in-Progress until such time these projects are completed and commissioned. All costs including financing costs incurred

on specific projects/acquisition of undertakings are charged to the concerned heads.

- (d)
 - (i) The Company provides depreciation on written down value method for Motor Vehicles and for assets acquired prior to 1.4.1982 at Head Office and at Sankarnagar.
 - (ii) Software development costs are capitalised and depreciated alongwith computers on Straight Line method as per Section 205(2)(b) of the Companies Act, 1956.
 - (iii) Ships are depreciated on Straight Line method, over its estimated useful life.
 - (iv) Indian Premier League Franchisee Rights are capitalised and amortised over a period of ten years.
 - (v) For all other assets Straight Line method as per Section 205(2)(b) of the Companies Act, 1956 is adopted.
 - (vi) Depreciation on incremental value arising from the revaluation of fixed assets is charged to the Revaluation Reserve Account.
 - (vii) Fixed Assets are tested for impairment and impairment loss, if any, is recognised wherever the carrying amount of the asset / group of asset exceeds its estimated recoverable amount. Previously recognised impairment loss, if any, is reversed or further provided depending on changes in circumstances as above.

5. Foreign Currency Transactions

- (a)
 - (i) Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011 the Company has exercised the option of adjusting the cost of the depreciable capital assets arising on the exchange differences, in respect of accounting periods commencing from 1st April 2011, on long term foreign currency monetary items, which were hitherto recognized as income or expenses in the period in which they arise. As a result, such exchange difference so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective assets.
 - (ii) In respect of other long-term foreign currency monetary items, such exchange differences are accumulated in foreign currency monetary items translation difference account and amortized over the balance period of such liability.
- (b) Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Assets and Liabilities, other than those and for the purposes as mentioned in 5(a) above, in foreign currencies are translated at values prevailing as at the year end. Gains / Losses, if any, arising therefrom are recognised in the Statement of Profit and Loss.
- (c) Forward Exchange contracts used to hedge Foreign Currency Transactions are initially recognised at the spot rate on the date of contract. Forward Exchange contracts remaining unsettled at the end of the year are translated at the year end rates. The difference in translation of Forward Exchange contracts are recognised in the Statement of Profit and Loss. The discount or premium on the contracts is amortised over the tenure of the contract.

6. Revenue

- (a) Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability and is net of rebates, discounts and incentives.
- (b) Revenue from Construction and Infrastructure Projects under Infrastructure Division is recognised on percentage of completion method.
- (c) Revenue on time charter of ships is recognized on a proportionate basis.

CONSOLIDATED ACCOUNTS

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2014 (Contd.)

7. Research and Development
Research and Development expenses not resulting in any tangible property / equipment are charged to revenue.
8. Borrowing Costs
Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use since other borrowing costs are charged to Statement of Profit and Loss.
9. Claims / Incomes arising from price escalation and / or any other item of compensation and which are indeterminate are accounted on cash basis.
10. Trade investments including investments in associates companies are long term investments and are carried at cost. The other investments are carried at lower of cost or realisable value. Provision for diminution in value is made wherever necessary in accordance with the Accounting Standard.
11. Employee Benefits
Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis for which a trust has been created. The actuarial gains / losses arising on retirement benefits are also recognised in the Profit and Loss Account. Unavailed leave balances are accounted based on respective employee's earnings as at the Balance Sheet date.
12. Fringe Benefits arising on options vested under Employees Stock Option Scheme (ESOS), 2006 are charged to Statement of Profit and Loss and credited to Stock Options Outstanding Account. On allotment of shares, corresponding amount is transferred from Stock Options Outstanding Account to Securities Premium Account.
13. Premium on Redemption of Debentures / Bonds
Premium on redemption of Debentures / Bonds is accounted on redemption and set-off against the Securities Premium Account.
14. Tax Expense
(a) Current income tax is measured and accounted based on the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 at the tax rates prevailing during the year.
(b) Deferred Tax
Deferred tax is measured and accounted based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date.

3. SHARE CAPITAL	No. of Shares	Par value per share (Rs.)	2014 Rs.Lakhs	No. of Shares	Par value per share (Rs.)	2013 Rs.Lakhs
AUTHORISED:						
Equity Shares	460000000	10	46000.00	460000000	10	46000.00
Redeemable Cumulative Preference Shares	7500000	100	7500.00	7500000	100	7500.00
			<u>53500.00</u>			<u>53500.00</u>
ISSUED:						
Equity Shares	307178723	10	30717.87	307178723	10	30717.87
			<u>30717.87</u>			<u>30717.87</u>
SUBSCRIBED AND PAID UP:						
Equity Shares fully paid up						
Opening balance	307177216	10	30717.72	307176747	10	30717.67
Add : Partly paid up shares, subscribed fully during the year	124	10	0.01	469	10	0.05
Add : Subscribed during the year	0	10	0.00	0	10	0.00
Total issued, subscribed and fully paid up	<u>307177340</u>		<u>30717.73</u>	<u>307177216</u>		<u>30717.72</u>
Equity Shares - subscribed, but not fully paid (other than Directors):						
Opening balance	1441	10	0.10	1910	10	0.14
Less: Partly paid up shares, subscribed fully during the year	124	10	0.00	469	10	0.04
Total - Equity Shares subscribed, but not fully paid	<u>1317</u>		<u>0.10</u>	<u>1441</u>		<u>0.10</u>
Total - Subscribed Equity Shares	<u>307178657</u>		<u>30717.83</u>	<u>307178657</u>		<u>30717.82</u>

List of shareholders holding more than 5% of the equity share capital (Par value per share is Rs.10/-)

Shareholder's Name	No. of shares held	% held	Total face value Rs. Lakhs	No. of shares held	% held	Total face value Rs. Lakhs
The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation And The Boston Company Asset Management LLC together with PAC	41107453	13.38	4110.75	40010552	13.03	4001.06
EWS Finance & Investments Pvt. Ltd	27643432	9.00	2764.34	27643432	9.00	2764.34
Prince Holdings (Madras) Private Ltd	25500000	8.30	2550.00	25500000	8.30	2550.00
Life Insurance Corporation of India	20922404	6.81	2092.24	20703547	6.74	2070.35
Smt. Vidya Subramanian	19954024	6.50	1995.40	19954024	6.50	1995.40
Trishul Investments Private Limited	17525976	5.71	1752.60	17525976	5.71	1752.60

CONSOLIDATED ACCOUNTS

3. SHARE CAPITAL (Contd.)

Terms / Rights / restrictions attached to shares:

The Company has only one class of Equity share. Each share has a paidup value of Rs.10/-. Every shareholder is entitled to one vote per share, except for the holders of Global Depository Receipts / Global Depository Shares, as given below:

During the year 1994-95, the Company allotted 5857987 equity shares of Rs.10/- each consequent to issue of equivalent number of Global Depository Receipts (GDRs). Holders of these GDRs have no voting rights with respect to the Deposited shares.

During the year 2005-06, the Company allotted 51227592 underlying equity shares of Rs.10/- each represented by 25613796 Global Depository Shares (GDSs) in the ratio of 2:1. Holders of these GDSs have no voting rights with respect to the Deposited shares.

During the previous year 2012-13, the Company had declared and distributed a dividend of Rs.2.00 per share.

Shares reserved for issue under Employees Stock Option Scheme:

During the year 2006-07, the Company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1st December 2006. There are no shares reserved for issue under options as at March 31, 2014.

	2014 Rs.Lakhs	2013 Rs.Lakhs
4. RESERVES AND SURPLUS		
Capital Reserve	16.17	16.17
Capital Redemption Reserve		
Opening Balance	2910.22	2670.03
Additions	459.53	240.19
Withdrawals	157.56	0.00
Closing Balance	3212.19	2910.22
Securities Premium Account*		
Opening Balance	147548.16	147548.15
Add : Additions on ESOS exercised	0.00	0.00
Add : Transfer from Stock Options Outstanding Account	0.00	0.00
Add : Calls in arrears received	0.02	0.01
Less : Premium on redemption of Bonds	0.00	0.00
Less : Other Withdrawals	0.00	0.00
Closing Balance	147548.18	147548.16
* Securities Premium is net of calls in arrears of Rs.0.05 lakh (As on 31 st March 2013: Rs.0.07 lakh).		
Debenture Redemption Reserve		
Opening Balance	48.00	5290.00
Additions (net) during the year	0.00	0.00
Withdrawals	0.00	5242.00
Closing Balance	48.00	48.00
Contingency Reserve	33.5(a) 20000.00	20000.00
Revaluation Reserve		
Opening Balance	43106.98	48729.10
Additions	0.00	0.00
Less : Transfer to depreciation	5475.92	5512.33
Less : Withdrawals	1831.51	109.79
Closing Balance	35799.55	43106.98

	Note No.	2014 Rs.Lakhs	2013 Rs.Lakhs
Stock Options Outstanding Account			
Opening Balance		0.00	0.00
Additions		0.00	0.00
Less: Transfer to Securities Premium		0.00	0.00
Less: Transfer to General Reserve		0.00	0.00
Closing Balance		0.00	0.00
General Reserve			
Opening Balance		44427.26	40257.06
Additions		733.87	4170.20
Withdrawals		94.06	0.00
Closing Balance		45067.07	44427.26
Deferred Income	33.26		
Opening Balance		3193.93	3492.73
Additions		0.00	0.00
Withdrawals		298.80	298.80
Closing Balance		2895.13	3193.93
Shipping Tonnage Tax Reserve	33.15	90.00	90.00
Foreign Currency Translation Reserve			
Opening Balance		745.07	493.72
Additions		0.00	251.35
Withdrawals		64.10	0.00
Closing Balance		680.97	745.07
Foreign Currency Monetary Item Translation Difference Account	33.19		
Opening Balance		-1043.98	- 887.94
Foreign Currency Item translation loss during the year		-479.82	- 479.75
Amortised during the year		490.86	323.71
Closing Balance		-1032.94	- 1043.98
Surplus in Profit & Loss Account			
Opening Balance		107346.27	95369.13
Add : Transfer from Reserves / Additions		0.00	0.00
Profit / (Loss) after tax for the year		-24338.11	18802.30
Sub-total		83008.16	114171.43
Less: Proposed / Interim Dividend on			
Equity Capital		0.00	6178.27
Dividend Distribution Tax		14.41	1073.50
Transfer to Contingency Reserve		0.00	0.00
Transfer to General Reserve		733.87	4355.86
Transfer to Debenture Redemption Reserve		0.00	-5242.00
Transfer to Capital Redemption Reserve		459.53	459.53
Withdrawals		-251.61	0.00
Closing Balance		82051.96	107346.27
Total - Reserves and Surplus		336376.28	368388.08

CONSOLIDATED ACCOUNTS

	2014	2013		2014	2013
	Rs.Lakhs	Rs.Lakhs		Rs.Lakhs	Rs.Lakhs
NON-CURRENT LIABILITIES (Note No. 5 to 8)					
5. LONG-TERM BORROWINGS			10. TRADE PAYABLES		
SECURED :			1. Creditors for Goods including Acceptances (Refer Note No.33.16)	52675.66	50800.96
1. Debentures (Refer Note No.33.18)	0.00	135.32	2. Customer Credit balances	7487.15	6993.36
2. Term Loans :			3. Other Trade Payables	29990.35	23422.56
From Banks	161080.54	129930.92	4. Trade Deposits from Customers	8157.39	7435.34
From Others	12216.87	17838.93		<u>98310.55</u>	<u>88652.22</u>
Total Secured	<u>173297.41</u>	<u>147905.17</u>	11. OTHER CURRENT LIABILITIES		
UNSECURED :			1. Current maturities of long-term debt		
1. Term Loans :			SECURED:		
From Banks	0.00	11284.79	1. Debentures (Refer Note No. 33.18)	0.00	56.10
2. Others	50772.20	54022.35	2. Terms Loans:		
Total Unsecured Long term Borrowings	<u>50772.20</u>	<u>65307.14</u>	From banks	36940.42	22559.44
Total Long term Borrowings (Refer Note No.32 for Security Clause)	<u>224069.61</u>	<u>213212.31</u>	From others	5306.86	3278.82
			Total Secured	<u>42247.28</u>	<u>25894.36</u>
6. DEFERRED TAX LIABILITIES			UNSECURED:		
Liability on account of Depreciation (Net of Unabsorbed Depreciation)	36274.73	36194.44	From banks	11284.79	0.00
Asset arising on account of other timing differences	2600.44	2600.44	From others	4491.39	5534.60
Net Deferred tax liability	<u>33674.29</u>	<u>33594.00</u>	Total unsecured	<u>15776.18</u>	<u>5534.60</u>
7. OTHER LONG-TERM LIABILITIES			Total Current maturities of Long-Term Debt (Refer Note No. 32 for Security clause)	58023.46	31428.96
Capital Expenditure-Payable towards franchisee rights (Refer Note No. 33.20)	9828.00	10920.00	2. Interest accrued but not due on borrowings	3648.74	2953.47
Deposits	2396.77	2140.86	3. Other payables	640.77	443.49
Others	3808.47	1790.68	Creditors for Capital Goods (Refer Note No.33.20)	4498.11	6852.00
Total	<u>16033.24</u>	<u>14851.54</u>	Other Liabilities (Includes Payable to Directors Rs.Nil (Previous Year Rs.900 Lakhs)	28805.45	26404.49
8. LONG-TERM PROVISIONS			4. Investor Education and Protection Fund: (Appropriate amounts shall be transferred to the fund as and when due)		
(a) Provision for employee benefits			Unpaid dividends	122.89	98.68
Unavailed Leave (Refer Note No.33.25(b))	6341.39	6692.97	Unpaid matured deposits and interest accrued thereon	36.83	65.62
Gratuity - Unfunded	16.49	14.68		<u>95776.25</u>	<u>68246.71</u>
(b) Provision for Income Tax	1548.85	1235.92	12. SHORT-TERM PROVISIONS		
Total	<u>7906.73</u>	<u>7943.57</u>	Provision for Employee Benefits	26.72	39.63
CURRENT LIABILITIES (Note No. 9 to 12)			Proposed Dividend (Including Dividend distribution tax)	16.72	7202.98
9. SHORT-TERM BORROWINGS			Provision for Income Tax	0.02	336.58
1. Loans repayable on Demand (Secured):				<u>43.46</u>	<u>7579.19</u>
Cash Credit facilities from scheduled banks	47730.80	63266.19			
(The fund based and non-fund based working capital facilities are secured by a first charge on pari passu basis on all the current assets and second charge on the movable fixed assets and immovable properties of the Company).					
2. Other loans (Unsecured):					
Short-term Loans-Banks	10000.00	22660.30			
Short-term Foreign Currency Loans-Banks	10020.65	0.00			
Commercial Papers placed with Banks	0.00	1000.00			
	<u>67751.45</u>	<u>86926.49</u>			

CONSOLIDATED ACCOUNTS

NON-CURRENT ASSETS (Note No.13 to 15)

13. FIXED ASSETS

Rs.Lakhs

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK		
	As at 31st Mar-13	Additions 2013-14	Additions Previous Year	Deductions 2013-14	Deductions Previous Year	As at 31st Mar-13	For the Year 2013-14	For Deductions Previous Year	Deductions Previous Year	As at 31st Mar-14	As at 31st Mar-13
Tangible Assets:											
Land	90748.83	1441.14	(7738.66)	19.78	(71.86)	92170.19	0.00	0.00	0.00	92170.19	90748.83
Buildings	69823.73	3106.54	(6318.52)	24.20	(57.42)	72906.07	1741.52	(1605.26)	7.10	57565.56	56217.64
Railway Siding	13367.33	196.83	(809.37)	126.64	0.00	13437.52	625.72	(594.69)	94.59	8637.71	9088.65
Plant and Machinery including Electrical installations *	529435.83	38441.34	(11910.12)	5312.36	(1347.40)	562564.81	27567.95	(26686.96)	3356.13	323060.68	314143.52
Wind Electric Generators	7825.81	0.00	0.00	0.00	0.00	7825.81	295.75	(383.51)	0.00	2510.16	2805.91
Ships	33367.74	171.87	(8808.66)	12762.86	0.00	20776.75	1691.23	(3328.12)	8050.23	10720.77	16892.76
Furniture & Fixtures	2101.29	104.54	(155.73)	22.83	(8.44)	2183.00	123.94	(122.12)	6.43	1165.35	1201.15
Office Equipment and Computers	4774.31	371.38	(425.89)	218.47	(67.70)	4927.22	452.45	(441.00)	200.46	2075.48	2174.56
Vehicles #	3724.29	303.40	(482.35)	113.06	(233.43)	3914.63	415.72	(464.07)	59.71	1372.89	1538.56
Total Tangible Assets	755169.16	44137.04	(36649.00)	18600.20	(1786.25)	780706.00	32914.28	(33635.73)	11774.65	499278.79	494881.58
Intangible Assets:											
Franchise Rights (Refer Note No.33.20)	36400.00	0.00	0.00	0.00	0.00	36400.00	3640.00	(3640.00)	0.00	14250.85	17800.85
Computer Software and Licences	7942.87	1466.98	(1674.10)	0.00	0.00	9409.85	1186.07	(932.75)	0.00	5286.36	5005.45
Goodwill	2153.74	0.00	0.00	0.00	0.00	2153.74	0.00	0.00	0.00	2153.74	2153.74
Total Intangible Assets	46496.61	1466.98	(1674.10)	0.00	0.00	47963.59	4826.07	(4572.75)	0.00	21690.95	25050.04
Total Tangible and Intangible Assets	801665.77	45604.02	(38323.10)	18600.20	(1786.25)	828669.59	37740.35	(38208.48)	11774.65	520969.74	519931.62
Capital Work-in-Progress										11236.84	35582.28
Total										532206.58	555513.90

* Includes Rs.3160.83 lakhs of equipments on "right to use" basis, which is depreciated over its useful life (Previous year: Rs.3160.83 lakhs).

* Foreign currency translation difference capitalised during the year: Rs.1166.66 Lakhs (Previous year:Rs.1166.46 Lakhs).

During the year finance cost amounting to Rs.110.00 Lakhs has been capitalised (Previous year:Rs.1875.44 Lakhs).

Includes Vehicles purchased on Finance Lease.

CONSOLIDATED ACCOUNTS

	No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2014 Cost Rs. Lakhs	2013 Cost Rs.Lakhs		No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2014 Cost Rs. Lakhs	2013 Cost Rs.Lakhs
14. NON-CURRENT INVESTMENTS									
1. (A) Fully paid Equity Shares of Companies (Quoted):									
1 Associates:									
India Cements Capital Ltd.	10400000	10	2544.98	2544.98					
2 Other than Associates:									
Karur KCP Packagings Ltd.	996500	10	398.60	398.60					
The India Cements Ltd. (Held in Trust on behalf of subsidiaries)	19954024	10	16730.84	16730.84					
Servalakshmi Paper Limited	1693793	10	491.20	491.20					
			<u>20165.62</u>	<u>20165.62</u>					
(B) Shares of Companies - (Unquoted):									
(i) Associates:									
Fully paid Equity Shares:									
Raasi Cement Limited (net of provision)	239427	10	0.00	0.00					
Coromandel Sugars Ltd.	7000100	10	994.79	994.79					
Coromandel Travels Ltd.	990000	10	99.00	99.00					
Unique Receivable Management Private Ltd.	24600	10	2.46	2.46					
Debentures:									
Zero % Unsecured Convertible fully paidup Debentures of Coromandel Travels Ltd.	6531000	100	6531.00	6531.00					
Zero % Unsecured Convertible fully paidup Debentures of Coromandel Sugars Ltd.	3550000	100	3550.00	3550.00					
Associates - Total			<u>11177.25</u>	<u>11177.25</u>					
(ii) Other than Associates:									
Andhra Pradesh Gas Power Corporation Ltd.	5896000	10	4831.01	4831.01					
Jagati Publications Private Limited	1111110	10	4000.00	4000.00					
Carmel Asia Holdings Private Limited	190839	10	500.00	500.00					
PT Adcoala Energindo			8.72	9.61					
ICL Shipping Ltd	5000	10	0.50	0.50					
Coromandel Packaging Pvt Ltd. (Formerly Pulivendula Polymers Pvt Ltd.)	460000	10	46.00	46.00					
Senka Carbon Private Limited	6450	100	39.38	39.38					
TCP Limited	729752	10	556.02	556.02					
Sun Paper Mill Ltd	325200	10	32.52	32.52					
Other than Associates - Total			<u>10014.15</u>	<u>10015.04</u>					
(C) Government and Trustee Securities (Unquoted):									
National Savings Certificates			1.30	1.30					
Indira Vikas Patra Certificates			0.02	0.02					
			<u>1.32</u>	<u>1.32</u>					
(D) Other Investments Fully paid Shares of Co-operative Societies - Long-Term (Unquoted):									
The India Cements Employees Co-operative Stores Limited, Sankarnagar	2530	50	1.27	1.27					
The India Cements Employees Co-operative Stores Limited, Sankari West	5000	10	0.50	0.50					
The India Cements Mines Employees Co-operative Stores Limited, Sankari West	5300	10	0.53	0.53					
			<u>2.30</u>	<u>2.30</u>					
(E) Investments in Mutual Funds (Unquoted):									
Fearing Capital India Evolving Fund			384.50	384.50					
Grand Total (A + B + C + D + E)			41745.14	41746.03					
Less: Provision for diminution in value of Investments			0.00	0.00					
			<u>41745.14</u>	<u>41746.03</u>					
Adjustment as per Accounting Standard 23									
1. Increase / (Decrease) in Value Post Investment:									
Raasi Cement Limited			0.00	-5.98					
Coromandel Sugars Limited			3518.15	3809.36					
India Cements Capital Limited			-1386.57	-1391.94					
Coromandel Travels Limited			-99.00	-99.00					
			<u>2032.58</u>	<u>2312.44</u>					
2. Goodwill arising on Investment:									
Raasi Cement Limited			0.00	-666.81					
India Cements Capital Limited			234.69	234.69					
Unique Receivable Management Private Limited			-2.46	-2.46					
			<u>232.23</u>	<u>-434.58</u>					
Grand Total			<u>44009.95</u>	<u>43623.89</u>					
Note:									
Aggregate of Quoted Investments:									
Cost			19013.74	19008.37					
Market Value			14103.81	18626.99					
Aggregate of Unquoted Investments:									
Cost			24996.21	24615.52					

CONSOLIDATED ACCOUNTS

	2014	2013		2014	2013
	Rs.Lakhs	Rs.Lakhs		Rs.Lakhs	Rs.Lakhs
15. LONG-TERM LOANS AND ADVANCES			20. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)		
Unsecured and considered good:			Advance for goods	14082.12	20761.39
Capital Advances	74306.81	74742.73	Advance payment of Tax (net of provision)	4212.10	141.79
Loans and Advances to related parties (Refer Note No.33.5(a))	3129.52	5626.86	Prepaid Expenses	2191.72	829.26
Other Loans and Advances:			Other Advances - Net of provision		
Body Corporates (Refer Note No.33.5(a))	77839.02	72073.90	Rs.409 lakhs (Previous Year: Rs.409 lakhs)	38930.10	29129.48
Deposits	6920.87	6993.16	Deposits	49.22	28.59
Other (MAT Credit Entitlement)	1508.59	1236.54		<u>59465.26</u>	<u>50890.51</u>
Other recoverable in cash or in kind or for value to be received	3730.10	2790.11		2013-14	2012-13
Advance Tax & TDS Receivables	1621.26	1100.59		Rs. lakhs	Rs. lakhs
Secured:			21. REVENUE FROM OPERATIONS		
Housing Loan and other Loans to Employees	1122.75	906.72	Sales including Excise duty	538332.89	558089.71
	<u>170178.92</u>	<u>165470.61</u>	Sale of Energy & Recovery	10006.39	4315.63
			Sale of Services	0.00	0.00
CURRENT ASSETS (Note No.16 to 20)			Other Operating Revenues:		
16. CURRENT INVESTMENTS (QUOTED)			Trade Sales	807.20	597.84
Fixed Income Interval fund of Unit Trust of India	205.37	974.96	Freight Earnings - Shipping	6772.21	5857.43
Number of Units: 20144.95 (Previous year: 95636.56)			Value of Power Generated from Wind Farms	1321.55	1781.37
Face Value per Unit : Rs.1019.45 (Previous year: Rs.1019.45)			Income from Construction & Infrastructure Projects	1085.22	0.00
Market Value: Rs.205.37 lakhs (Previous Year: Rs.974.96 lakhs)			Income from Indian Premier league (Refer Note No.33.20)	16616.69	13662.57
17. INVENTORIES				<u>26602.87</u>	21899.21
Stores / Spares (including coal and packing material)	35223.04	32488.37	Revenue from Operations including Excise Duty	574942.15	584304.55
Raw Materials	6969.57	7600.48	Less : Excise Duty	-66466.60	-68357.77
Work-in-Process	860.77	848.43	Revenue from Operations	<u>508475.55</u>	<u>515946.78</u>
Semi-finished Goods	9666.12	7984.10	22. OTHER INCOME		
Finished Goods	6968.51	6376.03	Dividend Income	429.49	458.44
Construction & Infrastructure - Projects-in-progress	482.18	316.90	Interest Income	1138.28	1247.19
Stock-in-trade	45.08	0.00	Profit on Sale of Investments	0.00	0.00
	<u>60215.27</u>	<u>55614.31</u>	Other Non-operating Income:		
18. TRADE RECEIVABLES			Rent Recovery	29.90	31.20
Outstanding for more than six months	5275.40	4439.13	Profit on Sale of Assets	186.02	137.56
Less: Provision for doubtful debts	-490.33	-532.26	Foreign Exchange translation difference	60.38	32.19
Sub-total	4785.07	3906.87	Miscellaneous Income	585.24	475.82
Others	41387.46	45239.80		<u>2429.31</u>	<u>2382.40</u>
Total - Sundry Debtors, considered good (Net of security deposit Rs.28492.87 lakhs (As at 31 st March 2013 Rs.30399.81 lakhs)).	46172.53	49146.67	23. COST OF MATERIALS CONSUMED		
19. CASH AND BANK BALANCES			Raw Materials Consumed:		
a. Cash and Cash Equivalents			Opening Stock	7600.48	4465.36
Cash, cheques and stamps on hand	87.41	100.39	Add: Purchases	58682.65	56059.77
Cash at Scheduled Banks in Current Accounts	276.85	582.82	Add: Own Quarrying (Net) (Refer Note No. 33.6(a))	21668.13	20740.65
Fixed Deposits with Scheduled Banks [Includes Deposits from Public]	231.69	238.10		<u>80350.78</u>	76800.42
Total Cash & Cash Equivalent	595.95	921.31		87951.26	81265.78
b. Other Bank Balances			Less: Closing Stock	6969.57	7600.48
Earmarked Balances with banks for Unpaid Dividend	122.89	98.68	Raw Materials Consumed	<u>80981.69</u>	<u>73665.30</u>
	<u>718.84</u>	<u>1019.99</u>			

CONSOLIDATED ACCOUNTS

		2013-14		2012-13		2013-14		2012-13
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs		Rs. lakhs	Rs. lakhs	Rs. lakhs
24. (INCREASE) / DECREASE IN STOCK								
Opening Stock of:								
Work-in-Process	848.43		746.68					
Semi-finished Goods	7984.10		6190.12					
Finished Goods	6376.03		5192.89					
Construction & Infrastructure Projects-in-Progress	316.90	15525.46	0.00	12129.69				
Less: Closing Stock of:								
Work-in-Process	860.77		848.43					
Semi-finished Goods	9666.12		7984.10					
Finished Goods	6968.51		6376.03					
Stock-in-trade	45.08		0.00					
Construction & Infrastructure Projects-in-Progress	482.18		316.90					
		18022.66		15525.46				
Total (Increase) / Decrease in stock		<u>(2497.20)</u>		<u>(3395.77)</u>				
25. EMPLOYEE BENEFITS EXPENSE								
(a) Employees Other than Directors:								
Salaries, Wages and Bonus	27733.43		25436.80					
Contribution to Provident Fund	1166.24		1040.92					
Gratuity	1372.93		1080.69					
Superannuation	2327.45		1042.82					
Employees' Provident Fund Admn Charges	97.42		86.26					
Employees' State Insurance Scheme	11.65		43.60					
Workmen and Staff Welfare Expenses	4986.04		4953.78					
Unavailed leave (Refer Note No.33.25(b))	5.64		806.85					
Total - Employees other than Directors	<u>37700.80</u>		<u>34491.72</u>					
(b) Directors:								
Directors' Remuneration:								
Managing Director:								
Salary	360.00		360.00					
HRA	108.00		108.00					
Contribution to Provident Fund	43.20		43.20					
Contribution to Gratuity and Superannuation funds	69.00		69.00					
Commission	0.00		750.00					
Others	6.21	586.41	6.63	1336.83				
Wholetime Director:								
Salary	124.72		124.72					
HRA	36.00		36.00					
Contribution to Provident Fund	14.40		14.40					
Contribution to Gratuity and Superannuation funds	23.00		23.00					
Commission	0.00	198.12	150.00	348.12				
Directors' Remuneration - Total		<u>784.53</u>		<u>1684.95</u>				
Total - Employee benefits expense (a + b)		<u>38485.33</u>		<u>36176.67</u>				
(Managerial Remuneration subject to approval by the Central Government)								
26. FINANCE COSTS (NET)								
Interest Expense		25619.65		21517.77				
Other Borrowing Costs		10710.68		12482.81				
Loss on Foreign currency transactions / translations		4742.84		2907.37				
		<u>41073.17</u>		<u>36907.95</u>				
27. MANUFACTURING AND OTHER OPERATING EXPENSES								
Stores Consumed (Refer Note No. 33.6(a))		6031.69		5567.84				
Transit Mixer Expenses		2144.06		2166.68				
Power and Fuel	137104.78			134599.15				
Purchase of Concrete	21.29			117.57				
Generation Expenses	844.10			915.75				
Repairs & Maintenance:								
Building	73.00			59.67				
Machinery	6192.16			5940.19				
Others	5385.53			3323.66				
Total Repairs & Maintenance		11650.69		9323.52				
Agency and Port Charges - Shipping		103.15		129.23				
Trade Purchase		-225.58		572.01				
Excise Duty on stock adjustment		209.73		257.14				
		<u>157883.91</u>		<u>153648.89</u>				
28. ADMINISTRATION AND OTHER CHARGES								
Insurance		830.30		729.48				
Rent		610.47		553.31				
Rates and Taxes		832.69		790.85				
Printing and Stationery		272.65		277.21				
Postage, Telephones and Telegrams		512.63		417.63				
Other Administration Expenses		17700.12		21379.85				
Legal Fees		504.54		624.29				
Directors' Sitting Fees		12.10		10.52				
Auditors' Expenses:								
Audit Fees	90.45			88.89				
Cost Audit Fees	12.12			12.12				
Certifications / Others	19.98			21.52				
Tax Audit / Other Services	13.68			12.70				
Travel / out of pocket expenses	7.44	143.67		8.48	143.71			
Amortisation of Deferred Revenue Expenses (Refer Note No.33.19)		490.86		323.71				
Loss on sale of Assets		3278.60		108.87				
Provision for Doubtful Advances / Debtors (Net of old Balances written back - Rs.584.51 lakhs)		-396.66		365.24				
Provision for Doubtful Advances / Debtors - Opening balance	905.23			693.38				
Add: Additional provisions during the year	187.85			365.24				
	<u>1093.08</u>			<u>1058.62</u>				
Less: Bad debts / advances written-off during the year	201.15			153.39				
Provision for Doubtful Advances / Debtors - Closing balance	891.93			905.23				
		<u>24791.97</u>		<u>25724.67</u>				

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	2013-14 Rs.Lakhs	2012-13 Rs.Lakhs		2013-14 Rs.Lakhs	2012-13 Rs.Lakhs
29. SELLING AND DISTRIBUTION EXPENSES					
Packing Charges	22363.37	20374.44	Income or expenses accounted in		
Additional Sales Tax	268.45	284.46	Financial Statements attributable to		
Freight outwards	100299.49	96499.32	potential equity shareholders	0.00	0.00
Handling	10680.58	7654.62	Earnings - Diluted	B -24338.11	18802.30
Advertisement	3918.54	3021.68	No. of Shares:		
Others	11472.10	7648.57	No of Equity Shares of Rs.10/- each	307178657	307178657
	<u>149002.53</u>	<u>135483.09</u>	Weighted average No of equity shares	C 307178657	307178657
30. DONATIONS			No of Potential Equity Shares -	0	0
The India Cements Educational Society	400.00	400.00	Weighted average No of Potential		
Others	285.97	617.12	Equity Shares	0	0
	<u>685.97</u>	<u>1017.12</u>	Total weighted average no of shares -		
31. EARNINGS / LOSS PER SHARE (EPS)			Diluted	D 307178657	307178657
Earnings:			EPS:		
Earnings available to			Basic (Rs.)	A/C -7.92	6.12
Equity Shareholders - Basic	A -24338.11	18802.30	Diluted (Rs.)	B/D -7.92	6.12

32. SECURITY FOR SECURED BORROWINGS Break up of Debentures and Term Loans	Non-Current Portion		Current Maturities		Total		Last Instalment Due on	Principal Payable Frequency
	2014 Rs.Lakhs	2013 Rs.Lakhs	2014 Rs.Lakhs	2013 Rs.Lakhs	2014 Rs.Lakhs	2013 Rs.Lakhs		
SECURED:								
(a) Debentures:								
(i) 2385 Debentures of Rs.375,000/- each	0.00	30.41	0.00	13.22	0.00	43.63	Paid	
(ii) 7630 Debentures of Rs.500,000/- each	0.00	104.91	0.00	42.88	0.00	147.79	Paid	
TOTAL (i) and (ii)	<u>0.00</u>	<u>135.32</u>	<u>0.00</u>	<u>56.10</u>	<u>0.00</u>	<u>191.42</u>		
(b) Term Loans:								
From Banks:								
(i) IDBI Bank Ltd.	1114.64	2275.26	1411.15	954.13	2525.79	3229.39	31/03/2016	Quarterly
(ii) IDBI Bank Ltd.	581.04	1118.14	537.10	366.71	1118.14	1484.85	31/03/2016	Quarterly
(iii) IDBI Bank Ltd.	50.12	108.98	72.59	54.93	122.71	163.91	31/03/2016	Quarterly
(iv) IDBI Bank Ltd.	0.00	0.00	0.00	3057.25	0.00	3057.25	Paid	
(v) IDBI Bank Ltd.	50000.00	0.00	0.00	0.00	50000.00	0.00	01/09/2019	Monthly
(vi) Punjab National Bank	911.53	4265.51	3746.24	5020.94	4657.77	9286.45	30/06/2015	Monthly
(vii) Kotak Mahindra Bank	0.00	1222.22	1222.22	1333.33	1222.22	2555.55	25/02/2015	Monthly
(viii) Kotak Mahindra Bank	1916.67	2916.67	1000.00	1000.00	2916.67	3916.67	04/02/2017	Monthly
(ix) Kotak Mahindra Bank	6513.60	6513.60	0.00	0.00	6513.60	6513.60	24/07/2015	Bullet
(x) Kotak Mahindra Bank	1283.57	2990.08	1712.07	1534.32	2995.64	4524.40	23/11/2015	Monthly
(xi) Kotak Mahindra Bank	1958.33	0.00	500.00	0.00	2458.33	0.00	21/02/2019	Monthly
(xii) Axis Bank Ltd	2500.42	11667.09	833.00	0.00	3333.42	11667.09	31/03/2017	Quarterly
(xiii) Axis Bank Ltd	0.00	2321.57	2321.57	2321.57	2321.57	4643.14	07/12/2014	Yearly
(xiv) Axis Bank Ltd	17500.00	10000.00	2000.00	0.00	19500.00	10000.00	30/06/2016	Quarterly
(xv) ICICI Bank	26145.00	31374.00	5229.00	0.00	31374.00	31374.00	07/11/2019	Half Yearly
(xvi) ICICI BANK	9090.91	16363.60	0.00	3636.40	9090.91	20000.00	30/09/2018	Quarterly
(xvii) IDBI Bank	19444.44	22500.00	5555.56	0.00	25000.00	22500.00	31/03/2018	Monthly

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32. SECURITY FOR SECURED BORROWINGS (Contd.)

Break up of Debentures and Term Loans	Non-Current Portion		Current Maturities		Total		Last Instalment Due on	Principal Payable Frequency
	2014 Rs.Lakhs	2013 Rs.Lakhs	2014 Rs.Lakhs	2013 Rs.Lakhs	2014 Rs.Lakhs	2013 Rs.Lakhs		
(xviii) KARNATAKA BANK	4750.00	0.00	3750.00	0.00	8500.00	0.00	30/06/2016	Quarterly
(xix) HDFC BANK	6250.00	0.00	3750.00	0.00	10000.00	0.00	30/06/2016	Quarterly
(xx) HDFC Bank	2.04	10.18	8.14	8.14	10.18	18.32	05/06/2015	Monthly
(xxi) Bank of Baroda	0.00	0.00	75.98	55.92	75.98	55.92	30/11/2014	Yearly
(xxii) Axis Bank Ltd	3745.29	4816.72	1071.42	1071.42	4816.71	5888.14	01/07/2018	Quarterly
(xxiii) UCO Bank	3000.00	3857.13	857.15	857.15	3857.15	4714.28	01/07/2018	Quarterly
(xxiv) Yes Bank Ltd	4250.00	5464.29	1214.29	1214.29	5464.29	6678.58	01/07/2018	Quarterly
(xxv) IDBI Bank	72.94	145.88	72.94	72.94	145.88	218.82	31/03/2016	Quarterly
Total - Secured Loans from Banks	161080.54	129930.92	36940.42	22559.44	198020.96	152490.36		
From Others:								
(xxvi) IFCI Ltd.	0.00	36.16	0.00	17.71	0.00	53.87	Paid	
(xxvii) Housing Development Finance Corporation Ltd.	0.00	6827.00	0.00	2004.00	0.00	8831.00	Paid	
(xxviii) L&T Infrastructure Finance Company Limited	2500.91	5832.91	832.00	0.00	3332.91	5832.91	24/11/2015	Quarterly
(xxix) Aditya Birla Finance Limited	2501.67	0.00	3332.00	0.00	5833.67	0.00	24/11/2015	Quarterly
(xxx) IDFC Ltd.	3714.29	5142.86	1142.86	1142.86	4857.15	6285.72	01/07/2018	Quarterly
(xxxi) IDFC Ltd.	0.00	0.00	0.00	114.25	0.00	114.25	Paid	
(xxxii) Housing Development Finance Corporation Ltd.	3500.00	0.00	0.00	0.00	3500.00	0.00	28/03/2017	Bullet
Total Secured Loans from Others	12216.87	17838.93	5306.86	3278.82	17523.73	21117.75		
Total Secured Long-term borrowings	173297.41	147905.17	42247.28	25894.36	215544.69	173799.53		
UNSECURED:								
From Banks								
(i) HDFC Bank Ltd	0.00	1284.79	1284.79	0.00	1284.79	1284.79	24/12/2014	Bullet
(ii) JP Morgan Chase Bank NA	0.00	10000.00	10000.00	0.00	10000.00	10000.00	13/09/2014	Bullet
Total Unsecured Term Loan from Banks	0.00	11284.79	11284.79	0.00	11284.79	11284.79		
From Others								
(iii) Interest free Sales Tax Deferral Loans/Others	50437.23	53647.74	4275.48	4964.44	54712.71	58612.18	12 to 14 Years	Monthly
(iv) Deposits from Public	334.97	374.61	215.91	570.16	550.88	944.77	Various Dates	
Total Unsecured Term Loan from Others	50772.20	54022.35	4491.39	5534.60	55263.59	59556.95		
Total Unsecured Long-term borrowings	50772.20	65307.14	15776.18	5534.60	66548.38	70841.74		
Total Long-term Liabilities & Current Maturities	224069.61	213212.31	58023.46	31428.96	282093.07	244641.27		

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32. SECURITY FOR SECURED BORROWINGS (Contd.)

SECURITY CLAUSE

(b) Term Loans:

1. Items (b) (i) and (b) (ii) are secured by first equitable mortgage and charge on pari passu basis (with other Lenders / Debenture Trustees) on the immovable and movable assets (with exclusion of assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security), subject to prior charge created and / or to be created on the movable assets in favour of the Company's bankers for working capital requirements. Further loan mentioned in (b) (i) carry an option for conversion into equity shares at par not exceeding 20% of the sanctioned loan / outstanding loan in the advent of certain events and subject to conditions.
2. Item (b) (iii) is secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
3. Item (b) (v) is initially secured by first charge on the land situated at Vallur Village, Tiruvallur District, belonging to a subsidiary company and to be secured by way of first exclusive mortgage / charge on certain specified cement plant / assets of the Company.
4. Item (b) (vi) is secured by a first pari passu charge (with other Lenders / Debenture Trustees) on the movable and immovable fixed assets of the Company save and except book debts and subject to prior charges created / to be created in favour of the Company's bankers on its current assets for securing the borrowings for working capital requirements.
5. Items (b) (vii), (b) (viii) and (b) (xi) are secured by way of exclusive first charge on the immovable properties of the Company being the land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai.
6. Item (b) (ix) is secured by way of first charge on the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
7. Item (b) (x) is secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 142/1 (Old No.93), Santhome High Road, Chennai, by way of extension and further secured by the movable assets pertaining to ship / vessel MV Chennai Selvam and all the ten shares of vessel MV Chennai Selvam.
8. Items (b) (xii), (b) (xxviii) and (b) (xxix) are secured by way of hypothecation of movable fixed assets of the Company's plant at Vishnupuram, Nalgonda District excluding the movable assets of thermal power plant and further secured by a first pari passu mortgage and charge on the immovable properties of the Company.
9. Item (b) (xiii) is secured by a pari passu charge on all the movable assets of the Company excluding the current assets and movable assets at Chennai and Parli grinding units and further secured by a joint first equitable mortgage / charge on the immovable properties excluding immovable properties of Chennai and Parli grinding units of the Company.
10. Item (b) (xiv) is secured by way of hypothecation of the movable fixed assets of the proposed thermal power plant of the Company at Vishnupuram, Nalgonda District, Andhra Pradesh.
11. Item (b) (xv) is secured by way of hypothecation of the movable fixed assets of the Company's captive power plant at Vishnupuram and further secured by a joint first equitable mortgage and pari passu charge on the immovable properties of the Company.
12. Item (b) (xvi) is secured by way of hypothecation of all movable properties on pari passu basis subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements and further secured by a joint first equitable mortgage and pari passu charge on the immovable properties of the Company.
13. Item (b) (xvii) is secured by exclusive charge on the land situated at Vallur Village, Tiruvallur District, belonging to a subsidiary company.
14. Item (b) (xviii) and (b) (xix) are secured by joint equitable mortgage on the land and building situated at No.9, Boat Club Road, Ill Avenue, R.A. Puram, Chennai.
15. Items (b) (xx) and (b) (xxi) are secured by hypothecation / pledge of fixed assets and fixed deposit respectively.
16. Items (b) (xxii), (xxiii), (xxiv) and (xxx) Term loans are secured in favour of Axis Trustee Services Limited, the Security Trustee for the lenders, namely Yes Bank Limited, UCO Bank, Axis Bank Limited and Infrastructure Development Finance Corporation Limited by hypothecation of Company's movable properties, both present and future, including current assets, movable machinery, machinery spares, tools and accessories, tangible and intangible assets of the Company, subject to prior charges on current assets created / to be created in favour of Company's bankers for securing the working capital facilities and further secured by a first pari passu charge on all the fixed assets of the Cement plant at Banswara, Rajasthan, pledge of shares held by Promoters and Corporate Guarantee from The India Cements Limited.
17. Item (b) (xxv) is secured by a first equitable mortgage on pari passu basis of the immovable properties of the Company situated at Valantheravai, Ramanathapuram Taluk, Tamil Nadu. They are also secured by first charge by way of hypothecation of the movable properties of the Company, present and future, subject to prior charge created / to be created in favour of the Company's Bankers for Working capital facilities.
18. Item (b) (xxxii) is secured by charge on the land situated at Naranammalpuram Village, Tirunelveli, Tamilnadu and corporate guarantee from The India Cements Limited.

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	2014 Rs.Lakhs	2013 Rs.Lakhs		2014 Rs.Lakhs	2013 Rs.Lakhs
33.1 Estimated amounts of contracts for Capital Expenditure and Commitments	5020.79	5143.46	payable towards the said period. The Company will continue to pursue the legal action for resolution of the dispute but as a prudent measure created a provision for the entire amount of demand for the period 2010 to 2013 in the financial statements.		
33.2 Monies for which the Company is contingently liable:					
a Outstanding Letters of Credit Opened By Bankers	2556.10	5724.42		0.00	1363.57
b Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates)	59001.51	53930.50	c. Other claims against the Company not acknowledged as Debts.	25947.33	23715.28
c Sales Tax demands for various years under dispute	1734.78	1463.48	33.4 Building includes purchase of flats on leasehold lands for which the documents of title are yet to be executed in favour of the Company.	11.13	11.13
d Contingent Liability pertaining to Raasi Cement Limited (Residuary Company) for Sales Tax, Central Excise and Income Tax	2272.81	2272.81	33.5 Loans and Advances:		
e Contingent Liability on account of CENVAT Cases and Others	50842.70	49366.65	a. Advances include advances to Associates and others which are in the nature of strategic Long Term investments in Cement, Sugar, Shipping etc. Though these investments are in cyclical industries, having regard to intrinsic value of such investments, the management, is of the opinion that these advances will realise values stated in the long term. The Company, however as a prudent measure has created a Contingency Reserve in the earlier years to the extent of Rs.200.00 Crores for any possible under recovery of these advances.	72366.13	70796.01
33.3 Claims against the Company not acknowledged as debts:			b. Advances include disputed Cenvat / Sales Tax Claims pending in different stages of appeal. Management is of the opinion that these are recoverable at values stated.	803.52	715.57
a. The Competition Commission has imposed a penalty of Rs.187.48 Crores on the Company (as well as other companies) based on complaint filed by the Builders Association of India alleging cartelization and abuse of dominance. The Company has appealed against the order before the "Competition Appellate Tribunal" which in its interim order dated 17/05/2013 directed the Company to pay 10% of the penalty. The Company has accordingly paid a sum of Rs.18.75 Crores and the same is included under advances. The Company, based on external expert legal advice, believes no provision in the accounts is considered necessary.	18748.00	18748.00	33.6 (a) Raw Materials consumed: Own Quarrying includes:		
b. The Company has received demands for fuel surcharge adjustment (FSA) from various Andhra Pradesh Electricity Distribution Companies (DISCOMS) pursuant to clause 45B of the Andhra Pradesh Electricity Regulatory Commission (Conduct of Business Amendment) Regulations 2003, (FSA Regulations). The levy has been subject matter of challenge ever since the DISCOMS made their claim in the year 2010 in respect of the period 2008-2009 onwards. The challenge with respect to the 2008-2009 and 2009-2010 were initially accepted by a single judge of the Andhra Pradesh High Court and the appeals filed by state undertakings with respect to the year 2008-2009 and 2009-2010 is currently pending before the Supreme Court and a full bench of Andhra Pradesh High Court respectively. With respect to the levy for the year 2010-2011 and 2011-2012, no stay has been granted against the levy and collection of the FSA charges. The Company has made a payment aggregating to Rs. 51.64 crores till March 31, 2014 towards FSA charges for the period 2010-2013 and the same has been shown under Advances. There is an outstanding amount of Rs.17.79 crores			(i) Salaries & Wages	1908.84	1786.39
			(ii) Stores Consumed	3990.16	3030.35
			(iii) Royalty	7616.18	7761.51
			(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	19131.13	16321.87
			33.7 Repairs and Maintenance includes Stores & Spares.	6127.26	5916.14
			33.8 Detailed quantitative information of goods manufactured during the Report Period (including inter company transactions):		
			1. CEMENT:		
			(a) Installed capacity in Tonnes	15550000	15550000
			(b) Production in Tonnes	11022499	11078025
			(c) Sales – Quantity in Tonnes - Cement	11006149	11054106
			Quantity in Tonnes - Clinker	273236	129415
			Sales – Value of Cement (Gross)	514852.90	547103.05
			Value of Clinker	7405.42	3136.29
				522258.32	550239.34
			(d) Opening Stock of Cement produced in Tonnes	188677.19	164758
			Value	6376.03	5192.89
			(e) Closing Stock of Cement produced in Tonnes	205027.84	188677.19
			Value	6894.99	6376.03

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		2014	2013		2014	2013
		Rs.Lakhs	Rs.Lakhs		Rs.Lakhs	Rs.Lakhs
2. CALCIUM CARBIDE:						
(a) Licenced Capacity	(Tonnes)	10000	10000			
(b) Installed Capacity	(Tonnes)	12500	12500			
(c) Production		-	-			
(d) Opening Stock of Finished Goods						
	(Tonnes)	36	36			
Value	(Rs.Lakhs)	7.88	7.88			
(e) Closing Stock of Finished Goods						
	(Tonnes)	36	36			
Value	(Rs.Lakhs)	7.88	7.88			
3. READY MIX CONCRETE:						
(a) Installed Capacity	(Cu.m)	1260000	1260000			
(b) Production	(Cu.m)	337026	343606			
(c) Purchase	(Cu.m)	831	4485			
(d) Sales - quantity	(Cu.m)	337857	348091			
(e) Sales - value	(Rs.Lakhs)	12197.55	12274.98			
(f) Opening Stock of Finished Goods						
	(Cu.m)	-	-			
Value	(Rs.Lakhs)	-	-			
(g) Closing Stock of Finished Goods						
	(Cu.m)	-	-			
Value	(Rs.Lakhs)	-	-			
4. TEXTILES:						
(a) Opening Stock of Home Textiles Produced	(Pieces)	16159	16579			
Value	(Rs.Lakhs)	106.81	76.39			
(b) Closing Stock of Home Textiles Produced	(Pieces)	16204	16159			
Value	(Rs.Lakhs)	104.58	106.81			
(c) Opening Stock of Fabrics	(Pieces)	4622	4109			
Value	(Rs.Lakhs)	10.52	5.50			
(d) Closing Stock of Fabrics	(Pieces)	4958	4622			
Value	(Rs.Lakhs)	13.26	10.52			
(e) Sales Quantity Home Textiles	(Pieces)	2129	3138			
Value	(Rs.Lakhs)	8.27	8.17			
(f) Sales Quantity Yarn	(Kgs)	-	-			
Value	(Rs.Lakhs)	-	-			
(g) Sales Quantity Fabrics	(Meters)	-	138			
Value	(Rs.Lakhs)	-	0.02			
(h) Non Textiles	(Nos.)	1512	2240			
Value	(Rs.Lakhs)	47.99	38.32			
5. ELECTRICITY:						
(a) Installed Capacity	(M.W)	26.19	26.19			
(b) Generation - Units in Lakhs KWH		2066.62	1951.57			
(c) Opening Stock of Finished Goods						
	(Units in Lakhs KWH)	-	-			
Value	(Rs.Lakhs)	-	-			
(d) Closing Stock of Finished Goods						
	(Units in Lakhs KWH)	-	-			
Value	(Rs.Lakhs)	-	-			
(e) Sales - Units in Lakhs KWH		2037.94	1924.76			
Value	(Rs.Lakhs)	11906.18	9253.24			
33.9 Value of Import on CIF basis:						
(a) Raw Materials		3413.94	2745.27			
(b) Fuel		73994.51	48469.52			
(c) Spare Parts and Components		359.95	224.22			
(d) Capital goods		0.00	187.05			
(e) Textiles		45.22	48.27			
33.10 Earnings in Foreign Exchange:						
Export						
Cement - Quantity in Tonnes		71859	24545			
- Value		2892.76	824.53			
Clinker - Quantity in Tonnes		227460	-			
- Value		6273.62	-			
Voluntary Emission Reduction (VER)		-	47.46			
33.11 Expenditure in Foreign Currency:						
Legal & Consultancy Charges		49.66	263.90			
Travel Expenses and others		149.88	190.19			
Indian Premier League - payments to foreign players / others		3732.43	3046.21			
33.12 Remittances in Foreign Currency:						
Final Dividend on account of GDS:						
No. of shareholders		1	1			
No. of shares		8707572	9052244			
Amount remitted (Rs.Lakhs)		174.15	181.04			
Year to which it pertains		2013	2012			
Final Dividend on account of GDR:						
No. of shareholders		1	1			
No. of shares		741315	2620914			
Amount remitted (Rs.Lakhs)		14.83	52.42			
Year to which it pertains		2013	2012			
33.13 Details of imported and indigenous materials consumed during the year:						
Raw materials:						
Imported		5035.41	4257.22			
Indigenous		75946.28	69408.08			
Total		80981.69	73665.30			
Percentage to Total Consumption:						
Raw materials:						
Imported		6.22%	5.78%			
Indigenous		93.78%	94.22%			
Total		100.00%	100.00%			
Spare Parts and Components:						
Imported		498.94	325.75			
Indigenous		1812.95	1869.84			
Total		2311.89	2195.59			
Percentage to Total Consumption:						
Spare Parts and Components:						
Imported		21.58%	14.84%			
Indigenous		78.42%	85.16%			
Total		100.00%	100.00%			
33.14 Details of Raw Materials consumed:						
Quantity in Tonnes:						
Limestone		12255047	12102617			
Gypsum		590011	602480			
Others		2721953	2736371			
Value:						
Limestone		27515.02	24095.99			
Gypsum		8781.81	9623.93			
Others		37934.68	32213.68			
Freight on Inter Unit Transfer of Clinker		6750.18	7731.70			
Total		80981.69	73665.30			

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- 33.15 The Company had opted for the "Tonnage Tax Scheme" under the Income Tax Act, 1961 in the financial year 2007-08 and has opted out of the said scheme with effect from the financial year 2008-09. The condition for utilizing the Reserve under The Income Tax Act, 1961 has been fulfilled by acquiring a ship during the year 2012-13.
- 33.16 As at Balance Sheet date, amounts aggregating to Rs.NIL are due to Micro, Small and Medium Enterprises and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.
- 33.17 Scheme of Amalgamation of Jubilee Cements Limited with Trishul Concrete Products Limited.
- Pursuant to the Order passed by the Honourable High Court of Judicature at Madras on 15th February 2012, the entire undertaking and business of Jubilee Cements Limited (Transferor company) was transferred and vested with Trishul Concrete Products Limited (Transferee company) effective 1st October 2011, being the appointed date fixed in the Scheme of Amalgamation.
- In accordance with Para 7 of the Scheme, the Transferor company's net assets were recorded at fair value under Purchase method of accounting as per the Accounting Standard 14 (Accounting for Amalgamations). Further, as envisaged in the Scheme, 2,50,000 fully paid up equity shares of Rs.10/- each of the Transferee company were allotted to the shareholders of the Transferor company.
- After accounting for the assets and liabilities and the allotment of equity share capital, as above, the surplus arising on amalgamation amounting to Rs.805.03 lakhs was credited to General Reserves.
- The Financial Statements of the Company for the year 2011-12 include the transactions of the Transferor Company for the period from 1st October 2011.
- 33.18 Note on Debt Restructuring:
- The Corporate Debt Restructuring (CDR) Cell formed by the Reserve Bank of India approved a Debt Restructuring proposal for all debts other than public deposits with effect from 01.01.2003.
 - Pursuant to the said CDR Scheme, the lenders are eligible to claim Right of Recompense (ROR). The Company has paid an amount of Rs. 57.12 crores as ROR including fees to IDBI Bank (monitoring institution) and exited from CDR Scheme. The said sum of Rs.57.12 crores has been debited to the Profit and Loss Account as extraordinary item of expenditure.
- 33.19 Recognition of Foreign Currency Fluctuations:
- Long Term Monetary Liability pursuant to the notification issued by the Ministry of Corporate Affairs dated 29th December 2011 on Accounting Standard 11, the Company has opted to
 - capitalize the exchange gain / loss on the loans against purchase of fixed assets after the same has been put to use, and depreciated over the balance life of the asset.
 - Exchange loss other than those attributable to capital assets amounting to Rs.479.82 lakhs (as on 31st March 2013:Rs.479.75 lakhs), has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.490.86 Lakhs (as on 31st March 2013:Rs.323.71 Lakhs) has been amortized during the year (included in Administration and other charges) and the balance of Rs.1,032.94 Lakhs will be amortized over the remaining period of the liability.
- b) Short Term Monetary Liability:
- Exchange gain/loss on short term monetary liability is continued to be credited/debited to the Statement of Profit & Loss.
- 33.20 The Company has as part of the initiatives to promote corporate image and its brands participated in the editions of IPL T/20 tournaments with its team "The Chennai Super Kings". The right to operate the franchise has provided a platform to build corporate and brand image as a pan India company.
- The consideration to operate the franchise, aggregating to USD 91 Million is payable over a period of 10 years in equal installments commencing from 2008.
- As per the agreement, BCCI-IPL will share its income from the sale of media rights and sponsorship income with all the franchisees. In addition to the Central revenue as mentioned above the franchisee will also have local revenue like gate collections, team sponsorships, uniform sponsors etc. The revenue from operating the franchise is grouped under Revenue from Operations. Currently, the Company is following a policy of accounting for all the expenditure and revenue associated with IPL related operation upon commencement of each Season.
- The costs involved in operating the franchise like remuneration to the players, travelling and accommodation expenses, advertisements, promotions, etc. are accounted in accordance with the Generally Accepted Accounting Principles. The expenses are grouped under the natural heads of accounts.
- The Company capitalized the entire franchisee fee payable to BCCI-IPL as a "Franchise Right" under Intangible Asset. Considering the revenue by operating the franchise and the potential cash flows arising therefrom the "Franchise Right" is being amortized over a period of 10 years. The amount payable to BCCI towards the same, in the next 12 months from the date of Balance Sheet is grouped under Creditors for Capital Goods under Current Liabilities and payable after 12 months from the date of Balance Sheet is grouped under Non-Current Liabilities.
- 33.21 Pending finalisation of ongoing negotiations with various Banks / Financial Institutions, the claims towards Interest / Penal interest by Banks / Financial Institutions are under negotiation for waiver, amount not determinable.
- 33.22 Related Party Disclosures:
- A. Names of the related parties and the nature of the relationship:
- Associate Companies:
 - Raasi Cement Limited
 - Coromandel Sugars Limited
 - India Cements Capital Limited
 - Coromandel Travels Limited
 - Unique Receivable Management Pvt. Limited
 - Key Management Personnel (KMP):
 - Sri N. Srinivasan – Vice Chairman & Managing Director
 - Smt. Rupa Gurunath – Wholetime Director
 - Relative of KMP, having transactions with the Company:
 - Smt. Chitra Srinivasan – Director

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	2014 Rs.Lakhs	2013 Rs.Lakhs
B. Transactions with Associate Companies:		
Associates:		
Sale of Goods	100.00	23.19
Receiving of Services	1,227.18	1,136.19
Interest on Advances	339.53	197.53
Guarantees Outstanding at the year end	14,576.00	14,848.25
Outstanding balance included in current assets	3129.48	5,419.40
C. Transactions relating to persons mentioned in A (ii) above:		
Remuneration	779.81 *	1680.23
Dividend paid during the year	9.28	9.28
Total	789.09	1689.51
* subject to approval by the Central Government.		
D. Transactions relating to persons mentioned in A (iii) above:		
Directors' Sitting Fee	0.80	0.40
Dividend paid during the year	1.57	1.57
Total	2.37	1.97
33.23 Details of Loans and Advances given to Associates:		
A. Loans and Advances to Associates:		
(i) Rate of Interest:		
Coromandel Sugars Ltd.	8%	8%
India Cements Capital Ltd.	8%	8%
Unique Receivable Management Pvt. Ltd.	Nil	Nil
Coromandel Travels Ltd.	Nil	Nil
(ii) Balance as at the end of the year:		
Coromandel Sugars Ltd.	1036.04	3356.48
India Cements Capital Ltd.	2093.44	2062.92
Total	3129.48	5419.40

(iii) Maximum Balance during the year:

	2014 Rs.Lakhs	2013 Rs.Lakhs
Coromandel Sugars Ltd.	11356.54	3799.64
India Cements Capital Ltd.	2093.44	2062.92
Total	13449.98	5862.56

Notes:-

- Loans to Employees as per Company's policy are not considered.
- Pursuant to the Scheme of Amalgamation approved by the Honourable High Court of Judicature at Madras, the Company has issued equity shares to the Shareholders of Visaka Cement Industry Limited [Visaka]. As per the said Order 199.54 lakh shares of the Company have been allotted in aggregate, to the subsidiaries in exchange for their shares of Visaka and the same are held in a Trust on their behalf.

- 33.24 (a) During the year, one of the subsidiary Company has paid a sum of Rs.6.52 Crores towards demand raised by Asst. Commissioner, Customs, Tuticorin for differential duty amount for import of certain equipments during the years 2004 & 2005. This payment was under protest. The differential duty claimed by the department is on account of treating the equipment used as Captive Power plant. The eligible CENVAT on the entire CVD was claimed by the captive user as per regulations and the asset has been appropriately adjusted with consequential changes to depreciation.
- (b) An amount of Rs.5.72 Crore was also paid under protest to the Asst. Commissioner, Customs, Tuticorin, towards interest on delayed payment of differential duty. The demand is being contested by the Company and the matter is pending before Hon'ble Supreme Court.

33.25 Employee Benefits:

The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Accounting Standard 15 issued by ICAI, are as under:

(a) Contribution to Pension Funds:

The Company offers pension plans for managerial grade employees and wholtime Directors. While some of the employees are eligible for Defined Benefit Plan of Pension, others are eligible for Defined Contribution Plan of Pension. The Defined Benefit Plans of Pension are managed by Life Insurance Corporation of India and the provision has been made on the basis of actuarial valuation.

The estimated aggregate value of Pension liability, discounted @ 9% p.a., under the Defined Benefit Plans as at 31st March 2014,

CONSOLIDATED ACCOUNTS

are Rs.6096.71 Lakhs (as at 31st March 2013, are Rs.5412.74 Lakhs) as per the details given below:

Defined Benefit Scheme:

	2013-14	2012-13
	Rs.Lakhs	Rs.Lakhs
Opening balance as per actuarial valuation	5412.73	4789.13
Add: Interest income / differential interest due to change in discount rate during the year	0.00	0.00
Less: Settlements during the year	436.00	239.69
Sub-total	4976.73	4549.44
Add: Provision created during the year	1119.98	863.30
Closing Balance as on 31 st March	6096.71	5412.74
Assumptions:		
Discount rate	9.00%	8.00%
Salary escalation rate	2.00%	2.00%
Average age	49 yrs.	48 yrs.
Average accrued service	15 yrs.	14 yrs.
Annuity rates for pension computation	Rates applicable for 15 years certain and life thereafter, with return of corpus.	

Defined Contribution Scheme:

Amount charged to Statement of Profit & Loss during the year	301.21	362.93
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(b) Leave of absence and encashment:

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Accounting Standard 15. The total amount of provision available for the unavailed leave balances as at 31st March 2014 is Rs.6341.39 Lakhs (as at 31st March 2013 : Rs.6692.97 Lakhs). Liability has been created based on actuarial valuation done during the year, with the Discount rate of 9%.

(c) Gratuity:

The employees are eligible for Gratuity benefits as per the Payment of Gratuity Act, 1972. The Gratuity Scheme is governed by a Trust created for this purpose by the Company. The amount of contribution to be made is arrived at based on an actuarial valuation done at the Balance Sheet date, as given below and is accounted accordingly.

	2013-14	2012-13
	Rs. Lakhs	Rs. Lakhs
Opening balance as per actuarial valuation	4529.45	3673.33
Add: Interest income during the year	145.45	180.00
Less: Settlements during the year	853.33	423.50
Sub-total	3821.57	3429.83
Add: Provisions created during the year	1391.94	1099.62
Closing Balance as per actuarial valuation	5213.51	4529.45
Assumptions:		
Discount rate	9.00% p.a.	8.00% p.a.
Salary escalation rate	2.00% p.a.	2.00% p.a.
Average age	53 years	52 years
Average accrued service	27 years	26 years

33.26 Note on Waste Heat Recovery Project:

The Company during the year 2004-05 commissioned the Waste Heat Recovery project at Vishnupuram Plant as per the MOU signed by the Company with New Energy Development Organisation (NEDO), Japan, Ministry of Commerce and Industry, Government of India. As per the MOU, the necessary equipment has been provided to the Company free of cost by the Government of Japan through Government of India. The value of the equipment and concessional import duty thereon under EPCG Scheme have been capitalised and treated as Deferred Income in the accounts. The depreciation on the value of the equipment is adjusted against the Deferred Income.

33.27 Accounting for investments in Associates (the description and proportion of ownership of which are given below) has been done in line with Accounting Standard 23, based on unaudited accounts of Associates of the current year.

Consolidation method adopted:

The Consolidated Financial Statements have been prepared combining the accounts of The India Cements Limited along with below mentioned subsidiaries on a line by line basis as required by AS-21. The minority interest is shown separately.

Name of the Subsidiary Company	2014 % of Ownership	2013 % of Ownership
ICL Securities Ltd.	100.00	100.00
ICL Financial Services Ltd.	100.00	100.00
ICL International Ltd.	100.00	100.00
Industrial Chemicals & Monomers Ltd.	98.59	98.59
Trishul Concrete Products Ltd.	88.47	88.47
PT Coromandel Mineral Resources, Indonesia	100.00	100.00
Trinetra Cement Ltd. (Formerly Indo Zinc Ltd.)	61.22	61.22
Coromandel Mineral Pte Ltd., Singapore	100.00	100.00
Coromandel Electric Company Ltd.	65.71	65.71
India Cements Infrastructures Ltd.	100.00	100.00

Accounting for investments in Associates (the description and proportion of ownership of which are given below) has been done in line with Accounting Standard 23, based on unaudited accounts of Associates of the current year.

Name of the Associate Company	2014 % of Ownership Directly or Through Subsidiaries	2013 % of Ownership Directly or Through Subsidiaries
Raasi Cement Limited	28.95	28.95
Coromandel Sugars Ltd.	49.99	49.99
India Cements Capital Ltd.	47.91	47.91
Coromandel Travels Ltd.	49.50	49.50
Unique Receivable Management Pvt. Ltd.	49.20	49.20

As per our Report of 12th November, 2014

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
V.SWAMINATHAN
Partner
Membership No. 22276

For BRAHMAYYA & CO.,
Chartered Accountants
N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
Vice Chairman & Managing Director
R.SRINIVASAN
President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director
G.BALAKRISHNAN
Senior President &
Company Secretary

N.SRINIVASAN
Director

Place : Chennai

Date : 12th November, 2014

33.28 The Primary Segment of the Company is Cement and Other Segments are below the required reportable levels as per the Accounting Standard 17.

33.29 Consequent to suspension of operations of Industrial Chemicals and Monomers Limited, the Company has been evaluating the options of either operation of the Company or its sale. In the meanwhile, all the assets of the Company are carried at book value and not at reinstated value. The Management is of the view that these assets will realise the values stated therein.

33.30 The accounting policies adopted by the holding Company have been applied from the financial year 2001-2002. It is not practicable to apply the standards for the earlier years.

33.31 General Permission for exemption from disclosure of foreign exchange earnings and expenditure with regard to shipping operations has been issued by the Government of India.

33.32 The Board of Directors have approved a Scheme of Amalgamation and Arrangement between Trinetra Cement Limited and Trishul Concrete Products Limited (Transferor Companies) with the Company and its Shareholders under Sections 391 to 394 of the Companies Act, 1956 (or such applicable provisions of the Companies Act, 2013). The Financial Statements have been prepared without giving effect to, pending approval of the said Scheme by SEBI, Honourable High Court of Madras, and other Regulatory Bodies.

33.33 Previous year's figures have been regrouped wherever necessary.



THE INDIA CEMENTS LIMITED

CIN : L26942TN1946PLC000931

Registered Office : "Dhun Building", 827, Anna Salai, Chennai - 600 002.

Corporate Office: 'Coromandel Towers', 93, Santhome High Road,
Karpagam Avenue, R.A.Puram, Chennai - 600 028.

Website: www.indiacements.co.in E-Mail ID: investor@indiacements.co.in

Phone: 044-28521526 / 28572100 / 400 Fax: 044-28517198

PROXY FORM

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No./DP ID & Client ID :

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

1. Name : Address :
E-mail Id : Signature : or failing him
2. Name : Address :
E-mail Id : Signature : or failing him
3. Name : Address :
E-mail Id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Sixtyeighth Annual General Meeting of the Company to be held on Friday, the 26th December, 2014 at 9.15 A.M. at Image Auditorium, No.3, Thandavarayan Street, M.R.C. Nagar, R.A. Puram, Chennai - 600 028 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	
Ordinary Business		
1	Adoption of the Audited Accounts for the year ended 31.03.2014	Ordinary Resolution
2	Appointment of a director in the place of Mrs.Chitra Srinivasan, who retires by rotation and is eligible for reappointment.	Ordinary Resolution
3	Appointment of Auditors of the Company	Ordinary Resolution
Special Business		
4	Appointment of Sri Nagaraj Garla as a Director of the Company, liable to retire by rotation.	Ordinary Resolution
5	Appointment of Sri Arun Datta as an Independent Director of the Company.	Ordinary Resolution
6	Appointment of Sri R.K.Das as an Independent Director of the Company.	Ordinary Resolution
7	Appointment of Sri N.R.Krishnan as an Independent Director of the Company.	Ordinary Resolution
8	Appointment of Sri V.Manickam as an Independent Director of the Company.	Ordinary Resolution
9	Appointment of Sri N.Srinivasan as an Independent Director of the Company.	Ordinary Resolution
10	Ratification of remuneration payable to Cost Auditor of the Company.	Ordinary Resolution
11	Further Issue of Securities	Special Resolution

Signed: day of 2014.

Signature of Shareholder

Signature of Proxyholder(s)

Affix
Re.1/-
Revenue
Stamp

Note: Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. before 9.15 A.M. on Wednesday, the 24th December, 2014.

**TOWARDS
CORPORATE SOCIAL RESPONSIBILITY**



ADVANCED TRAINING IN EMBROIDERY FOR LOCAL WOMEN AT CHENNAI GRINDING UNIT



MEGA MEDICAL CAMP AT YERRAGUNTLA FOR GENERAL PUBLIC

