



THE
INDIA CEMENTS
LIMITED

ANNUAL REPORT

2013



RELEASE OF THE COMMEMORATIVE POSTAGE STAMP ON THE BIRTH CENTENARY OF SHRI T.S.NARAYANASWAMI, FOUNDER OF THE INDIA CEMENTS LIMITED, PIONEER INDUSTRIALIST, VISIONARY, EDUCATIONIST & PHILANTHROPIST

67th Annual General Meeting

Date : 18th September, 2013
 Time : 9.40 A.M.
 Venue : Sathguru Gnanananda Hall
 (Narada Gana Sabha)
 No.314, T.T.K. Road
 Alwarpet
 Chennai 600 018

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
Dr. B.S.Adityan	(till 19.04.2013)
Sri Arun Datta	
Sri Basavaraju	(Nominee of Life Insurance Corporation of India)
Sri R.K.Das	
Sri N.R.Krishnan	
Sri V.Manickam	
Sri K.P.Nair	(Nominee of IDBI Bank Limited)
Sri A.Sankarakrishnan	(till 09.04.2013)
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.

Vishnupuram,
Nalgonda District.

Malkapur,
Ranga Reddy District.

Grinding Units

MAHARASHTRA

Parli Vaijnath,
Beed District.



THE INDIA CEMENTS LIMITED

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.

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixtyseventh Annual General Meeting of The India Cements Limited will be held at 9.40 A.M. on Wednesday, the 18th September 2013, at Sathguru Gnanananda Hall, (Narada Gana Sabha), No. 314, T.T.K. Road, Alwarpet, Chennai 600018, 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 2013 and the Auditors' Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Sri N.R.Krishnan who retires by rotation and is eligible for reappointment.
4. To appoint a Director in the place of Sri Arun Datta who retires by rotation and is eligible for reappointment.
5. 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 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 including its branch offices to hold office from the conclusion of the sixtyseventh Annual General Meeting until conclusion of the sixtyeighth Annual General Meeting and that their remuneration be and is hereby fixed at Rs.40,00,000/- (Rupees Forty Lakhs only) each, exclusive of service tax and all travelling and out of pocket expenses which shall be reimbursed to them."

SPECIAL BUSINESS:

6. To appoint Sri V.Manickam 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 257 of the Companies Act, 1956:

"RESOLVED THAT Sri V.Manickam be and is hereby appointed as a Director of the Company subject to retirement by rotation."

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

"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and/or charging by the Board of Directors of the Company and / or conferring power to enter upon and to take possession of the assets of the Company in certain events to or in favour of the following banks to secure the following loans:

- i) by way of first pari passu mortgage / charge on the immovable and movable fixed assets of the Company both present and future subject to prior charge(s) created / to be created in favour of the Company's bankers on its fixed assets as may be agreed to by ICICI Bank Limited for securing the borrowings for working capital requirements in the ordinary course of business, to and in favour of ICICI Bank Limited for its Rupee term loan of Rs.200 Crores.
- ii) by way of exclusive mortgage / charge on certain specified plant / assets of the Company as decided by the Board of Directors in favour of Axis Bank Limited for its Rupee term loan of Rs.200 Crores.
- iii) by way of first pari passu mortgage / charge on the immovable fixed assets of the Company's Boat Club Road property in Chennai in favour of HDFC Bank Limited for its Rupee term loan of Rs.100 Crores.

- iv) by way of first pari passu mortgage / charge on the immovable fixed assets of the Company's Boat Club Road property in Chennai in favour of Karnataka Bank Limited for its Rupee term loan of Rs.100 Crores.
- v) by way of second pari passu mortgage and charge ranking after the charges created / to be created in favour of the term lenders on the immovable and movable properties (other than current assets) of the Company both present and future pertaining to cement business to and in favour of following banks for their revised/ additional working capital facility as detailed below:

(Rupees in millions)

Name of the Bank		Fund Based	Non-fund Based	Total
a)	ICICI Bank Limited	2026.00	1593.50	3619.50
b)	Punjab National Bank	600.00	322.80	922.80
c)	State Bank of India	145.10	121.80	266.90
d)	HDFC Bank Limited	800.00	400.00	1200.00
e)	Indian Bank	339.50	254.80	594.30
f)	State Bank of Mysore	62.00	90.00	152.00
g)	Vijaya Bank	74.00	0.00	74.00
h)	State Bank of Patiala	162.50	60.00	222.50
i)	The South Indian Bank Limited	95.00	0.00	95.00
j)	IDBI Bank Limited	1500.00	1500.00	3000.00
k)	State Bank of Hyderabad	400.00	107.50	507.50
l)	Bank of India	48.00	0.00	48.00
m)	BNP Paribas	257.00	0.00	257.00
n)	Yes Bank Limited	500.00	500.00	1000.00
o)	Axis Bank Limited	500.00	500.00	1000.00
	Total	7509.10	5450.40	12959.50

together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, costs, charges, expenses and other monies payable by the Company to the aforesaid banks in terms of their heads of agreements / loan agreements / hypothecation agreements / subscription agreements / letters of sanction / memorandum of terms and conditions entered into / to be entered into by the Company in respect of the said loans / facility."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the said banks the documents for creating the aforesaid mortgage and / or charge and to do all such acts and things as may be necessary for giving effect to the above resolution."

NOTES:

1. Explanatory Statement is annexed to the Notice of the Sixtyseventh Annual General Meeting of the Company as required by Section 173(2) of the Companies Act, 1956 in respect of items no.6 & 7.
2. Details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment / reappointment at the Annual General Meeting are annexed hereto for items no. 3, 4 & 6.



3. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 11th September, 2013 to 18th September, 2013 (both days inclusive).
5. The equity dividend, if declared, will be paid on or before 17th October, 2013 to those Members (or their mandatees) whose names appear in the Company's Register of Members as on 18th September, 2013. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose.
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. In order to provide protection against fraudulent encashment of dividend warrants, members are requested to provide, if not already provided, their bank account number, name of the bank and address of the branch, quoting their folio numbers, to the Registered Office / Corporate Office of the Company or RTA.
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 2000-01 have been transferred to Investor Education and Protection Fund. Dividend for the financial years ended 31st March 2007 to 31st March 2012 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 2012 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 Sections 109A and 109B of the Companies Act, 1956, 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 now mandatory.

12. a) Members holding the shares in electronic form may please note that the dividend would be paid through National Electronic Clearing System (NECS) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the members to their Depository Participants. In the absence of availability of NECS facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable Regulations.
- b) Members are requested to send their Bank Account particulars (viz. Account No., Name & Branch of the Bank, IFSC Code and the MICR Code) (i) to their DPs in case the shares are held in electronic form and (ii) to the Registrar and Share Transfer Agents in case the shares are held in physical form, on or before 31st August, 2013 for printing of dividend warrants to ensure that there is no fraudulent encashment of the warrants.
- c) Members holding shares in physical form are requested to note that Bank Account particulars furnished by them for shares held in physical form will not be used for shares, if any, held by them in electronic form and vice versa.

13. The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance allowing paperless compliance by Companies through electronic mode. In line with the Green Initiative of the MCA, your Company has decided to send all correspondence like notices of general meetings, abstracts, audited financial statements (Annual Report) through electronic means to the Registered e-mail addresses of the Shareholders.

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 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 and wish to receive the above mentioned documents through electronic mode, are requested to register their e-mail addresses with (i) the Depository Participants if the shares are held in electronic form and (ii) with the Company / Registrar & Share Transfer Agent of the Company if the shares are held in physical form.

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

Place : Chennai
Dates : 20th May, 2013 & 12th August, 2013

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. 3, 4 & 6 OF NOTICE DATED 20TH MAY 2013 & 12TH AUGUST 2013.

(i) 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	: 2 nd August 2010
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	: 1. India Cements Capital Limited - Audit Committee - Member Shareholders / Investors Grievance Committee - Member 2. Ponni Sugars (Erode) Limited - Audit Committee - Member 3. Tamil Nadu Petroproducts Limited - Audit Committee - Member 4. Tamil Nadu Road Development Company Limited - Audit Committee - Chairman 5. Trinetra Cement Limited - Audit Committee - Chairman
Relationship with other Directors	: Nil

(ii) 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	: 2 nd August 2010
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. North Eastern Electric Power Corporation Limited 2. Tide Water Oil Co. India Limited 3. 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	: Tide Water Oil Co. India Limited - Audit Committee - Member
Relationship with other Directors	: Nil
(iii) 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	: 13 th August 2012
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	: Member, Audit Committee, EID Parry (India) Limited
Relationship with other Directors	: Nil



EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE SIXTYSEVENTH ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEMS NO. 6 & 7 OF THE NOTICE DATED 20TH MAY 2013 & 12TH AUGUST 2013.

Item No.6:

Sri V.Manickam was a nominee Director appointed by Life Insurance Corporation of India, during 31st October 2008 to 14th September 2012 on the Board of the Company. He was co-opted as an additional Director on the Company's Board with effect from 14th February 2013. Under provisions of Article 103 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956, Sri V.Manickam will hold the office up to the date of sixtyseventh Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri V.Manickam as a Director of the Company, liable to retire by rotation, at the sixtyseventh Annual General Meeting. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri V.Manickam is interested in the resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No.7:

- (i) The Company has availed financial assistance in the form of Rupee Term Loan of Rs.200 Crores from ICICI Bank Limited for the purpose of repayment of existing debts. One of the terms and conditions set out by ICICI Bank Limited in its sanction letter No.CBG/2011/CMOG No.12/CBGCHN/ 34553 dated 27.07.2011 is that the financial assistance is required to be secured by a first mortgage and charge on the fixed assets of the Company both present and future.
- (ii) The Company has availed financial assistance in the form of Rupee Term Loan of Rs.200 Crores from Axis Bank Limited for the purpose of part financing thermal power project at Company's Vishnupuram plant. One of the terms and conditions set out by Axis Bank Limited in its sanction letter No.AXISB/CO/RMG/KSH/2012-13/58 dated 24.09.2012 is that the financial assistance is required to be secured by an exclusive mortgage / charge on certain specified plant/assets of the Company as decided by the Board of Directors.
- (iii) The Company has been sanctioned financial assistance in the form of Rupee Term Loan of Rs.100 Crores by HDFC Bank Limited for the purpose of meeting / refinancing capital expenditure. One of the terms and conditions set out by HDFC Bank Limited in its sanction letter dated 27.06.2013 is that the financial assistance is required to be secured by first pari passu mortgage / charge on immovable fixed assets of the Company's Boat Club Road property in Chennai.
- (iv) The Company has been sanctioned financial assistance in the form of Rupee Term Loan of Rs.100 Crores by Karnataka Bank Limited for the purpose of meeting capital expenditure. One of the terms and conditions set out by Karnataka Bank Limited in its sanction letter no.BDR No.V-16 DT 31.07.2013 dated 06.08.2013 is that the financial assistance is required to be secured by first pari passu mortgage / charge on immovable fixed assets of the Company's Boat Club Road property in Chennai.
- (v) The Company's bankers have revised their working capital facility to Rs.12959.50 millions as set out in the resolution. The aforesaid revised working capital facility is, inter alia, required to be secured by second pari passu mortgage and charge on the immovable and movable properties of the Company both present and future pertaining to cement business in favour of various Bankers as set out in the resolution.

Section 293(1)(a) of the Companies Act, 1956, provides, inter alia, that the Board of Directors of a public company shall not, without the consent of such public company in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking. Since the mortgaging by the Company of its immovable and movable properties as aforesaid may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass a resolution under Section 293(1)(a) of the Companies Act, 1956, for creation of the said mortgage / charge. Hence the resolution.

Inspection of Documents:

Copies of Credit Arrangement letter No. CBG/2011/CMOG No.12/CBGCHN/34553 dated 27.07.2011 and letter of amendment dated 07.09.2012 to master facility agreement dated 27.07.2011 from ICICI Bank Limited, sanction letter No. AXISB/CO/RMG/KSH/2012-13/58 dated 24.09.2012 from AXIS Bank Limited, sanction letter dated 27.06.2013 from HDFC Bank Limited, sanction letter no.BDR No.V-16 DT 31.07.2013 dated 06.08.2013 from Karnataka Bank Limited and Working Capital Consortium Agreement entered by the Company with Company's Bankers, are available for inspection of the shareholders at the Registered Office / Corporate Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors:

No Director of the Company except Sri K.P.Nair representing IDBI Bank Limited is directly or indirectly concerned or interested in this resolution.

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

Place : Chennai
Dates : 20th May, 2013 & 12th August, 2013

G BALAKRISHNAN
Senior President & Company Secretary

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

		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Sales & Earnings											
1. Sales and other Income	Rs.Lakhs	123688	140230	183669	262088	360561	395454	422169	401134	474181	523155
2. Profit/(Loss) before tax	Rs.Lakhs	(11273)	458	4998	49196	84464	64830	53132	8987	38098	25236
3. Cash Generated (internally) (before tax)	Rs.Lakhs	(3122)	8335	12652	59459	96243	93097	72087	33158	63228	53420
Assets[@]											
4. Fixed Assets (Net)	Rs.Lakhs	233387	220485	211497	293858	403937	471229	462151	487431	427802	448128
5. Investments	Rs.Lakhs	1971	2212	4896	14870	91990	95426	29625	56896	85196	95783
6. Current Assets	Rs.Lakhs	30796	38791	49803	73889	108735	83010	100726	80523	119664	147383
7. Loans and Advances	Rs.Lakhs	100022	98054	101439	97862	106206	131343	186919	209863	237283	239738
Capital & Reserves											
8. Share Capital	Rs.Lakhs	16359	16359	21577	26037	28187	28243	30717	30718	30718	30718
9. Reserves and Surplus *	Rs.Lakhs	12105	12132	57567	108319	224427	262559	318019	319457	322934	331945
10. Shareholders' Fund	Rs.Lakhs	28464	28491	79144	134356	252614	290802	348736	350175	353652	362663
Net worth, EPS & Dividend											
11. Net worth per equity share	(Rs.)	18.88	18.90	40.18	51.60	89.62	102.96	113.53	114.00	115.13	118.06
12. Earnings per equity share	(Rs.)	(7.13)	0.12	2.61	19.65	23.97	15.32	12.49	2.22	9.54	5.32
13. Equity Dividend Per Share	(Rs.)	–	–	–	1.00	2.00	2.00	2.00	1.50	2.00	2.00

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

[@] The figures shown for the years 2012 and 2013 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 **Sixtyseventh Annual Report** together with audited accounts for the year ended 31st March 2013.

	Rs. in Crore	
	For the year ended 31 st March	
	2013	2012
FINANCIAL RESULTS		
Profit before Interest & Depreciation	841.95	922.64
Less : Finance costs	307.75	290.37
Less : Depreciation / Amortization	281.84	251.29
Profit Before Tax	252.36	380.98
Current Tax	83.64	37.77
Deferred Tax	5.17	50.24
Profit after Tax	163.55	292.97
Add : Surplus brought forward from last year	1088.47	954.48
Less : Proposed dividend on Equity Capital (including Dividend Distribution Tax)	71.87	71.40
Less : Transfer to General Reserve	40.00	40.00
Less : Transfer to / (from) Debenture Redemption Reserve	(52.42)	47.58
Surplus carried forward	1192.57	1088.47

DIVIDEND

The Board of Directors has recommended a dividend of Rs.2/- per equity share of Rs.10/- each on 30,71,77,216 equity shares of Rs.10/- each for the year ended 31st March, 2013 and proportionate dividend on 1,441 equity shares having calls in arrears.

SHARE CAPITAL

Consequent to the adjustment of a dividend of Rs.883/- towards calls in arrears, the paidup equity share capital of the Company has increased to Rs.307,17,81,713/- as on 31st March, 2013 comprising 30,71,77,216 equity shares of Rs.10/- each and 1,441 equity shares on which a sum of Rs.9,553/- has been paidup. The balance amount of Rs.4,857/- represents calls in arrears.

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, 2013, 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, 2013 and of the profit 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, 2013 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 report on CSR activities is given in Annexure 'F'.

ACCREDITATIONS & RECOGNITIONS

The Company's Yerraguntla cement factory was granted Licence For The Quality Management Systems Certification in accordance with IS/ISO 9001:2008 by the Bureau of Indian Standards, Chennai and that the said Licence would be valid from 25th April, 2012 to 24th April, 2015.

The Company's Vishnupuram cement factory was granted Licence For The Occupational Health & Safety Management Systems Certification in accordance with IS 18001:2007 and Licence For The Environmental Management Systems Certification in accordance with IS/ISO 14001:2004 by the Bureau of Indian Standards, Chennai and that both the licences would be valid from 2nd August, 2012 to 1st August, 2015.

The Company's in-house magazine "Compass" was awarded a Certificate of Excellence in the All India House Magazine Contest 2011-12.

OPERATIONS

COMPANY PERFORMANCE

A detailed report has been enclosed regarding the operations in the Management Discussion and Analysis Section. It can be seen that there was only a subdued growth in cement demand during the year under review at 5.6% on an All India basis. With the huge supply overhang in the South, the industry had to face the brunt of severe competition in the market resulting in lowering of the prices particularly in Andhra Pradesh during the second half of this fiscal.

Given such tight market conditions, the cement production of the Company grew marginally by 5% to 99.40 Lakh Ts as compared to 94.63 Lakh Ts in the previous year and the overall sales including clinker was at 100.55 Lakh Ts as compared to 95.27 Lakh Ts. The total sales and other income for the year was higher at Rs.4615.67 Crores registering a growth of 9% over that of previous year. As mentioned elsewhere the cost of production was impacted with the increase in the price of input materials of fly ash, gypsum, power and fuel, higher transport charges and the resultant EBIDTA was lower at Rs.841.95 Crores against Rs.922.64 Crores in the previous year.

Finance costs were higher at Rs.307.75 Crores as compared to Rs.290.37 Crores with higher utilization of cash credit and additional loans taken for capex. The depreciation / amortization charges were also higher at Rs.281.84 Crores as compared to Rs.251.29 Crores on account of power plant and other capex. The provision for tax was at Rs.83.64 Crores as compared to Rs.37.77 Crores in the previous year while the deferred taxation provision as per AS 22 was at Rs.5.17 Crores against Rs.50.24 Crores. The net profit after tax was Rs.163.55 Crores against Rs.292.97 Crores in the previous year.

In addition to the low demand scenario, the profitability was subject to heavy cost push in the form of increase in wages due to All India Wage Settlement together with the increase in cost of living index.

Huge increase in the price of diesel in the month of September 2012 with further dosages in the following months and steep increase in the price of bulk diesel for industrial consumers.



Ever rising cost of indigenous coal due to price revision by collieries.

Hefty power tariff increase by the State Electricity Boards of Tamil Nadu and Andhra Pradesh from April 2012.

Steep increase in the railway freight from April 2012 resulting in increase in freight cost between 25% and 35%.

Depreciation of Rupee against Dollar impacting the imported coal prices.

Restriction in the availability of power in Andhra Pradesh resulting in high cost power purchase through exchange.

All the above factors impacted the bottom line substantially, the effect of which was offset to a certain extent with a higher volume of cement and through sustained cost reduction efforts in improving the operating parameters and through improved clinker conversion ratio.

SHIPPING

Your Company acquired on 16th August, 2012 its 3rd Bulk Carrier (52489 DWT) M.V.Furness Australia renamed as M.V.Chennai Selvam. With the commissioning of power plants by the Company, the requirement to import coal has gone up considerably and the new acquisition will help in this context.

FOUNDER'S CENTENARY CELEBRATION

His Excellency the Governor of Tamil Nadu, Dr.K.Rosaiah, released the Commemorative Postage Stamp on 11th November, 2012, the birth Centenary of Shri T.S.Narayanaswami, a Founder of the Company.

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 the second full year of operations, the plant has achieved a clinker production of 8.92 Lakh Ts with a growth of 14% over that of previous year of 7.80 Lakh Ts. The cement production further improved to 11.38 Lakh Ts (10.07 Lakh Ts) while sale of cement went up to 11.28 Lakh Ts as against 10.08 Lakh Ts in the previous year. The operating parameters of power and fuel improved further during the year under review with the stabilized operations of the plant.

TRISHUL CONCRETE PRODUCTS LIMITED

During the year under review the company achieved a sale of 3.48 Lakh Cu.M. of Readymix Concrete as compared to 3.32 Lakh Cu.M. during the previous year. The turnover of the company for the year was Rs.121 Crores against Rs.117 Crores in the previous year and the profit after tax was at Rs.160 lakhs as compared to a loss of Rs.469 lakhs in the previous year.

COROMANDEL ELECTRIC COMPANY LIMITED

With continued availability of adequate natural gas for major part of the year, the plant was able to generate 193 Million KWH as against 198 Million KWH in the previous year. During the year the company has wheeled 116 million KWH of power to the Cement plants of your company in Tamilnadu and the balance power of 77 Million KWH to other Group Captive and Third party consumers through Intra State Open access. The total revenue earned by the company was at Rs.93.01 crores as against Rs.71.09 crores and the net profit after tax was at Rs.17.80 crores as compared to Rs. 12.48 crores in the previous year. The company maintained its dividend pattern of 9% on equity shares besides declaring dividend at the respective coupon rates for the participating / non-participating preference share capital. During the year the company has redeemed the Second / Third annual instalments of redeemable cumulative participating/non-participating preference shares on the due dates.

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

The Company's investment in acquiring / developing coal mines is starting to yield results with the first shipment of coal taking place since the close of the financial year. Considering the difficult environment in which the company is operating, it will take a few months to stabilize the operations.

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 has achieved a crushing of 7.94 lakh tonnes during the year under review, which was marginally lesser than the crushing of 8.01 lakh tonnes achieved in the previous year. The sugar recovery had also dropped to 9.44% as against 9.82% achieved in the previous year. The crushing and recovery were affected mainly because of severe drought in the region coupled with canal maintenance works undertaken by the Government, which have affected the standing crop.

The company has produced 74950 tonnes of sugar (78693 tonnes in the previous year) and sold 67188 tonnes (77836 tonnes in the previous year) including sale in the free market of 62542 tonnes.

During the year the power export was lower by 13.6% - 254 lakh KWH as against 294 lakh KWH in the previous year. This was mainly on account of deferring Boiler maintenance work, as the Company was contemplating to go in for new high pressure Boiler for increasing the co-gen capacity.

Despite lower crushing, lower recovery and reduced power export, as per the unaudited financials of the company, the earnings before Interest and Depreciation was higher at Rs.43.70 crores against Rs.42.99 crores in the previous year. Profit before Tax was maintained at Rs.22.78 crores as against Rs.23.00 crores in the previous year. This was possible because of the improved realization achieved in respect of all the products marketed by the Company.

INDIA CEMENTS CAPITAL LIMITED (ICCL)

The main focus of the company continues to be on various fund / fee-based activities such as, Full Fledged Money Changing [FFMC], Travel & Tours and Forex Advisory Services. The Company's FFMC division has become Authorized Dealers-Category II. The wholly owned subsidiary viz. India Cements Investment Services Limited (ICISL) is in Stock Broking. The FFMC division operates out of 19 branches and Travels division operates at Chennai as an IATA accredited branch. The subsidiary ICISL has 18 branches. The gross income from operations of ICCL was Rs.427.51 lakhs and that of ICISL was Rs.166.19 lakhs for the year ended 31st March, 2013.

EXPANSION / MODERNISATION

The operations of the power plant at Sankarnagar got stabilized during the year under review and the additional 48 MW power plant at Vishnupuram is in the advanced stage of completion and likely to be commissioned by the first quarter of the current financial year.

PUBLIC DEPOSITS

The total amount of fixed deposits including cumulative deposits, which had not become due but outstanding as at 31st March, 2013 stood at Rs. 944.77 Lakhs. Deposits totalling Rs.61.63 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, 2013, deposits aggregating to Rs.16.18 Lakhs out of the above have either been claimed and paid or have been renewed or transferred to Investor Education and Protection Fund.

CONSERVATION OF ENERGY

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.75.63 Lakhs towards revenue expenditure of the R&D department besides contributing a sum of Rs.74.65 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.

DIRECTORS

With profound grief, the Board condoles the demise of Dr.B.S.Adityan and Mr.A.Sankarakrishnan, Directors of the Company, on 19th April, 2013 and 9th April, 2013 respectively. The Board records the excellent contribution made by Dr.B.S.Adityan and Mr.A.Sankarakrishnan during their tenure as directors.

Under Section 262 of the Companies Act, 1956, Mr.Basavaraju was appointed as a Director with effect from 14.02.2013 in the casual vacancy caused by withdrawal of nomination of Mr.V.Manickam by Life Insurance Corporation of India.

Mr.V.Manickam was appointed by the Board as additional director of the Company with effect from 14.02.2013. Under Article 103 of the Articles of Association of the Company, Mr.V.Manickam will hold his office up to the date of the ensuing Annual General Meeting and resolution for his election as director of the Company is included in the Notice dated 20th May, 2013 convening the 67th Annual General Meeting of the Company.

Under Article 109 of the Articles of Association of the Company, Mr.N.R.Krishnan and Mr.Arun Datta retire by rotation at the ensuing Annual General Meeting of the Company and they are eligible for re-appointment.

Brief particulars of Directors eligible for appointment / reappointment in terms of Clause 49 of Listing Agreement are annexed to the Notice dated 20th May, 2013 convening the 67th 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 eligible for reappointment.

The statutory auditors have drawn attention to certain matters referred to in the respective financial notes which are self-explanatory and do not call for further elucidation.

COST AUDITOR

Mr.S.A.Murali Prasad, Cost Accountant, Chennai, has been appointed as Cost Auditor for the year 2013-14 subject to approval by the Government of India.

INTERNAL AUDITORS

Messrs. Capri, Gopalaiyer and Subramanian, Kalyanasundaram & Associates and Bala & Co., Chennai, have been appointed as Internal Auditors for the year 2013-14.

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

ARUN DATTA
BASAVARAJU
R.K.DAS
N.R.KRISHNAN
V.MANICKAM
K.P.NAIR
N.SRINIVASAN
Directors

Place : Chennai
Date : 20th May, 2013

ANNEXURE 'A' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013

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. Closed circuiting of Cement Mill ensuring improvement in the mill output, reduction in power consumption and improvement in quality.
 - ii. Phasing out old reciprocating type compressors with energy efficient screw compressors.
 - iii. Classified liners installed in Cement Mills ensuring increase in output and reduction in power.
 - iv. High capacity energy efficient fan for Raw Mill Circuit to increase the output and reduce the power at one of the plants.
 - v. Installation of weigh feeders in place of feed table in the Cement Mill Circuit aimed at efficiency improvement and output increase.
 - vi. Rerouting of ducts in coal mill circuits for reduction in specific power consumption by 2 units per Tn of coal at one of the plants.
 - vii. Additional power capacitors at various plants to improve the power factor.
 - viii. VFD for cooler fans for some more plants resulting in reduced power consumption.
 - ix. Conventional lamps replaced with LEDs in various plants for street lighting and colony lighting.
 - x. Replacement of MOCB with VCBs in phased manner at some of the plants.
 - xi. Optimisation of compressed air, cooler air resulting in reduced power.
 - xii. Advanced energy management system introduced to monitor the power consumption closely.
 - xiii. Fly ash Drier installed at one of the plants to ensure optimum utilization of hot gas and improved availability of fly ash through wet fly ash drying.
 - xiv. Installed Electronic Packers, Wagon loading arrangements at two of the plants to ensure improvement in packer output, reduced power and labour cost.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
- i. Dynamic Separator in Coal Mill circuit planned in two of the Andhra Pradesh plants for utilization of petcoke and also to reduce the power consumption.
 - ii. VFD for raw mill, coal mill and cooler drives for the plants in Andhra Pradesh to optimize power consumption.
 - iii. 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.
 - iv. Installation of one more 48 MW power plant at Vishnupuram in Andhra Pradesh for energy security and on cost economics.
 - v. Modification of preheater top stage cyclones for improving efficiency and for low pressure drop.
 - vi. Installation of new energy efficient cement grinding system at one of the plants replacing all the old conventional ball mills.
 - vii. Hydraulic drive of VRM Separator to be replaced with Variable Frequency Drive for energy improvement.
 - viii. VFD for cooler fans and coal mill fan.
 - ix. Introduction of coal stacker reclaimers at two of the plants to ensure optimum blending efficiency aiming at reduction in heat consumption.
- (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 k.cals per kg of clinker. However, during the year, the power consumption was maintained despite lower capacity utilization while heat consumption was reduced by 7 k.cals per kg of clinker.
- (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	3497.96	3516.36
Earned Rs. lakhs	824.53	254.47



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		7185.18	8027.06
Total amount - Rs. Lakhs		38530.99	32884.15
Rate per unit - Rs.		5.36	4.10
(b) Own Generation			
(1) Through Diesel/Furnace Oil Genset *			
Units - KWH - Lakhs		637.96	697.66
Unit per Litre of Diesel/Furnace Oil-KWH		3.10	3.31
Cost per unit - Rs.		2.64	2.69
(2) Through Steam Turbine/Genset			
Units - KWH - Lakhs		1469.71	-
Cost per unit - Rs.		3.76	-
2. Coal for Kilns (various grades incl. Lignite)			
Quantity	Tonnes	1259573	1165984
Total Cost	Rs.Lakhs	79372	74367
Average Rate	Rs./Tonne	6301	6378
3. HSD/Furnace Oil for Kilns			
Quantity	K.Litres	653.57	739.87
Total Cost	Rs.Lakhs	288.71	314.30
Average Rate	Rs./K.Litre	44175	42481
B. CONSUMPTION PER UNIT OF PRODUCTION			
	Standards (if any)		
Electricity (KWH/Tn of Cement)	110	92.33	92.40
Coal Consumption Per Tn of Clinker (Depending on Quality of Coal)	20-25	16.42	16.21
Diesel Oil/Furnace Oil per Tn of Cement (Litres)		0.07	0.08
* 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.75.63 lakhs has been spent during the year for the functioning of R & D department. Besides this, a sum of Rs.74.65 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.150.28 lakhs

(d) Total R&D expenditure as a percentage of total turnover : 0.03

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

ECONOMY – AN OVERVIEW

An acute slowdown continued to grip the Indian economy for the second year in succession on the back of crisis in the Euro zone, downturn in the US market and a host of disturbing developments on the domestic front like high commodity prices, high inflation, sovereign downgrading by S&P, high interest cost, unprecedented fiscal deficit, dip in Rupee value, infrastructure constraints and uncertainty in politics and policies all of which crippled the economic activity and depressed the investment climate. The business confidence took a beating.

For the first time in the two decades of our economic liberalisation, the "external shocks" threatened to shake the proven "inherent resilience" of our economy. As a result, the GDP growth tumbled to the decade's low of 5% in 2012-13 from 6.2% in the previous year and 8.4% in 2010-11.

INDUSTRIAL OUTPUT

Advance estimates by CSO have pegged the growth of farm sector at 1.8% in 2012-13. The industry growth is estimated to be a mere 1.1%. With the manufacturing activity severely hit, the growth of eight core industries - crude oil, natural gas, cement, coal, electricity, steel, petroleum products and fertilizers - was down to 2.6% last year from 5% in 2011-12. The services sector is estimated to have clocked a growth of 6.6%.

EXPORTS / IMPORTS

During 2012-13, exports contracted 1.76% to US\$300.6 billion compared to US\$306 billion in the previous year. Imports grew marginally to US\$491.48 billion from US\$489.31 billion resulting in a trade deficit of US\$190.9 billion (US\$183.35 billion in 2011-12). The big concern is the unprecedented spurt in Current Account Deficit (CAD), the gap between forex inflows and outflows. It widened to an all time high of 6.7% of GDP during October - December 2012 mainly driven by heavy oil and gold imports and muted exports. With corrective steps taken by the Government, the overall CAD for the last year was estimated at 4.8% of GDP.

2013-14: INDIAN ECONOMY ON RECOVERY MODE, SLOW DOWN BOTTOMED OUT

The current fiscal year had begun on a promising note for Indian economy. A host of favourable macro economic data in recent weeks augur well for reversing the slowdown and regaining the growth momentum. These positive developments include the expected normal monsoon, softening of crude oil and gold prices, fall in commodity prices, pick up in exports and fall in wholesale and retail inflation. The country also saw increased flow of FII funds into the Indian market thereby improving the investor sentiment.

In its recent review of the economy, the Chairman of PM's Economic Advisory Council (PMEAC) said the slowdown has bottomed out and GDP growth is expected to be a realistic 6.4% in 2013-14 against the decade's low of 5% last year. This conforms to the growth rate of 6.1% to 6.7% projected in the Economic Survey and Budget for 2013-14. PMEAC, based on advanced Central Statistical Organisation (CSO) estimates, and the expected normal monsoon, has pegged the farm sector growth at 3.5%.

Led by the recovery in manufacturing sector growth at 4%, the industrial sector is estimated to grow at 4.9% while the services sector at 7.7%. The CAD is projected at US\$100 billion (4.7% of GDP).

INFLATION

Retail inflation remains a big concern though headline Wholesale Price Index (WPI) inflation dropped to a three year low of 5.96% in March 2013 from 7.69% in March 2012. According to PMEAC, the headline WPI inflation is expected to moderate to 6% this year from the provisional estimate of 5.96% last year.

FISCAL DEFICIT

The fiscal deficit of the Centre for 2012-13 is estimated to be 5.2% of GDP at Rs.5,20,924 crores as per revised estimates. It is expected to be Rs.5,42,499 crores in 2013-14. Total central subsidies are expected to go down from Rs.2,57,654 crores in 2012-13 (2.6%) to Rs.2,31,084 crores this year owing to the pruning of petroleum subsidies, which was the major cause for missing our fiscal deficit targets.

CEMENT INDUSTRY

The stress on the economy was more evident with a weak growth in the industrial sector and cement sector was no exception. Despite the slowing down of the capacity additions in the last year, the supply side pressures mounted resulting in subdued selling prices. As per Department of Industrial Policy and Promotion (DIPP) data, the growth in demand continued to be at the lower range at around 5.6% only for FY 13 against

6.7% in the previous year. This adverse demand/supply situation forced the industry to operate at a lower level of capacity of around 65% to 70% only. The demand was affected during the year with the slowdown of the construction sector and with an uneven monsoon at various parts of the country resulting in surpluses and deficiencies and drought like situation in certain states. The industry was also affected with the shortage of essential construction materials like sand, bricks and water due to drought and the consequent drag on cement demand. The power supply situation worsened further in many of the southern states with continued long power cuts and power holidays. The higher interest rates together with the slowdown in the economy also contributed their part for this lower growth in demand. As per analysts' reports, whatever growth that was achieved was mainly through rural housing and road construction while the contribution from infrastructure sector continued to be meagre. With such a meagre growth in the market place, the supply side pressure particularly in the southern states was severe resulting in the lowering of prices in Andhra Pradesh which had its own impact on the other southern states.

The industry also had to bear the brunt of ever escalating costs of inputs and services. The railways announced their rationalised freights which had an impact of 25% to 35% increase while the diesel prices were increased substantially in September 2012 with further dosages in the following months pushing up the cost of transportation of input materials and distribution costs. With the dual pricing of diesel from January 2013 for bulk consumers by a steep increase of Rs.11 per Litre and with further dosage of increases, the mining and operating costs of the industry were also severely impacted. There was some relief however in the form of reduced prices of imported coal but the industry could not reap the full benefit due to spike in the exchange rates of Dollar. The substantial increase in Cost of Living Index also meant increased pay out to employees while the Electricity Boards in various states also contributed to the cost push by way of increased tariffs.

Overall the industry had to operate in such an adverse situation of subdued demand with higher operating costs and managed to achieve a 5% growth during the year under review.

COMPANY PERFORMANCE

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

	In Lakh Ts	
	2012-13	2011-12
Clinker	76.73	71.95
Cement	99.40	94.63
Cement Sales	99.26	94.51
Clinker Sales	1.29	0.76
Overall sales including Clinker	100.55	95.27

Given the backdrop of a growth of 5% in the overall industry scenario, the achievement of the Company can be considered to be satisfactory with a growth in clinker production by 6.6% and in cement production by 5% in FY 13. The performance could have been better but for the worsening of the power situation in the State of Andhra Pradesh during the year under review which declared a whopping 12 days of power holidays in addition to practically nil power during the peak hours on daily basis. This resulted in the huge quantum of power to be purchased through the Power Exchange at a higher cost to maintain production.

On the Operations front, the 48 MW power plant at Sankarnagar came into operation fully during the year along with the railway sidings for the grinding units at Chennai and Parli, Maharashtra. The intended benefit in the form of higher production from the Chilamakur Plant upgrade has also been achieved while the production at Malkapur also further improved to its rated capacity.

On the marketing front, there was improvement in the overall tonnages as mentioned above. However, with the softening of prices in Southern States from the month of October 2012, the Net Plant Realisation was under strain during the second half of the year and the substantial cost increases in the distribution costs caused by the steep hike in diesel price could not be passed on resulting in lower Net Plant Realisations. The company also had to move cement outside its normal marketing zone to states such as Orissa, West Bengal, Gujarat, etc. which also impacted the average realisations.

In order to comply with the revised pollution control norms, the Company has converted the ESP at Yerraguntla Plant to a bag house during the year which has substantially reduced the stack emission to below the stipulated norms. Similarly, the Cement Mill ESP at this unit is also being replaced with the bag filter, which will be converted during the current fiscal. The Company has also taken up the conversion of main ESPs into



bag house at Chilamakur and Malkapur units to ensure that emission levels are much below the prescribed norms and this will also be completed during the current fiscal.

COST REDUCTION MEASURES

The capacity utilisation of your company has improved from 67% in the previous year to 71% during the year under review. Despite operating at such lower capacity levels, marginal improvements were effected due to continued efforts of cost reduction on the heat consumption while the power consumption also was maintained. The clinker to cement conversion ratio was further improved during the year under review. To contain the cost of fuel, alternate fuel in the form of petcoke was used at the Tamil Nadu plants to derive cost advantage while the new power plant at Sankarnagar also generated 1508 Lakh units in the year which was consumed by your company's Tamil Nadu plants giving them a marginal advantage in the power cost. The generation from the thermal plant could have been higher but for the lesser requirements for your Tamil Nadu plants caused by the lower capacity utilisation. The quantum of low cost power from Andhra Pradesh Gas Power Corporation Limited (APGPCL) also dwindled due to lower availability of gas. With this backdrop of lower requirements of power and after setting off the power from own thermal generation, the usage of power from Coromandel Electric Company Limited was restricted to 1156 Lakh units resulting in the balance units being sold at remunerative price to other consumers in the State of Tamil Nadu as there is no corridor available for taking the power to your Andhra Pradesh plants resulting in purchase of power from the power exchange in that State.

RENEWABLE ENERGY AND CLEAN DEVELOPMENT MECHANISM (CDM)

Your company has generated 550 Lakh units (539 Lakh units) of power from Waste Heat Recovery System (WHRS) at Vishnupuram Works which was consumed by that unit. The company has also generated power from its wind farms which was used by its plants in Tamil Nadu for a quantity of 328 Lakh units (278 Lakh units). The WHRS power continues to earn Certified Emission Reductions as a CDM project.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

As earlier pointed out, the tightening of the monetary policy and the high interest regime has slowed down the growth of the economy which affected all the sectors. Cement business is a long term play and the industry has witnessed the cycles of low and high growths before. With the latest indications given by the RBI as well as PMEAC about the possibility of revival in the economy, in the current fiscal the industry can be expected to bounce back with the growth in consumption. Infrastructure and construction industry which are in poor light today are also bound to grow with the revival of the economy, which will pave way for higher capacity utilisation of the cement industry. Even now there are regions of deficits for cement in the North and North East but movement bottlenecks are a deterrent. Your company has also taken lot of efforts in moving out cement in higher quantum to East and West as part of mitigation of the poor demand in the South.

Availability of indigenous coal from the state owned collieries is also another area of concern which is further aggravated by the huge variations in quality and high prices and lesser materialisation of the linkages for higher grade varieties. The company is trying to mitigate this fuel risk through usage of alternate fuel like Petcoke at two of its plants and through sourcing of imported coal which is also subject to fluctuations in price and transport costs. The company's plans to move its own coal from its own sources in Indonesia has taken the final shape and the first shipment has arrived during the month of May 2013. This will largely solve the issues of availability of coal for its power plants and with proper blending with high quality coal, its requirements for cement plants. The company is also on the lookout for other alternate fuels available at cheaper prices within the vicinity of the plants and very small percentage based on cost economics has also been utilised during the year. Development of such alternate fuels is a focus area for the Company.

In the past two years the availability of quality power at reasonable rates has also been a matter of concern due to acute shortage of power in the states of Tamil Nadu and Andhra Pradesh. While there has been a perennial power cut in Tamil Nadu, the position worsened further in Andhra Pradesh with the declaration of 12 days of power holidays in a month coupled with very marginal power during peak hours on a daily basis. To add to these woes, the supply from APGPCL also came down sharply due to lower gas availability during the year and the substantial hike in diesel prices and Furnace Oil prices made the operation of DG sets prohibitive and unviable. The commissioning of the 48 MW thermal power plant in Tamil Nadu has helped in mitigating this problem for the Tamil Nadu plants while in Andhra Pradesh the Company resorted to purchase of power from the Power Exchange at the market rates based on demand and supply on a daily basis which has pushed up the cost of production substantially during the year under review. However, the impact on account of this could be substantially reduced with the commissioning of the 48 MW power plant at Vishnupuram which is expected to go on stream in June 2013. The company also availed power from Coromandel Electric Company Limited and from the Waste Heat Recovery System at Vishnupuram during the year under review.

The ever rising cost of inputs in the form of increase in the price of petroleum products, increase in power tariff, increase in the service charges for fly ash charged by the Electricity Boards, price of gypsum are also areas of concern but it is expected that with the substantial increase in thermal generation proposed both in the Government and Private sector, the higher availability of fly-ash in the coming years could soften prices.

OUTLOOK

Prospects for economic recovery appear to be good going by favourable macroeconomic indicators at the global and domestic level. While the Euro Zone is still in the woods, there are reports of recovery in the US market. Chinese economy continues to face slow growth and decline in PMI, which will help in India's exports. The PMEAC has envisaged that even existing rates of investment should enable us to grow at 7.5% to 8%. A return to higher levels of savings and investments can take us back to the very high levels of growth which we had seen earlier. IMF has also pegged our GDP growth at 5.8% for the current year while World Bank sees India regaining economic momentum and growing at 6.1% this year. India remains an attractive area of investment when compared with the other economies and the Government appears to be focused through fast track clearances for projects and FDI through policy reforms which augur well in this direction. With a positive outlook for infrastructure and construction, upcoming state and central elections, reduction in the lending rates, predicted normal monsoon, an optimistic view can be taken for the revival of the economy which will augur well for the industry.

VALUE ENHANCING STRATEGIES

Through strategic acquisitions and low cost expansions the Company has enhanced the capacity to 14.05 million tonnes of which 67% was utilised in the previous year which was improved to 71% during the year under review. It is hoped that with the improvement in the market place driven by the growth in the economy, the capacity utilisation will steadily improve enhancing the value.

To overcome the power problems the Company has commissioned a 48 MW power plant at Sankarnagar which has started stabilising towards the second half of the FY 2013 and is expected to improve further during FY 2014. In addition, a second power plant is also under installation at Vishnupuram and it is likely to be commissioned in June 2013.

The company has also acquired mining rights in Indonesia as part of energy security. After initial hiccups and delays caused by monsoon, the first shipment has been effected in May 2013 and 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 3 ships 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 is also constantly exploring the residual markets of East, West and North to improve the capacity utilisation with reasonable contribution to improve the bottom line.

With no major capacity addition in the 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.

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 Appellate Tribunal after elaborate hearing passed its interim Order on 17th May 2013 granting stay of the Order of the Competition Commission on the condition that we deposit 10% of the penalty inflicted within one month. The management backed by legal opinion from learned Senior counsels' 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 on the rolls of the Company at the end of the year under review was 3103 (3195).

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 and 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	
	2012-13	2011-12
Net Sales/Income from operations	4597.04	4203.40
Other Income	18.63	19.29
Total Income	4615.67	4222.69
Total Expenditure	3773.72	3300.05
Operating Profit	841.95	922.64
Operating Margin %	18.24	21.85
Finance Costs	307.75	290.37
Gross Profit after Interest but before Depreciation and Tax	534.20	632.27
Depreciation	281.84	251.29
Profit before Tax	252.36	380.98
Current Tax	83.64	37.77
Deferred Tax	5.17	50.24
Profit after tax	163.55	292.97

Net sales and income from operations improved by 9% backed primarily by increase in the volume and by a marginal increase in selling price. The total expenditure went up by 14% due to various reasons detailed elsewhere in this report, with the consequent operating profit being lower. Finance costs were higher on account of fuller utilisation of cash credit and on account of loans taken for capex including power plant. The depreciation charges were also higher on account of higher capitalisation. While the deferred tax liability was lower, the current taxation provision was at applicable rates for the current year while in the previous year, tax breaks were available by way of premium on redemption of FCCB. The net profit accordingly was lower at Rs.163.55 crores as compared to Rs.292.97 crores 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, 2013

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 five Committees viz., Audit Committee, Share Transfer Committee, Shareholders'/Investors' Grievance Committee, Remuneration Committee and Compensation Committee.

During the year 2012-2013, Four Board Meetings were held on 25.04.2012, 13.08.2012, 05.11.2012 and 14.02.2013.

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 01.04.12 to 31.03.13)	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 31/03/2013)
1.	Sri N.Srinivasan <i>Vice Chairman & Managing Director</i>	Promoter, Executive Director	4	Yes	13	1 (M) & 5 (C)
2.	Smt. Chitra Srinivasan	Promoter, Non-Executive Director	2	Yes	Nil	Nil
3.	Smt. Rupa Gurunath <i>Wholetime Director</i>	Promoter, Executive Director	3	No	6	1 (M)
4.	Dr. B.S.Adityan* ¹	Independent, Non-Executive Director	2	Yes	NA	NA
5.	Sri Arun Datta	Independent, Non-Executive Director	4	Yes	3	1 (M)
6.	Sri Basavaraju* ² Nominee of Life Insurance Corporation of India in its capacity as Lender / Shareholder	Independent, Non-Executive Director	1	NA	1	Nil
7.	Sri R.K.Das	Independent, Non-Executive Director	4	Yes	8	Nil



Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.12 to 31.03.13)	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 31/03/2013)
8.	Sri N.R.Krishnan	Independent, Non-Executive Director	4	Yes	4	3 (M) & 1 (C)
9.	Sri V.Manickam* ³	Independent, Non-Executive Director	1	NA	1	Nil
10.	Sri K.P.Nair Nominee of IDBI Bank Ltd., in its capacity as Lender	Independent, Non-Executive Director	4	Yes	1	Nil
11.	Sri A.Sankarakrishnan* ⁴	Independent, Non-Executive Director	4	Yes	NA	NA
12.	Sri N.Srinivasan (F&R)	Independent, Non-Executive Director	4	Yes	13	4 (M) & 5 (C)
13.	Sri V.Manickam* ⁵ Nominee of Life Insurance Corporation of India in its capacity as Lender / Shareholder	Independent, Non-Executive Director	2	Yes	NA	NA

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

*¹ Ceased to be a Director of the Board w.e.f. 19.04.2013, consequent to his demise.

*² Appointed as a Director of the Board w.e.f. 14.02.2013.

*³ Appointed as an additional Director of the Board w.e.f. 14.02.2013.

*⁴ Ceased to be a Director of the Board w.e.f. 09.04.2013, consequent to his demise.

*⁵ Ceased to be a Director of the Board w.e.f. 14.09.2012, consequent to his resignation and withdrawal of nomination by Life Insurance Corporation of India.

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 four times during the year i.e., on 25.04.2012, 11.08.2012, 05.11.2012 and 14.02.2013.

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.	Dr. B.S.Adityan, Chairman * ¹	4	2
2.	Sri Arun Datta	4	4
3.	Sri R.K. Das	4	4
4.	Sri N.Srinivasan (F&R)	4	4

*¹ Ceased to be a Director and hence a Member w.e.f. 19.04.2013.

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 2012-2013, Remuneration Committee met once i.e., on 25th April 2012 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 2011-2012, pursuant to the resolutions passed by the Shareholders at their Annual General Meetings held on 24th September, 2007 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.	Dr. B.S. Adityan, Chairman * ¹	1	1
2.	Sri N.Srinivasan (F&R)	1	1
3.	Sri Arun Datta	1	1

*¹ Ceased to be a Director and hence a Member w.e.f. 19.04.2013.

Details of remuneration paid/payable to the Directors for the year ended 31st March, 2013:

(i) Executive Directors:

(Rs. lakhs)

Name & Position	Salary	Commission	Perquisites & allowances	Provident Fund	Retirement Benefits	Others	Total
Sri N.Srinivasan Vice Chairman & Managing Director	360.00	750.00	108.00	43.20	69.00	6.63	1336.83
Smt. Rupa Gurunath Wholetime Director	120.00	150.00	36.00	14.40	23.00	0.00	343.40
Total	480.00	900.00	144.00	57.60	92.00	6.63	1680.23

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.

(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 2012-2013 are as follows:

Name of the Director	Sitting Fees Paid (Rs.)
Smt. Chitra Srinivasan	40000
Dr. B.S.Adityan	190000
Sri Arun Datta	130000
Sri R.K.Das	120000
Sri N.R.Krishnan	80000
Sri V.Manickam / Sri Basavaraju (Paid to Life Insurance Corporation of India)	60000
Sri V.Manickam	20000
Sri K.P.Nair (Paid to IDBI Bank Limited)	80000
Sri A.Sankarakrishnan	80000
Sri N.Srinivasan (F&R)	250000

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 2012-2013.



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 2013, are as follows:

Name of the Director	No. of Equity Shares
Smt. Chitra Srinivasan	78580
Dr. B.S.Adityan	15704
Sri Arun Datta	4000
Sri Basavaraju	Nil
Sri R.K.Das	1500
Sri N.R.Krishnan	Nil
Sri V.Manickam	Nil
Sri K.P.Nair	Nil
Sri A.Sankarakrishnan	1000
Sri N.Srinivasan (F&R)	Nil

5] a) Share Transfer Committee:

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

During the year 2012-2013, 13,972 Equity Shares were transferred in physical mode in favour of transferees and despatched within reasonable time from the date of receipt.

During the financial year 2012-2013, 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.	Dr. B.S.Adityan * ¹	12	9
3.	Sri N.Srinivasan (F&R)	12	12

*¹ Ceased to be a Director and hence a Member w.e.f. 19.04.2013.

b) Shareholders' / Investors' Grievance Committee:

During the year 2012-2013, 90 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 2012-2013, the Shareholders' / Investors' Grievance Committee met 3 times i.e., on 09.04.2012, 02.07.2012 and 22.10.2012.

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.	Dr. B.S.Adityan, Chairman* ¹	3	3
2.	Sri N.Srinivasan	3	3

*¹ Ceased to be a Director and hence a Member w.e.f. 19.04.2013.

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

c) 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.	Dr. B.S.Adityan* ¹
3.	Sri N.Srinivasan (F&R)

*¹ Ceased to be a Director and hence a Member w.e.f. 19.04.2013.

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
2010	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	02.08.2010	10.00 A.M.	Yes
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

No item of business requiring voting by postal ballot is included in the Notice convening the 67th Annual General Meeting of the Company.

7] Disclosures:

- 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.
- As per Clause 49(V) of the Listing Agreement, the Chief Executive Officer i.e. Managing Director and the Chief Financial Officer i.e. Joint President (Finance & Accounts) certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31st March 2013 in the form prescribed by Clause 49 of the Listing Agreement which is annexed.
- There were no instances of non-compliance on any matter relating to the capital market, during the last three years.
- Presently, the Company does not have a Whistle Blower Policy.
- 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.
- 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 67th Annual General Meeting.
- 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.
- 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 on compliance of Code of Conduct for the financial year 2012-2013 has been received from all the Directors and Senior Management personnel of the Company.
- Transfer to Investor Education and Protection Fund:
The Company has transferred a sum of Rs.2.99 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 2011-2012:

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 2011-2012 with the Central : Due date of filing : 28th February 2013
Government : Actual Date of filing : 26th February 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 : 18th September, 2013 at 9.40 A.M. at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K. Road, Alwarpet, Chennai 600 018.
- (ii) Financial year 1st April to 31st March (Provisional) : Will be published on or before:
Results for Quarter ending June 30, 2013 : 14th August, 2013
Results for Quarter ending September 30, 2013 : 14th November, 2013
Results for Quarter ending December 31, 2013 : 14th February, 2014
Results for Quarter ending March 31, 2014 (audited) : 30th May, 2014
- (iii) Dates of Book Closure : 11th September 2013 to 18th September 2013 (both days inclusive)
- (iv) Dividend payment date : 17th October 2013

(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 "B" category in BSE Limited.
- c) The Company has paid the Listing Fees for the year 2013-14 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 2013 has been paid.

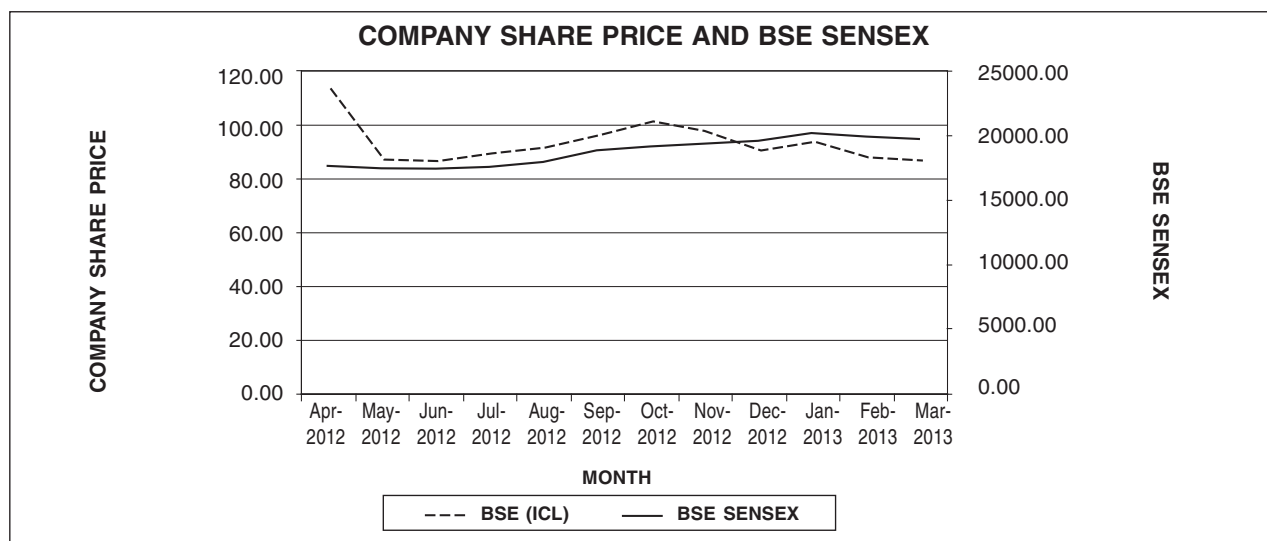
- III The Company's Global Depository Shares (GDSs) are listed in Luxembourg Stock Exchange, P.O. Box 165, L-2811 Luxembourg, Europe and Listing Fee for the year 2013 has been paid.
- IV The equity shares of the Company have been included in the list of equity shares on which derivatives are available for trading in futures and options segment by National Stock Exchange of India Limited.

(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 2012	–	–	113.90	84.00	113.90	84.45
May 2012	–	–	87.50	71.95	87.50	72.00
June 2012	–	–	86.75	72.70	86.95	72.70
July 2012	–	–	89.60	78.70	89.75	78.75
August 2012	–	–	91.50	84.55	91.55	83.70
September 2012	–	–	96.50	80.90	96.40	80.90
October 2012	–	–	101.65	90.85	101.80	90.75
November 2012	–	–	97.75	82.40	97.80	82.45
December 2012	–	–	90.75	85.95	91.00	86.20
January 2013	–	–	94.20	85.25	94.15	85.25
February 2013	–	–	88.00	80.30	88.20	80.10
March 2013	–	–	86.70	81.90	86.65	81.80

(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: corpserve@integratedindia.in

(ix) Share Transfer System:

Shares lodged in physical form with the Company/RTA are processed and returned, duly transferred, within reasonable 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, 2013:

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 500	90384	90.98	10515707	3.43
501 to 1000	4872	4.90	3870273	1.26
1001 to 2000	2186	2.20	3278617	1.07
2001 to 3000	621	0.63	1606490	0.52
3001 to 4000	303	0.31	1090471	0.35
4001 to 5000	248	0.25	1173658	0.38
5001 to 10000	304	0.31	2252008	0.73
10001 and above	418	0.42	283391433	92.26
TOTAL	99336	100.00	307178657	100.00

b) Pattern of Shareholding as on 31st March, 2013:

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	6.77	6.51	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	3	66168057	66168057	22.38	21.54	61500625	92.95
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-
(e)	Any Other (specify): Directors & Relatives	3	542420	542420	0.18	0.18	-	-
	Sub-Total (A) (1)	9	86726373	86726373	29.33	28.23	61500625	70.91
(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	29.33	28.23	61500625	70.91
(B)	Public shareholding						N.A.	N.A.
(1)	Institutions						N.A.	N.A.
(a)	Mutual Funds / UTI	46	20344006	20329516	6.88	6.62	-	-
(b)	Financial Institutions / Banks	29	1957398	1949473	0.66	0.64	-	-
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	7	26268396	26268146	8.88	8.55	-	-
(f)	Foreign Institutional Investors	161	96984540	96942840	32.80	31.57	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (B)(1)	243	145554340	145489975	49.22	47.38	-	-



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	1309	35957309	35895412	12.16	11.71	–	–
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs.1 lakh	94336	20609091	19252328	6.97	6.71	–	–
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	127	3457838	3350210	1.17	1.13	–	–
(c)	Qualified Foreign Investor	–	–	–	–	–	–	–
(d)	Any Other (specify)							
	i Directors & Relatives	4	22204	8000	0.01	0.01	–	–
	ii Foreign Corporate Body	3	7118	7118	0.00	0.00	–	–
	iii Overseas Corporate Bodies	2	2000	1500	0.00	0.00	–	–
	iv Non-Resident Individuals	1415	975759	970261	0.33	0.32	–	–
	v Custodian of enemy Property	37	11854	0	0.00	0.00	–	–
	vi Trust	16	451824	451824	0.15	0.15	–	–
	vii Hindu Undivided Families	1685	738230	738230	0.25	0.24	–	–
	viii Clearing Member	148	1209063	1209063	0.41	0.39	–	–
	Sub-Total (B)(2)	99082	63442290	61883946	21.45	20.66	–	–
	Total Public Shareholding (B)= (B)(1)+(B)(2)	99325	208996630	207373921	70.67	68.04	N.A.	N.A.
	TOTAL (A)+(B)	99334	295723003	294100294	100.00	96.27	61500625	20.80
(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	2812832	2801395	–	0.92	–	–
	ii. Global Depository Shares (GDSs)	1	8642822	8642822	–	2.81	–	–
	TOTAL (C)	2	11455654	11444217	N.A.	3.73	N.A.	N.A.
	GRAND TOTAL (A)+(B)+(C)	99336	307178657	305544511		100.00	61500625	20.02

(xi) Dematerialisation of Equity Shares and Liquidity:

As on 31st March, 2013, 99.47% 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 2012-2013, the Company had received 167 requests for dematerialisation of shares. The Company has acted upon all valid requests received for dematerialisation during the year 2012-2013.

(xii) Outstanding GDRs / ADRs / Warrants or any Convertible Debentures, conversion date and likely impact on equity shares as on 31st March, 2013.

28,12,832 GDRs are outstanding (0.92% of total paidup equity share capital). Each GDR represents one underlying equity share of Rs.10/- each.

43,21,411 GDSs are outstanding. Each GDS represents two underlying equity shares of Rs.10/- each (86,42,822 underlying shares represented by GDS constitutes 2.81% of total paidup 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, Andhra Pradesh
Vallur Village, Tiruvallur District, Tamil Nadu	Malkapur, Ranga Reddy District, Andhra Pradesh
	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

For Investor Complaints:

Contact Person : Sri G.Balakrishnan
 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.

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. : At present, the Company does not have any such mechanism for evaluating the performance of non-executive Board Members.
7. Whistle Blower Policy. : The Company does not have a Whistle Blower Policy.

The Ministry of Corporate Affairs, Government of India, has issued in December 2009 "Corporate Governance Voluntary Guidelines 2009". While the Board welcomes the issue of these guidelines intended for better governance of corporates, introduction of the recommended measures will be considered carefully at the appropriate time.

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 2013 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 2012-2013, 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 : 20th May, 2013

N.Srinivasan

Vice Chairman & Managing Director

R.Srinivasan

Joint President (Finance & Accounts)



ANNEXURE 'D' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013

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, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination 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

G. HARIHARAN
Partner
Membership No.15071

Place : Chennai
Date : 20th May, 2013

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, 2013

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, 2013.

Place : Chennai
Date : 20th May, 2013

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

ANNEXURE 'F' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013

CORPORATE SOCIAL RESPONSIBILITY (CSR)

HIGHLIGHTS OF CSR ACTIVITIES DURING 2012-13

Geographical Coverage

During the year under report, the CSR activities covered 15 districts, 18 talukas and 152 villages. Nearly 7 lakh persons were reached through the 275 activities that were organised by the plants.

Special Focus

Beginning with 2012-13, we have increased our focus on three sectors viz. i) Socio-economic ii) Human Development and iii) Vulnerable Groups and converted activities in these sectors into long term programmes under the categories ENLIVE, VANI and CAN as explained below.

Enlive: Enriching Livelihoods

Activities for skills training for modern industry as well as efforts to improve the productivity in the farm sector are carried out under this banner.

Skills Training

All the plants have started one or more skill development activities resulting in training of more than 500 persons in various trades. Four wheel driving, tailoring, computer literacy, cell phone repairs, beautician training, two wheeler repair, office secretaryship practice, Information Technology Enabled Services are some of the trades in which training has been offered. Some of these programmes are directly organised by the Plants while some are organised in collaboration with appropriate NGOs.

Farm related activities

Organising veterinary camps in select villages is a major activity that has benefitted several of the farmers. Most of our plants have organised such camps.

Two of our plants have moved towards developing the capacities of the farmers through different training programmes. A check dam across a river to increase the water resources which will irrigate about 125 acres of land is a significant activity undertaken by Parli Grinding Unit.

VANI- Value Addition and Necessary Improvements in Government Aided schools

All activities under the sector Human Development that cater to the needs of pre-school and school going children are covered under the captioned programme.

VANI is an extensive programme that covers nearly 300 schools in 152 villages with a wide range of activities. Nearly 27000 students have benefitted out of our sixty different activities, which range from training in Abacus methods to part sponsorship for medical education. Provision of infrastructure facilities, like class rooms, toilets especially for girl students, class room furniture, drinking water facilities, school compounds, improving the play grounds, provision of library and sport material have all been part of this year's activities. The other significant part is improving the quality of education which includes several activities like summer camps, extra coaching classes, provision of teachers where there are none, computer education, English language teaching, career guidance and so on.

CAN - Care of the Needy

This programme covers all activities pertaining to the three vulnerable groups, viz: senior citizens, physically and mentally challenged and orphans. Since these are people with special needs, the activities are carefully chosen. A very interesting activity this year was a one-day picnic organised by the Sankari plant for a group of mentally challenged children to the nearby Metur dam. Apart from meeting the entire expenses, two officers from the Plant accompanied the children on the picnic.

Other Sectors - other Activities

The two sectors of Community Health and Infrastructure Development in the villages continue to benefit several of the villagers. Most of the plants have organised medical camps in the villages. Through these camps and other health care activities like HIV-AIDS Awareness, Nutrition Awareness about 30,000 beneficiaries have been reached this year. As regards Infrastructure, the general demand is for construction of roads and drinking water facilities which have been carried out by six of our plants. A few other significant activities include construction of bus shelters, renovation of an old police station and renovation of local temples and other places of worship.

Activities in the Sports and Environment sectors have been organised by the Plants through local schools. The main aim is to nurture local sports talent and to create awareness of a clean and green environment amongst the children and youth.

INDEPENDENT AUDITORS' REPORT

To

The Members of The India Cements Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of The India Cements Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013 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.

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"). 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. 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, 2013;
- b. in the case of the Statement of Profit and Loss, of the Profit 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(f) 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 (COMPAT) concerning the alleged contravention of provisions of The Competition Act, 2002. COMPAT 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.

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

- b) We draw attention to note no.33.2(g) of the financial statements relating to the Fuel Surcharge Adjustments (FSAs) levied by the Electricity Distribution Companies in Andhra Pradesh, which has been challenged by the Company before the Hon'ble High Court of Andhra Pradesh. The Company is advised by legal experts that it has good case before High Court and accordingly no provision has been considered necessary in the accounts in this regard and the payments made under protests have been grouped under advances. 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.
 - 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.
 - v. On the basis of written representations received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For P. S. SUBRAMANIA IYER & Co.,
Chartered Accountants
Firm Registration No: 004104S
G.HARIHARAN
Partner
Membership No. 15071

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

Place : Chennai
Date : 20th May, 2013

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 of 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.
Chartered Accountants
103, P.S. Sivaswamy Salai
Mylapore
Chennai - 600 004

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

- (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 few delays in depositing 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, 2013 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 debt portfolio of the Company was restructured through Corporate Debt Restructuring Scheme (CDR), based on the said scheme 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, 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.
Chartered Accountants
103, P.S. Sivaswamy Salai
Mylapore
Chennai - 600 004

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

- (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 created the securities or charges in respect of secured debentures issued and outstanding at the year-end as per original terms of issue notwithstanding modifications, reschedulement and other changes in the terms as agreed with CDR cell.
- (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

G.HARIHARAN
Partner
Membership No. 15071

Place : Chennai
Date : 20th May, 2013

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

N.SRI KRISHNA
Partner
Membership No. 26575

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

Annexure to the Independent Auditors' Report to the Members of The India Cements Limited for the year ended 31st March 2013

Category	Pending With	Financial Year	Amount Rs.lakhs
Cenvat	Addl. Commissioner Appellate Tribunal	2007-08, 2008-09, 2009-10, 2010-11, 2012-13, 2009-11,2009-13	244.26
		1995-96, 1996-97, 1997-98, 1999-00, 2004-05, 2005-06, 2006-07, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2005-07, 2006-11, 2008-10, 2009-11, 2010-12, 1994-98, 2004-06, 1998-00, 2005-08, 2005-10, 2007-09, 2006-09, 2006-08, 2007-12	8981.22
		1998-99, 2004-05, 2010-12, 2010-11, 2011-12	24.58
	Asst. Commissioner Commissioner	2007-09, 2008-09, 2010-11, 2011-12, 2011-13, 2008-10, 2009-11, 2010-12	3669.26
		2000-01, 2011-12	0.51
	Dy. Commissioner	2009-11, 2011-13	0.55
	Jt. Commissioner	2011-12	23.36
	Superintendent	2010-11	0.31
	High Court	1994-95,1994-96,1995-96, 1996-97, 1997-98, 1998-99, 2000-01, 2004-09, 2005-06, 2005-07, 2007-08, 2007-09, 2008-09, 2009-10	553.53
1995-96, 1996-97, 2007-08		803.55	
CST	Asst. Commissioner High Court	1973-74	4.17
		1991-92,1992-93,1993-94	76.17
Income Tax	Asst. Commissioner Appellate Tribunal High Court Supreme Court	2009-10	4379.58
		1991-92, 2008-09	14632.70
		1982-83, 1983-84, 1984-85, 1985-86, 1986-87	363.83
		1996-97	810.65
Sales Tax	Asst. Commissioner Dy. Commissioner (Appeals) High Court	1970-71, 1971-72, 1975-76, 1976-77, 1977-78, 1978-79	109.30
		1997-98	3.84
		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	1097.87
Service tax	Addl. Commissioner Asst. Commissioner	1997-99, 2004-06, 2006-07	74.00
		2011-12, 2012-13	3.09
	Appellate Tribunal Commissioner	1997-99, 2005-06, 2005-09, 2008-09, 2010-11, 2008-10	704.01
		2007-08, 2010-11, 2011-12, 2012-13, 2005-07, 2007-11, 2011-13, 2004-08, 2007-09, 2008-10, 2009-11, 2010-12, 2006-08	12740.38
		1997-99, 2006-09, 2007-09, 2008-09, 2010-11	76.78
High Court	2005-06, 2006-07, 2007-08, 2004-06, 2004-08	1164.89	
VAT	Addl. Commissioner Appellate Tribunal High Court	2006-07, 2008-09	268.74
		2005-06	22.01
		2005-06, 2007-08, 2008-09, 2009-10, 2012-13	719.98
		TOTAL	51553.12

For P. S. SUBRAMANIA IYER & Co.,
Chartered Accountants
Firm Registration No: 004104S
G.HARIHARAN
Partner
Membership No. 15071

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

Place : Chennai
Date : 20th May, 2013



BALANCE SHEET AS AT 31ST MARCH 2013

	Note No.	Rs.Lakhs	2013 Rs.Lakhs	Rs.Lakhs	2012 Rs.Lakhs
EQUITY AND LIABILITIES :					
1. Shareholders' Funds:					
a. Share Capital	3	30717.82		30717.81	
b. Reserves and Surplus	4	378246.08	408963.90	375155.74	405873.55
2. Non-Current Liabilities:					
a. Long-term borrowings	5	193773.15		149653.50	
b. Deferred tax liabilities - Net	6	32968.82		32451.48	
c. Other Long-term liabilities	7	12356.76		16027.21	
d. Long-term provisions	8	6423.47	245522.20	6088.56	204220.75
3. Current Liabilities:					
a. Short-term borrowings	9	81626.70		77205.43	
b. Trade Payables	10	77563.49		62750.74	
c. Other Current Liabilities	11	59074.43		66927.06	
d. Short-term provisions	12	7537.23	225801.85	7155.51	214038.74
			880287.95		824133.04
ASSETS :					
1. Non-Current Assets:					
a. Fixed Assets	13				
(i) Tangible Assets		391489.83		387785.72	
(ii) Intangible Assets		22714.76		25506.40	
(iii) Capital Work-in-Progress		33923.83		14510.31	
		448128.42		427802.43	
b. Non-current Investments	14	94808.10		85040.35	
c. Long-term loans and advances	15	189968.53	732905.05	191626.67	704469.45
2. Current Assets:					
a. Current Investments	16	974.96		155.52	
b. Inventories	17	49605.68		52580.87	
c. Trade Receivables	18	46558.66		20982.20	
d. Cash and cash equivalents	19	474.24		288.24	
e. Short-term loans and advances	20	49769.36	147382.90	45656.76	119663.59
			880287.95		824133.04
Notes on Accounts	1 to 33				

As per our Report of 20th May, 2013

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

G.HARIHARAN
Partner
Membership No. 15071

Place : Chennai
Date : 20th May, 2013

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
Vice Chairman & Managing Director

R.SRINIVASAN
Joint President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director

G.BALAKRISHNAN
President &
Company Secretary

ARUN DATTA
BASAVARAJU
R.K.DAS
N.R.KRISHNAN
V.MANICKAM
K.P.NAIR
N.SRINIVASAN
Directors

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

	Note No.	Rs.Lakhs	2012-13 Rs.Lakhs	Rs.Lakhs	2011-12 Rs.Lakhs
Revenue from Operations	21		459703.53		420340.21
Other Income	22		1863.16		1928.84
Total Revenue			461566.69		422269.05
Expenses:					
Cost of materials consumed	23		57740.33		54102.53
Changes in Inventories of Finished goods / Work-in-Progress	24		(1876.75)		315.94
Employee benefits expense	25		33394.15		30263.36
Finance costs	26		30774.65		29036.82
Other Expenses:					
Manufacturing and Other Operating Expenses	27	138887.49		122754.62	
Administration and Other Charges	28	24676.45		20237.21	
Selling and Distribution Expenses	29	123583.07		101570.84	
Donations	30	967.12	288114.13	759.76	245322.43
Depreciation and amortisation expense		33994.83		31057.09	
Less : Transfer from Revaluation Reserve		5512.33		5628.80	
Less : Transfer from Deferred Income		298.80	28183.70	298.80	25129.49
Total Expenses			436330.21		384170.57
Profit before exceptional items and tax			25236.48		38098.48
Exceptional Items:					
Share / Bonds issue expenses		0.00		17792.48	
Less : Transfer from Share Premium		0.00		(17792.48)	
			0.00		0.00
Profit before tax			25236.48		38098.48
Tax expense:					
Current tax		8364.18		3777.06	
Deferred tax		517.34	8881.52	5024.48	8801.54
Profit after tax			16354.96		29296.94
Earnings per Share (face value of Rs.10/- per equity share):	31				
Basic (Rs.)			5.32		9.54
Diluted (Rs.)			5.32		9.54

Notes on Accounts

1 to 33

As per our Report of 20th May, 2013

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

G.HARIHARAN
Partner
Membership No. 15071

Place : Chennai
Date : 20th May, 2013

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
Vice Chairman & Managing Director
R.SRINIVASAN
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N.SRINIVASAN
Directors



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Rs.Lakhs	2012-13 Rs.Lakhs	Rs.Lakhs	2011-12 Rs.Lakhs
A. Cash flow from operating activities :				
Net profit before tax and extraordinary items		25236.48		38098.48
Adjusted for:				
Depreciation	28183.70		25129.49	
Provision for Doubtful Debts & Advances	339.56		48.12	
Foreign Exchange	2611.20		2891.84	
Profit/Loss on sale of Assets	41.38		199.89	
Interest Expense	32903.01		28787.60	
Interest Income	-6478.28		-4229.15	
Dividend Income	-203.83		-305.57	
Perquisite value of Employees' stock options	0.00		0.24	
Deferred revenue expenditure / income	-156.04	<u>57240.70</u>	-887.94	51634.52
Operating profit before Working Capital changes		82477.18		89733.00
Trade and other receivables	-32034.23		-9594.66	
Inventories	2975.19		-2849.97	
Trade payables	<u>20377.33</u>	<u>-8681.71</u>	<u>11693.44</u>	<u>-751.19</u>
Cash generated from operations		73795.47		88981.81
Direct Taxes		<u>-7149.67</u>		<u>-6855.81</u>
Cash flow before extraordinary items		66645.80		82126.00
Extraordinary items		<u>0.00</u>		<u>0.00</u>
Net cash from operating activities	(A)	<u>66645.80</u>		<u>82126.00</u>
B. Cash flow from Investing activities :				
Purchase of Fixed Assets		-53581.56		-9133.54
Sale of Fixed Assets		405.64		199.00
Sale of Investments		445.52		1416.09
Purchase of Investments		-11032.71		-70581.00
Interest received		1174.89		731.54
Dividend received		203.83		305.57
Refund by / advances to Subsidiaries, Associates and Others		5220.61		22901.04
Net cash from Investing activities	(B)	<u>-57163.78</u>		<u>-54161.30</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

		2012-13	2011-12
		Rs.Lakhs	Rs.Lakhs
C. Cash flow from financing activities :			
Proceeds from issue of share capital		0.01	0.78
Dividend paid		-7140.20	-5357.69
Proceeds from borrowings		94753.97	96976.45
Repayment of borrowings		-62557.18	-72851.94
Interest paid (net)		-34352.62	-49753.12
Net Cash from financing activities	(C)	-9296.02	-30985.52
Increase / (Decrease) in cash and cash equivalent	(A+B+C)	186.00	-3020.82
Cash and cash equivalent at the beginning of the year		288.24	3309.06
Cash and cash equivalent at the close of the year		474.24	288.24

As per our Report of 20th May, 2013

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
G.HARIHARAN
Partner
Membership No. 15071
Place : Chennai
Date : 20th May, 2013

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

N.SRINIVASAN
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K.P.NAIR
N.SRINIVASAN
Directors



NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

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.33.17.

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 and fuels are 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 2013 (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.)	2013	No. of Shares	Par value per share (Rs.)	2012
			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 PAIDUP :						
Equity Shares fully paidup:						
Opening balance	307176747	10	30717.67	307174910	10	30717.50
Add : Partly paidup shares, subscribed fully during the year	469	10	0.05	337	10	0.02
Add : Subscribed during the year	0	10	0.00	1500	10	0.15
Total issued, subscribed and fully paidup	<u>307177216</u>		<u>30717.72</u>	<u>307176747</u>		<u>30717.67</u>
Equity Shares - subscribed, but not fully paid (other than Directors):						
Opening balance	1910	10	0.14	2247	10	0.15
Less: Partly paidup shares, subscribed fully during the year	469	10	0.04	337	10	0.01
Total - Equity Shares subscribed, but not fully paid	<u>1441</u>		<u>0.10</u>	<u>1910</u>		<u>0.14</u>
Total - Subscribed Equity Shares	<u>307178657</u>		<u>30717.82</u>	<u>307178657</u>		<u>30717.81</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	40010552	13.03	4001.06	32115284	10.45	3211.53
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	17900000	5.83	1790.00
Life Insurance Corporation of India	20703547	6.74	2070.35	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

Aggregate number of equity shares allotted in the previous 5 years without being received in cash:

During the year 2007-08, the Company allotted 4,00,00,000 Equity Shares of Rs.10/- each fully paidup, to the shareholders of erstwhile Visaka Cement Industry Limited (VCIL) pursuant to the Order dated 25th July, 2007 of the Honourable High Court of Judicature at Madras sanctioning the Scheme of Amalgamation of VCIL with The India Cements Limited.

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:

3. SHARE CAPITAL (Contd.)

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.

For the year 2012-13, the Board of Directors have recommended a dividend of Rs. 2.00 per share, which is subject to the approval by shareholders.

During the previous year 2011-12, 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, 2013.

4. RESERVES AND SURPLUS

	2013 Rs.Lakhs	2012 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	147670.89	165462.51
Add : Additions on ESOS exercised	0.00	0.60
Add : Transfer from Stock Options Outstanding Account	0.00	0.24
Add : Calls in arrears received	0.01	0.02
Less: Premium on redemption of Bonds	0.00	17792.48
Closing balance	<u>147670.90</u>	<u>147670.89</u>
* Securities Premium is net of calls in arrears of Rs.0.07 lakh (As on 31 st March 2012: Rs.0.08 lakh).		
Debenture Redemption Reserve		
Opening balance	5290.00	532.67
Add : Additions during the year	0.00	4757.33
Less: Transfer to Surplus in Profit & Loss	5242.00	0.00
Closing balance	<u>48.00</u>	<u>5290.00</u>
Contingency Reserve (Refer Note No.33.4(a))	<u>20000.00</u>	<u>20000.00</u>
Revaluation Reserve		
Opening balance	48729.10	55010.13
Less: Transfer to depreciation	5512.33	5628.80
Less: Withdrawals	109.79	652.23
Closing balance	<u>43106.98</u>	<u>48729.10</u>
Stock Options Outstanding Account		
Opening balance	0.00	0.00
Add : Additions during the year	0.00	0.24
Less: Transfer to Securities Premium	0.00	0.24
Closing balance	<u>0.00</u>	<u>0.00</u>
General Reserve		
Opening balance	39407.42	35407.42
Add : Additions during the year	4000.00	4000.00
Closing balance	<u>43407.42</u>	<u>39407.42</u>



4. RESERVES AND SURPLUS (Contd.)

	2013 Rs.Lakhs	2012 Rs.Lakhs
Deferred Income (Refer Note No. 33.23)		
Opening balance	3492.73	3791.53
Less: Transfer / withdrawals	298.80	298.80
Closing balance	<u>3193.93</u>	<u>3492.73</u>
Shipping Tonnage Tax Reserve (Refer Note No. 33.14)	<u>90.00</u>	<u>90.00</u>
Foreign currency monetary item translation difference account (Refer Note No. 33.17)		
Opening balance	(887.94)	0.00
Foreign Currency Monetary Item translation loss during the year	(479.75)	(1078.44)
Amortised during the year	323.71	190.50
Closing balance	<u>(1043.98)</u>	<u>(887.94)</u>
Surplus in Profit & Loss		
Opening balance	108847.37	95447.97
Add : Profit after tax for the year	16354.96	29296.94
Sub-total	<u>125202.33</u>	<u>124744.91</u>
Appropriations:		
Proposed Dividend on Equity Capital	6143.57	6143.57
Dividend Distribution Tax	1044.10	996.64
Transfer to General Reserve	4000.00	4000.00
Transfer to / (from) Debenture Redemption Reserve	(5242.00)	4757.33
Sub-total	<u>5945.67</u>	<u>15897.54</u>
Closing balance	<u>119256.66</u>	<u>108847.37</u>
Total - Reserves & Surplus	<u>378246.08</u>	<u>375155.74</u>
NON-CURRENT LIABILITIES (Note No.5 to 8)		
5. LONG-TERM BORROWINGS		
SECURED:		
1. Bonds / Debentures (Refer Note No. 33.16)	135.32	191.42
2. Term Loans:		
Banks	115636.72	88949.86
Others	12696.07	3054.06
Total Secured	<u>128468.11</u>	<u>92195.34</u>
UNSECURED:		
Banks	11284.79	0.00
Others	54020.25	57458.16
Total - Long-Term Borrowings (Refer Note No. 32 for Security clause)	<u>193773.15</u>	<u>149653.50</u>
6. DEFERRED TAX LIABILITIES - NET		
Liability on account of Depreciation (Net of Unabsorbed Depreciation)	35414.78	35148.42
Asset arising on account of other timing differences	2445.96	2696.94
Net Deferred Tax liability	<u>32968.82</u>	<u>32451.48</u>
7. OTHER LONG-TERM LIABILITIES		
Capital Expenditure - Payable towards franchisee rights (Refer Note No. 33.18)	10920.00	14560.00
Deposits	1436.76	1467.21
	<u>12356.76</u>	<u>16027.21</u>

	2013 Rs.Lakhs	2012 Rs.Lakhs
8. LONG-TERM PROVISIONS		
Provision for employee benefits - Unavailed Leave (Refer Note No.33.22 (b))	<u>6423.47</u>	<u>6088.56</u>
CURRENT LIABILITIES (Note No.9 to 12)		
9. SHORT-TERM BORROWINGS		
1. Loans repayable on Demand (Secured):		
Cash Credit facilities from scheduled banks	59466.40	59215.37
(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	21160.30	17990.06
Commercial Papers - Others	1000.00	0.00
	<u>81626.70</u>	<u>77205.43</u>
10. TRADE PAYABLES		
1. Creditors for Goods including Acceptances (Refer Note No. 33.15)	43351.43	32553.79
2. Customer Credit balances	6374.27	7367.31
3. Other Trade Payables	20402.45	15753.51
4. Trade Deposits from Customers	7435.34	7076.13
	<u>77563.49</u>	<u>62750.74</u>
11. OTHER CURRENT LIABILITIES		
1. Current maturities of long-term debt		
SECURED:		
1. Bonds / Debentures (Refer Note No.33.16)	56.10	20968.56
2. Term Loans:		
Banks	19279.58	15892.92
Others	2021.71	1892.65
Total Secured	<u>21357.39</u>	<u>38754.13</u>
UNSECURED:		
Others	5534.60	4482.01
Total Current maturities of Long-Term Debt (Refer Note No. 32 for Security clause)	<u>26891.99</u>	<u>43236.14</u>
2. Interest accrued but not due on borrowings	2808.03	1646.43
3. Other payables:		
Creditors for Capital Goods (Refer Note No.33.18)	6675.39	4605.59
Other Liabilities (includes payable to Directors Rs.900 lakhs : Previous year Rs.1103 lakhs)	22534.72	17322.34
4. Investor Education and Protection Fund:		
(Appropriate amounts shall be transferred to the fund as and when due)		
Unpaid dividends	98.68	77.16
Unpaid matured deposits and interest accrued thereon	65.62	39.40
	<u>59074.43</u>	<u>66927.06</u>
12. SHORT-TERM PROVISIONS		
Proposed Dividend (Including Dividend distribution tax)	7202.98	7155.51
Provision for Income Tax (Net of Advance tax)	334.25	0.00
	<u>7537.23</u>	<u>7155.51</u>



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

13. FIXED ASSETS

Rs.Lakhs

Particulars	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	As at 31 st Mar-12	Additions 2012-13	Deductions Previous Year	As at 31 st Mar-12	For Previous Year	Deductions Previous Year	As at 31 st Mar-13	As at 31 st Mar-12
Tangible Assets:								
Land	48029.72	7738.66	(610.53)	71.86	0.00	0.00	55696.52	48029.72
Buildings	59050.38	5800.34	(10838.80)	57.42	(1241.03)	0.00	52745.55	48474.66
Railway siding	12557.96	809.37	(4674.74)	0.00	(392.66)	0.00	9098.65	8883.97
Plant and Machinery including Electrical Installations *	445680.39	9662.37	(42377.66)	1036.44	(3114.98)	(2199.09)	249537.25	262892.23
Wind Electric Generators	7825.81	0.00	0.00	0.00	(413.20)	0.00	2805.91	3189.42
Ships	24559.08	8808.66	(135.78)	0.00	(3282.72)	0.00	16952.76	11472.22
Furniture & Fixtures	1840.38	142.69	(120.51)	7.24	(112.86)	3.00	1128.79	1104.76
Office Equipments and Computers	4199.99	397.16	(311.88)	67.70	(362.48)	(896.27)	2053.35	2081.07
Vehicles	3379.96	430.76	(954.57)	216.12	(659.74)	(207.37)	1471.05	1547.67
Total Tangible Assets	608023.67	33790.01	(60024.47)	1456.78	(4528.11)	(3476.99)	391489.83	387785.72
Intangible Assets:								
Franchise Rights (Refer Note No:33.18)	36400.00	0.00	0.00	0.00	(3640.00)	0.00	17890.85	21530.85
Computer software and Licences	5769.62	1674.10	(1927.97)	0.00	(604.09)	0.00	4823.91	3975.55
Total Intangible Assets	42169.62	1674.10	(1927.97)	0.00	(4244.09)	0.00	22714.76	25306.40
Total Tangible and Intangible Assets	650193.29	35464.11	(61952.44)	1456.78	(51057.09)	(3476.99)	414204.59	413292.12
Capital Work-in-Progress							33923.83	14510.31
Total							448128.42	427802.43

* - 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.1166.46 lakhs (Previous year: Rs.2622.18 lakhs).

During the year finance cost amounting to Rs.1789.54 lakhs has been capitalised (Previous year: Rs.800.17 lakhs).

14. NON-CURRENT INVESTMENTS

	No. of shares/ debentures	Face Value Per share/ debenture (Rs.)	2013 Cost Rs.Lakhs	2012 Cost Rs.Lakhs
1. TRADE INVESTMENTS - (Unquoted) - In Subsidiaries:				
1. Fully paid Equity Shares:				
Coromandel Electric Company Limited	140000	10	14.00	14.00
2. Fully paid Non-Dividend bearing Equity Shares:				
Coromandel Electric Company Limited	90000	10	9.00	0.00
Preference Shares of Coromandel Electric Company Limited (CECL):				
3. 13.25% Redeemable Cumulative Participating Preference Shares	508	10000	20.37	30.56
4. 18% Redeemable Cumulative Participating Preference Shares (5000 shares have been given as security towards a loan obtained by CECL)	11600	10000	616.18	899.81
5. 14% Redeemable Cumulative Preference Shares	4000000	10	151.69	303.39
			<u>811.24</u>	<u>1247.76</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	60500.00
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	5.00
12. ICL Securities Limited	6130200	10	613.02	5.00
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	0.00
Subsidiaries - Total			<u>74162.69</u>	<u>63958.47</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.)	2013 Cost Rs.Lakhs	2012 Cost Rs.Lakhs
C. Government and Trustee Securities (Unquoted):				
25. National Savings Certificates			1.25	1.20
26. Indira Vikas Patra Certificates			0.02	0.02
			<u>1.27</u>	<u>1.22</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>94808.10</u>	<u>85040.35</u>
Note:				
Aggregate of Quoted Investments:				
Cost			398.60	398.60
Market Value			248.63	249.13
Aggregate of Unquoted Investments:				
Cost			94409.50	84641.75
15. LONG-TERM LOANS AND ADVANCES				
Unsecured and considered good:				
Capital Advances			28708.69	31574.96
Loans and Advances to related parties (Refer Note No.33.4(a))			88969.09	92490.06
Other Loans and Advances:				
Body Corporates (Refer Note No.33.4(a))			65376.61	61772.86
Deposits			6048.91	4998.84
Secured:				
Housing Loan and other Loans to Employees			865.23	789.95
			<u>189968.53</u>	<u>191626.67</u>
CURRENT ASSETS (Note No.16 to 20)				
16. CURRENT INVESTMENTS (QUOTED)				
Fixed Income Interval Fund of Unit Trust of India			974.96	155.52
Number of Units: 95636.56 (Previous year: 15256)				
Face Value per Unit: Rs.1019.45 (Previous year: Rs.10)				
Market Value: Rs.974.96 lakhs (Previous Year: Rs.155.52 lakhs)				
17. INVENTORIES				
Stores / Spares (Including coal and packing material)			29213.54	36923.16
Raw Materials			6779.72	3922.04
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>49605.68</u>	<u>52580.87</u>

	2013 Rs.Lakhs	2012 Rs.Lakhs
18. TRADE RECEIVABLES		
Outstanding for more than six months	4034.37	5125.28
Less: Provision for doubtful debts	<u>(496.23)</u>	<u>(473.38)</u>
Sub-total	3538.14	4651.90
Others	43020.52	16330.30
Total - Trade Receivables, considered good (Net of security deposit Rs.30399.81 lakhs (As at 31 st March 2012: Rs.29487.79 lakhs))	<u>46558.66</u>	<u>20982.20</u>
19. CASH AND CASH EQUIVALENTS		
Cash, cheques and stamps on hand	86.96	78.59
Cash at Scheduled Banks in Current Accounts (Includes Earmarked balances for Unpaid Dividend Rs.98.68 lakhs (Previous Year: Rs.77.16 lakhs))	266.15	138.62
Fixed Deposits with Scheduled Banks (Towards Deposits from Public)	<u>121.13</u>	<u>71.03</u>
	474.24	288.24
20. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)		
Advance for goods	21764.35	20097.12
Advance payment of Tax (Net of provision)	0.00	880.26
Prepaid Expenses	741.11	771.42
Other Advances (Net of provision Rs.409 lakhs (Previous Year: Rs.220 lakhs))	<u>27263.90</u>	<u>23907.96</u>
	49769.36	45656.76
	Rs.Lakhs	Rs.Lakhs
21. REVENUE FROM OPERATIONS	2012-13 Rs.Lakhs	2011-12 Rs.Lakhs
Sales including Excise Duty	499392.37	453689.18
Other Operating Revenues:		
Trade Sales	597.84	0.00
Freight Earnings - Shipping	5857.43	3741.62
Value of Power Generated from Wind Farms	1781.37	1092.79
Income from Indian Premier League (Refer Note No.33.18)	<u>13662.57</u>	<u>13728.98</u>
	21899.21	18563.39
Revenue from Operations including Excise Duty	521291.58	472252.57
Less: Excise Duty	<u>(61588.05)</u>	<u>(51912.36)</u>
Revenue from Operations	459703.53	420340.21
22. OTHER INCOME		
Dividend Income #	203.83	305.57
Interest Income	1174.89	367.72
Other Non Operating Income:		
Rent Recovery	30.85	24.59
Profit on Sale of Assets	137.51	64.11
Foreign Exchange translation difference	29.95	38.54
Miscellaneous Income	<u>286.13</u>	<u>1255.55</u>
	1863.16	1928.84

Includes dividend received from subsidiaries Rs.144.47 lakhs (Previous year: Rs.206.24 lakhs)



	Rs.Lakhs	2012-13 Rs.Lakhs	Rs.Lakhs	2011-12 Rs.Lakhs
23. COST OF MATERIALS CONSUMED				
Raw Materials Consumed:				
Opening Stock		3922.04		4679.72
Add: Purchases	41549.04		37647.21	
Add: Own Quarrying (Net) (Refer Note No. 33.5 (a))	<u>19048.97</u>		<u>15697.64</u>	
		<u>60598.01</u>		<u>53344.85</u>
		<u>64520.05</u>		<u>58024.57</u>
Less: Closing Stock		<u>6779.72</u>		<u>3922.04</u>
Raw Materials Consumed		<u>57740.33</u>		<u>54102.53</u>
24. (INCREASE) / DECREASE IN STOCK				
Opening Stock of:				
Work-in-Process	633.66		682.32	
Semi-finished Goods	6106.58		7170.63	
Finished Goods	4995.43		4198.66	
Construction & Infrastructure - Projects in Progress	<u>0.00</u>		<u>0.00</u>	
		<u>11735.67</u>		12051.61
Less: Closing 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	<u>316.90</u>		<u>0.00</u>	
		<u>13612.42</u>		<u>11735.67</u>
		<u>(1876.75)</u>		<u>315.94</u>
Total - (Increase) / Decrease in stock				
25. EMPLOYEE BENEFITS EXPENSE				
(a) Employees other than Directors:				
Salaries, Wages and Bonus		23042.93		20053.61
Contribution to Provident Fund		966.66		903.75
Gratuity		1068.54		337.92
Superannuation		1013.08		946.75
Employees' Provident Fund Admn. Charges		80.57		73.97
Employees' State Insurance Scheme		43.60		21.80
Workmen and Staff Welfare Expenses		4759.50		5035.44
Unavailed leave (Refer Note No.33.22(b))		739.04		1009.38
Total - Employees other than Directors		<u>31713.92</u>		<u>28382.62</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	750.00		902.00	
Others	<u>6.63</u>	<u>1336.83</u>	<u>4.14</u>	1486.34
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	150.00		201.00	
Others	<u>0.00</u>	<u>343.40</u>	<u>0.00</u>	394.40
Total - Directors' Remuneration		<u>1680.23</u>		<u>1880.74</u>
Total - Employees benefits expense (a + b)		<u>33394.15</u>		<u>30263.36</u>

	2012-13		2011-12
	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 before taxes		25236.48	38098.48
Add: Managerial Remuneration		1680.23	1880.74
Loss on sale of assets		178.89	264.00
Provision for doubtful debts		339.56	48.12
Less: Bad debts written-off		(127.71)	(119.12)
Profit on sale of assets / investments		(137.51)	(64.11)
Net profit as per Section 309(5) of the Companies Act, 1956		<u>27169.94</u>	<u>40108.11</u>
Commission: Managing Director		750.00	902.00
Wholetime Director		150.00	201.00
Total		<u>900.00</u>	<u>1103.00</u>
26. FINANCE COSTS (NET)			
Interest Expense		17079.40	16046.25
Other Borrowing Costs		11054.10	10060.19
Loss / (Gain) on Foreign currency transactions / translations		2641.15	2930.38
		<u>30774.65</u>	<u>29036.82</u>
27. MANUFACTURING AND OTHER OPERATING EXPENSES			
Stores Consumed (Refer Note No.33.5(b))		4621.39	4583.34
Power and Fuel		125508.52	109469.43
Repairs & Maintenance:			
Building	60.66		37.10
Machinery	5633.54		5538.89
Others	2180.13		2910.86
Total Repairs & Maintenance		<u>7874.33</u>	8486.85
Agency and Port Charges - Shipping		129.23	49.43
Trade Purchase		558.10	0.00
Excise Duty on stock adjustment		195.92	165.57
		<u>138887.49</u>	<u>122754.62</u>
28. ADMINISTRATION AND OTHER CHARGES			
Insurance		657.55	564.68
Rent		419.09	387.63
Rates and Taxes		730.00	595.23
Printing and Stationery		251.98	218.90
Postage, Telephones and Telegrams		386.83	418.69
Other Administration Expenses		20781.91	17286.35
Legal Fees		471.32	128.04
Directors' Sitting Fees		10.52	13.80
Auditors' Expenses:			
Audit Fees	80.00		80.00
Cost Audit Fees	10.00		10.00
Certifications / Others	19.24		8.90
Tax Audit / Other Services	10.00		16.00
Travel / out of pocket expenses	5.85		6.37
Amortisation of Deferred Revenue Expenses (Refer Note No.33.17)		<u>323.71</u>	190.50
Loss on Sale of Assets		178.89	264.00
Provision for Doubtful Advances / Debtors		339.56	48.12
Provision for Doubtful Advances / Debtors - Opening balance	693.38		764.38
Add: Additional provisions during the year	339.56		48.12
	<u>1032.94</u>		812.50
Less: Bad debts / advances written-off during the year	127.71		119.12
Provision for Doubtful Advances / Debtors - Closing balance	<u>905.23</u>		693.38
		<u>24676.45</u>	<u>20237.21</u>



		2012-13 Rs.Lakhs	2011-12 Rs.Lakhs
29. SELLING AND DISTRIBUTION EXPENSES			
Packing Charges		18712.42	16434.51
Entry Tax		148.54	82.68
Freight outwards		88193.67	69333.31
Handling		7654.62	6155.96
Advertisement		2833.73	3730.95
Others		6040.09	5833.43
		<u>123583.07</u>	<u>101570.84</u>
30. DONATIONS			
The India Cements Educational Society		400.00	400.00
Others		567.12	359.76
		<u>967.12</u>	<u>759.76</u>
31. EARNINGS / LOSS PER SHARE (EPS)			
Earnings:			
Earnings available to Equity Shareholders - Basic	A	16354.96	29296.94
Income or expenses accounted in Financial Statements attributable to potential equity shareholders		0.00	0.00
Earnings - Diluted	B	<u>16354.96</u>	<u>29296.94</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	5.32	9.54
Diluted (Rs.)	B / D	5.32	9.54

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
	2013 Rs.Lakhs	2012 Rs.Lakhs	2013 Rs.Lakhs	2012 Rs.Lakhs	2013 Rs.Lakhs	2012 Rs.Lakhs		
SECURED:								
(a) Bonds / Debentures:								
Secured Privately placed Debentures redeemable / repayable on or before 31 st March 2016								
(i) 2385 Debentures of Rs.375000/- each	30.41	43.63	13.22	197.38	43.63	241.01	31/03/2016	Quarterly
(ii) 7630 Debentures of Rs.500000/- each	104.91	147.79	42.88	771.18	147.79	918.97	31/03/2016	Quarterly
(iii) 4000 -11.25% Non-Convertible Debentures of Rs.500000/- each, redeemable after one year from the date of allotment	0.00	0.00	0.00	20000.00	0.00	20000.00	Paid	
Total (i) to (iii)	135.32	191.42	56.10	20968.56	191.42	21159.98		
(b) Term Loans:								
From Banks								
(i) IDBI Bank Ltd.	2275.26	3253.33	954.12	954.13	3229.38	4207.46	31/03/2016	Quarterly
(ii) IDBI Bank Ltd.	1118.14	1591.87	366.71	325.11	1484.85	1916.98	31/03/2016	Quarterly
(iii) IDBI Bank Ltd.	108.98	177.65	54.94	54.94	163.92	232.59	31/03/2016	Quarterly
(iv) IDBI Bank Ltd.	0.00	3057.25	3057.25	3333.00	3057.25	6390.25	28/02/2014	Monthly
(v) State Bank of India	0.00	0.00	0.00	1396.43	0.00	1396.43	Paid	
(vi) Punjab National Bank	4265.51	9226.39	5020.94	4579.64	9286.45	13806.03	30/11/2014	Monthly
(vii) Kotak Mahindra Bank	1222.22	2555.56	1333.33	1333.33	2555.55	3888.89	25/02/2015	Monthly
(viii) Kotak Mahindra Bank	2916.67	3916.67	1000.00	1000.00	3916.67	4916.67	04/02/2017	Monthly
(ix) Kotak Mahindra Bank	6513.60	0.00	0.00	0.00	6513.60	0.00	24/07/2015	Bullet
(x) Kotak Mahindra Bank	2990.08	0.00	1534.32	0.00	4524.40	0.00	23/11/2015	Monthly
(xi) Axis Bank Ltd.	2321.57	4643.14	2321.57	2321.57	4643.14	6964.71	07/12/2014	Yearly
(xii) Axis Bank Ltd.	11667.09	30000.00	0.00	0.00	11667.09	30000.00	31/03/2017	Quarterly
(xiii) Axis Bank Ltd.	10000.00	0.00	0.00	0.00	10000.00	0.00	30/06/2016	Quarterly
(xiv) ICICI Bank	31374.00	30528.00	0.00	0.00	31374.00	30528.00	07/11/2019	Half Yearly
(xv) ICICI Bank	16363.60	0.00	3636.40	0.00	20000.00	0.00	30/09/2018	Quarterly
(xvi) IDBI Bank Ltd.	22500.00	0.00	0.00	0.00	22500.00	0.00	31/03/2018	Monthly
(xvii) Working Capital Loans from Banks	0.00	0.00	0.00	594.77	0.00	594.77	Paid	
Total Secured Loans from Banks	115636.72	88949.86	19279.58	15892.92	134916.30	104842.78		
From Others:								
(xviii) IFCI Ltd.	36.16	54.06	17.71	17.65	53.87	71.71	31/03/2016	Quarterly
(xix) Housing Development Finance Corporation Ltd.	0.00	3000.00	0.00	1875.00	0.00	4875.00	Paid	
(xx) Housing Development Finance Corporation Ltd.	6827.00	0.00	2004.00	0.00	8831.00	0.00	31/08/2017	Monthly
(xxi) L&T Infrastructure Finance Company	5832.91	0.00	0.00	0.00	5832.91	0.00	24/11/2015	Quarterly
Total Secured Loans from Others	12696.07	3054.06	2021.71	1892.65	14717.78	4946.71		
Total Secured Long-term borrowings	128468.11	92195.34	21357.39	38754.13	149825.50	130949.47		
UNSECURED:								
From Banks								
(i) HDFC Bank Ltd	1284.79	0.00	0.00	0.00	1284.79	0.00	24/12/2014	Bullet
(ii) JP Morgan Chase Bank NA	10000.00	0.00	0.00	0.00	10000.00	0.00	30/04/2014	Bullet
Total Unsecured Term Loan from Banks	11284.79	0.00	0.00	0.00	11284.79	0.00		
From Others								
(iii) Interest free Sales Tax Deferral Loans	53645.64	56826.08	4964.44	3768.07	58610.08	60594.15	12 to 14 Years	Monthly
(iv) Deposits from Public	374.61	632.08	570.16	713.94	944.77	1346.02	Various dates	
Total Unsecured Term Loan from Others	54020.25	57458.16	5534.60	4482.01	59554.85	61940.17		
Total Unsecured Long term borrowings	65305.04	57458.16	5534.60	4482.01	70839.64	61940.17		
Total Long term Liabilities & Current Maturities	193773.15	149653.50	26891.99	43236.14	220665.14	192889.64		



32. SECURITY FOR SECURED BORROWINGS (Contd.)

SECURITY CLAUSE

(a) Bonds / Debentures:

1. Item (a) (i) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further 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.
2. Item (a) (ii) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further secured by a joint first equitable mortgage on the immovable properties of the Company.

(b) Term Loans:

From Banks:

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. Items (b) (iii) and (b) (iv) are 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 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.
4. Item (b) (vii) and (b) (viii) are secured by way of exclusive charge on the immovable properties of the Company being the land and building situated at 93, Santhome High Road, Chennai.
5. 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.
6. Item (b) (x) is secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 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.
7. Item (b) (xi) 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.
8. Items (b) (xii) and (b) (xiii) 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) (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.
10. 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.
11. 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.
12. Item (b) (xvii) is to be secured by exclusive charge on the land situated at Vallur Village, Tiruvallur District, belonging to a subsidiary company.

From Others:

13. Item (b) (xviii) is secured by an exclusive first charge by way of hypothecation of the equipment purchased together with tools & accessories at Vishnupuram cement plant and further 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.
14. Item (b) (xix) is secured by way of mortgage by deposit of title deeds on the immovable properties of the Company being the land and building situated at 9, Boat Club Road, Ill Avenue, R.A. Puram, Chennai.

	2013 Rs.Lakhs	2012 Rs.Lakhs
33.1 Estimated amounts of Contracts for Capital Expenditure and Commitments	5071.60	17443.67
33.2 Monies for which the Company is contingently liable:		
a. Outstanding Letters of Credit opened by Bankers.	4838.42	7089.56
b. Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates)	49725.33	48317.61
c. Sales Tax demands for various years under dispute.	1209.05	1287.79
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.	48071.25	34311.38
f. 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 and posted the case for final hearing in August 2013. The Company, based on external expert legal advice, believes no provision in the accounts is considered necessary.	18748.00	0.00
g. Claims of Rs.1363.57 lakhs made by the Electricity Distribution Companies in Andhra Pradesh towards Fuel Surcharge Adjustment (FSA) have been challenged by the Company before the Hon'ble High Court of Andhra Pradesh. Based on Expert legal opinion, the Company believes that they have a good case and disposal of the case is likely to result in the entire claim / demand being quashed or be substantially reduced. Accordingly, no provision has been made in the accounts for the said claims and the payments so far made under protest, aggregating to Rs.1363.57 lakhs have been grouped under Advances.	1363.57	0.00
h. Other claims against the Company not acknowledged as Debts.	19328.99	14022.52
33.3 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
33.4 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.	154345.70	154262.92
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.	715.57	670.90
33.5 (a) Raw Materials consumed:		
Own Quarrying includes:		
(i) Salaries & Wages	1701.43	1487.28
(ii) Stores Consumed	2944.67	2370.46
(iii) Royalty	6956.02	6301.76
(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	15638.90	15711.96
33.6 Repairs and Maintenance includes Stores & Spares.	5233.17	5017.97
33.7 Detailed quantitative information of goods manufactured during the Report Period:		
(a) Installed capacity in Tonnes (per annum)	14050000	14050000
(b) Production in Tonnes	9939598	9463119
(c) Sales – Quantity in Tonnes - Cement	9925942	9451340
Quantity in Tonnes - Clinker	128529	76401
Sales – Value of Cement (Gross)	496278.20	451511.65
Value of Clinker	3114.17	2177.53
	499392.37	453689.18
(d) Opening Stock of Cement produced in Tonnes	158301	146523
Value	4995.43	4198.66
(e) Closing Stock of Cement produced in Tonnes	171957	158301
Value	5834.25	4995.43



	2013 Rs.Lakhs	2012 Rs.Lakhs
33.8 Value of Import on CIF basis:		
(a) Raw Materials	2560.62	1610.04
(b) Fuel	41736.66	48119.72
(c) Spare Parts and Components	181.05	540.56
(d) Capital goods	187.05	1466.29
33.9 Earnings in Foreign Exchange (on accrual basis):		
Export		
Cement – Quantity in Tonnes	24545	8500
– Value	824.53	254.47
33.10 Expenditure in Foreign Currency (on accrual basis):		
Legal & Consultancy Charges	263.90	Nil
Travel Expenses and others	187.85	191.86
Indian Premier League - payments to foreign players / others	3046.21	3324.50
33.11 Remittances in Foreign Currency:		
Final Dividend on account of GDS:		
No. of Shareholders	1	1
No. of Shares	9052244	5929248
Amount remitted (Rs. Lakhs)	181.04	88.94
Year to which it pertains	2012	2011
Final Dividend on account of GDR:		
No. of Shareholders	1	1
No. of Shares	2620914	9167240
Amount remitted (Rs. Lakhs)	52.42	137.51
Year to which it pertains	2012	2011
33.12 Details of imported and indigenous materials consumed during the year:		
Raw materials:		
Imported	4072.57	4910.96
Indigenous	53667.76	49191.57
Total	<u>57740.33</u>	<u>54102.53</u>
Percentage to Total Consumption:		
Raw materials:		
Imported	7.05%	9.08%
Indigenous	92.95%	90.92%
Total	<u>100.00%</u>	<u>100.00%</u>
Spare parts and Components:		
Imported	299.25	420.41
Indigenous	1741.47	1571.49
Total	<u>2040.72</u>	<u>1991.90</u>
Percentage to Total Consumption:		
Spare Parts and Components:		
Imported	14.66%	21.11%
Indigenous	85.34%	78.89%
Total	<u>100.00%</u>	<u>100.00%</u>
33.13 Details of Raw Materials consumed:		
Quantity in Tonnes:		
Limestone	10856214	10181668
Gypsum	517833	491445
Others	2414930	2213370

	2013	2012
Value:	Rs.Lakhs	Rs.Lakhs
Limestone	22404.31	21092.34
Gypsum	7969.22	7606.45
Others	19598.11	16889.50
Freight on Inter Unit Transfer of Clinker	7768.69	8514.24
Total	<u>57740.33</u>	<u>54102.53</u>

- 33.14 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.
- 33.15 As at Balance Sheet date, amounts aggregating to Rs.38.01 lakhs 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.
- 33.16 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.
 - The common documentation for creation of security between all the Lenders and the Company is yet to be executed. Pending execution of common documentation between the Lenders and the Company, the Security Clause under the loans has not been changed.
- 33.17 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.479.75 lakhs (as on 31st March 2012: Rs. 1078.44 lakhs), has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.323.71 lakhs (as on 31st March 2012: Rs.190.50 lakhs) has been amortized during the year (included in Administration and other charges) and the balance of Rs.1043.98 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.
- 33.18 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.
- 33.19 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.



33.20 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 (incorporated during the year)
- (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:

	2013 Rs.Lakhs	2012 Rs.Lakhs
Sale of Goods	4467.76	4190.06
Purchase of Shares	10213.22	Nil
Purchase of Goods	4.52	11.49
Purchase of Assets	Nil	Nil
Rendering of Services	Nil	Nil
Receiving of Services	5086.59	7459.77
Interest on Advances	682.43	Nil
Dividend received from Subsidiary Companies	144.47	206.24
Guarantees Outstanding at the year end	31500.00	31500.00
Advances received during the year	37344.37	Nil
Advances given during the year	37344.37	Nil
Outstanding balance included in current asset	83549.70	87536.41

Associates:

Sale of Goods	23.19	21.33
Purchase of Shares	Nil	Nil
Rendering of Services	Nil	Nil
Receiving of Services	1136.19	1266.98
Interest on Advances	197.53	104.80
Guarantees Outstanding at the year end	14848.25	14201.00
Outstanding balance included in current assets	5419.40	4953.65

	2013 Rs.Lakhs	2012 Rs.Lakhs
C. Transactions relating to persons mentioned in A. (iii) above:		
Remuneration	1680.23	1880.74
Dividend paid during the year	9.28	6.96
Total	<u>1689.51</u>	<u>1887.70</u>
D. Transactions relating to persons mentioned in A. (iv) above:		
Directors' Sitting Fee	0.40	1.00
Dividend paid during the year	1.57	1.18
Total	<u>1.97</u>	<u>2.18</u>
33.21 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%	Nil
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 *	1394.46	1372.06
ICL Financial Services Limited *	53261.85	16709.28
ICL Securities Limited *	13161.53	13969.03
ICL International Limited *	2685.54	2470.74
PT. Coromandel Minerals Resources, Indonesia **	207.46	192.05
Trishul Concrete Products Limited **	153.86	37344.46
Trinetra Cement Limited (Formerly Indo Zinc Limited) *	10061.44	14493.10
Coromandel Minerals Pte. Ltd, Singapore (Adv. for Equity)	2623.55	985.70
Coromandel Electric Company Limited	0.00	0.00
India Cements Infrastructures Limited	0.00	0.00
Total	<u>83549.69</u>	<u>87536.42</u>
* - Loans; ** - Advances		
(iii) Maximum Balance during the year:		
Industrial Chemicals and Monomers Limited	1394.46	1372.06
ICL Financial Services Limited	53853.05	16862.95
ICL Securities Limited	13969.03	14126.86
ICL International Limited	2685.67	2470.74
PT. Coromandel Minerals Resources, Indonesia	207.46	192.05
Trishul Concrete Products Limited	37491.71	37348.32
Trinetra Cement Limited (Formerly Indo Zinc Limited)	18810.14	74921.04
Coromandel Minerals Pte. Ltd, Singapore (Adv. for Equity)	2623.55	985.70
Coromandel Electric Company Limited	0.00	0.00
India Cements Infrastructures Limited	0.00	0.00
Total	<u>131035.07</u>	<u>148279.72</u>



	2013 Rs.Lakhs	2012 Rs.Lakhs
B. Loans and Advances to Associates:		
(i) Rate of Interest:		
Coromandel Sugars Limited	8%	8%
India Cements Capital Limited	8%	Nil
Coromandel Travels Limited	Nil	Nil
Unique Receivable Management Pvt. Limited	Nil	Nil
(ii) Closing Balance at the end of the year:		
Coromandel Sugars Limited	3356.48	2970.61
India Cements Capital Limited	2062.92	1983.04
Coromandel Travels Limited	0.00	0.00
Total	5419.40	4953.65
(iii) Maximum Balance during the year:		
Coromandel Sugars Limited	3799.64	8473.30
India Cements Capital Limited	2062.92	2031.88
Coromandel Travels Limited	0.00	0.00
Total	5862.56	10505.18

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.

33.22 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 @8% p.a., under the Defined Benefit Plans and Defined Contribution Plans as at 31st March 2013 are Rs.5,412.74 Lakhs (as at 31st March 2012 are Rs.4,789.13 Lakhs) and Rs.1,121.13 Lakhs (as at 31st March 2012 are Rs.1,160.54 Lakhs) respectively, as per the details given below:

Defined Benefit Scheme:

	2012-13 Rs. Lakhs	2011-12 Rs. Lakhs
Opening balance as per actuarial valuation	4789.13	4427.95
Add: Interest income / differential interest due to change in discount rate during the year	0.00	0.00
Less: Settlements during the year	239.69	325.93
Sub-total	4549.44	4102.02
Add: Provision created during the year	863.30	687.11
Closing Balance as on 31 st March	5412.74	4789.13
Assumptions:		
Discount rate	8.00%	8.00%
Salary escalation rate	2.00%	2.00%
Average age	48 yrs.	48 yrs.
Average accrued service	14 yrs.	14 yrs.
Annuity rates for pension computation	Rates applicable for 15 years certain and life thereafter, with return of corpus.	

Defined Contribution Scheme:

	2012-13 Rs.Lakhs	2011-12 Rs.Lakhs
Opening balance as per actuarial valuation	1160.54	1054.37
Less: Settlements / transfers during the year	290.93	290.00
Sub-total	869.61	764.37
Add: Provision created during the year	251.52	396.17
Closing Balance as on 31 st March	1121.13	1160.54

(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 2013 is Rs.6423.47 Lakhs (as at 31st March 2012: Rs.6088.56 Lakhs).

(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.

	2012-13 Rs. Lakhs	2011-12 Rs. Lakhs
Opening balance as per actuarial valuation	3660.34	3423.69
Add: Interest income during the year	180.08	150.00
Less: Settlements during the year	422.98	291.20
Sub-total	3417.44	3282.49
Add: Provision created during the year	1068.54	377.85
Closing Balance as on 31 st March	4485.98	3660.34
Assumptions:		
Discount rate	8.00% p.a.	8.00% p.a.
Salary escalation rate	2.00% p.a.	2.00% p.a.
Average age	52 years	52 years
Average accrued service	26 years	26 years

33.23 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 and 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.

33.24 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.

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



STATEMENT ATTACHED TO THE BALANCE SHEET AS AT 31ST MARCH, 2013 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	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.12.2012	31.12.2012
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	23.35 (Loss)	199.28 Profit	200.39 Profit	157.55 (Loss)	141.76 Profit	350.18 (Loss)	1169.27 Profit	0.31 (Loss)	0.00	2.66 (Loss)
(b) of the previous financial years of the subsidiaries since they became the holding company's subsidiaries	526.03 (Loss)	25.81 (Loss)	1619.07 (Loss)	2305.66 (Loss)	7.23 (Loss)	3320.52 (Loss)	923.86 Profit	0.00	0.21 (Loss)	335.55 (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
Joint President (Finance & Accounts)

RUPA GURUNATH
Wholetime Director
G.BALAKRISHNAN
President &
Company Secretary

ARUN DATTA
BASAVARAJU
R.K.DAS
N.R.KRISHNAN
V.MANICKAM
K.PNAIR
N.SRINIVASAN
Directors

Place : Chennai
Date : 20th May, 2013

INFORMATION IN AGGREGATE FOR EACH SUBSIDIARY AS AT 31ST MARCH, 2013

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
PT. Coromandel Minerals Resources, Indonesia	CMR
Trinetra Cement Limited (Formerly Indo Zinc Limited)	TCL
Coromandel Minerals Pte. Ltd., Singapore	CMPL
Coromandel Electric Company Limited	CECL
India Cements Infrastructures Limited	ICIL

	Rs. Lakhs									
	ICML	ICLSL	ICLFSL	ICLIntl	TCPL	CMR	TCL	CMPL	CECL	ICIL
Capital: Paidup	227.82	613.02	596.20	5.00	218.73	128.54	70948.78	2281.75	895.74	5.00
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	173.47	0.00	0.00	1334.15	30.28	0.00	714.81	5139.68	0.00
Accumulated Losses	1590.03	0.00	1418.68	2463.20	0.00	0.00	5681.34	338.21	0.00	0.31
Total Assets (including Investments)	49.61	13951.57	52441.86	254.36	42676.34	3428.56	117400.61	5284.44	10661.78	4.71
Total Liabilities	1403.51	13165.08	53264.34	2712.56	41123.46	3269.75	52133.17	2626.09	4626.36	0.02
Details of Investments (including investments held thro' Trusts)	0.02	12855.00	51669.30	0.00	3324.55	9.62	0.00	0.00	0.00	0.00
Turnover	0.00	199.48	200.55	185.32	12097.80	0.00	44482.90	0.00	9300.70	0.00
Profit / (Loss) before Taxation	(23.68)	199.28	200.39	(157.55)	25.11	0.00	(572.00)	(2.66)	1877.52	(0.31)
Provision for Taxation	0.00	0.00	0.00	0.00	(135.13)	0.00	0.00	0.00	98.20	0.00
Profit / (Loss) after Taxation	(23.68)	199.28	200.39	(157.55)	160.24	0.00	(572.00)	(2.66)	1779.32	(0.31)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	181.24	Nil

As per our Report of 20th May, 2013

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
G.HARIHARAN
Partner
Membership No. 15071
Place : Chennai
Date : 20th May, 2013

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

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

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Directors

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

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

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

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The India Cements Limited, its subsidiaries and associates (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March 2013, 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.

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"). 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. 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, 2013;
- b. in the case of the consolidated Statement of Profit and Loss, of the Profit 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.

5. Emphasis of Matter

- a. We draw attention to note no.33.3(a) of the consolidated 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 (COMPAT) concerning the alleged contravention of provisions of The Competition Act, 2002. COMPAT in its interim order

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

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. We draw attention to note no.33.3(b) of the consolidated financial statements relating to the Fuel Surcharge Adjustments (FSAs) levied by the Electricity Distribution Companies in Andhra Pradesh, which has been challenged by the Company before the Hon'ble High Court of Andhra Pradesh. The company is advised by legal experts that it has good case before High Court and accordingly no provision has been considered necessary in the accounts in this regard and the payments made under protests have been grouped under advances. 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 statements, whose financial statements reflect total assets of Rs.66697.40 lakhs, net assets of (Rs.3856.41) lakhs and net cash flows of Rs.4.74 lakhs as at 31st March 2013, total revenue of Rs.585.35 lakhs (Including other income), net profit of Rs.218.43 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 statements, whose financial statements reflect total assets of Rs.53221.98 lakhs, net assets of Rs.7592.99 lakhs and net cash flows of Rs.254.28 lakhs as at 31st March 2013, total revenue of Rs.21398.50 lakhs (including other income), net profit of Rs.1939.25 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 a subsidiary included in these consolidated financial statements, whose financial statements comprise total assets of Rs.117400.61 lakhs and net assets of Rs.65266.21 Lakhs as at 31st March 2013, net cash flows of Rs.3.57 lakhs, total revenue (including other income) of Rs.44482.90 lakhs, net loss of Rs.572.01 lakhs for the year then ended. The financial statements and other financial information of the subsidiary have been audited by other auditor whose report have been furnished to us by the Management, and our audit opinion in the consolidated financial statements, to the extent they have been derived from such financial statements is solely based on the report of the other auditor.
- c. In respect of the overseas subsidiaries whose total assets of Rs.8712.99 lakhs and net assets of Rs.2817.15 lakhs, as at 31st March 2013, total revenue of Rs.Nil, net loss of Rs.2.66 lakhs and net cash flows of Rs.310.47 lakhs for the year then ended are based on the unaudited financial statements. Further in respect of the financial information of the associates considered in the consolidated financial statements, whose financial statements reflect the Group's share of profits aggregate of Rs.1387.85 lakhs for the year then ended on 31st March 2013 (after adjustments on consolidation) are based on the unaudited financial statements. These unaudited financial statements are approved by the respective Board of Directors of these companies which have been furnished to us by the management and our report in so far as it relates to the amounts included in respect of the associates and the overseas subsidiaries is based solely on such unaudited financial statements.

Our opinion is not qualified in respect of other matter.

For P. S. SUBRAMANIA IYER & Co.,
Chartered Accountants
Firm Registration No: 004104S
G.HARIHARAN
Partner
Membership No. 15071

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

Place : Chennai
Date : 20th May, 2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

	Note No.	Rs.Lakhs	2013 Rs.Lakhs	Rs.Lakhs	2012 Rs.Lakhs
EQUITY AND LIABILITIES:					
1 Shareholders' Funds:					
a. Share Capital	3	30717.82		30717.81	
b. Reserves and Surplus	4	368388.08	399105.90	363068.15	393785.96
2 Share Application money pending allotment			9.53		9.53
3 Minority Interest			2133.38		1354.22
4. Non-Current Liabilities:					
a. Long-term borrowings	5	213212.31		175189.71	
b. Deferred tax liabilities - Net	6	33594.00		33113.55	
c. Other Long-term liabilities	7	14851.54		17407.31	
d. Long-term provisions	8	7943.57	269601.42	7180.24	232890.81
5 Current Liabilities:					
a. Short-term borrowings	9	86926.49		80248.05	
b. Trade Payables	10	88652.22		75653.58	
c. Other Current Liabilities	11	68171.40		75818.49	
d. Short-term provisions	12	7579.19	251329.30	7188.34	238908.46
			<u>922179.53</u>		<u>866948.98</u>
ASSETS:					
1 Non-Current Assets:					
a. Fixed Assets:	13				
(i) Tangible Assets		494881.58		492725.55	
(ii) Intangible Assets		25050.04		27948.69	
(iii) Capital Work-in-Progress		35582.28		17041.08	
		<u>555513.90</u>		537715.32	
b. Non-current investments	14	43623.89		42081.88	
c. Long-term loans and advances	15	165470.61	764608.40	157727.80	737525.00
2 Current Assets:					
a. Current Investments	16	974.96		155.52	
b. Inventories	17	55614.31		56266.15	
c. Trade Receivables	18	49146.67		24728.28	
d. Cash and cash equivalents	19	1019.99		1215.55	
e. Short-term loans and advances	20	50815.20	157571.13	47058.48	129423.98
			<u>922179.53</u>		<u>866948.98</u>

Notes on Accounts

1 to 33

As per our Report of 20th May, 2013

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

G.HARIHARAN
Partner
Membership No. 15071

Place : Chennai
Date : 20th May, 2013

For BRAHMAYYA & CO.,
Chartered Accountants

N.SRI KRISHNA
Partner
Membership No. 26575

N.SRINIVASAN
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V.MANICKAM
K.PNAIR
N.SRINIVASAN
Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

	Note No.	Rs.Lakhs	2012-13 Rs.Lakhs	Rs.Lakhs	2011-12 Rs.Lakhs
Revenue from Operations	21		515946.78		463104.21
Other Income	22		2382.40		2494.35
Total Revenue			<u>518329.18</u>		<u>465598.56</u>
Expenses:					
Cost of materials consumed	23		73665.30		67420.10
Changes in Inventories of Finished goods / Work-in-Progress	24		(3395.77)		506.62
Employee benefits expense	25		36176.67		32486.89
Finance costs	26		36907.95		33327.21
Other Expenses:					
Manufacturing and Other Operating Expenses	27	153648.89		134136.39	
Administration and Other Charges	28	25724.67		21351.09	
Selling and Distribution Expenses	29	135483.09		112196.12	
Donations	30	1017.12	315873.77	759.76	268443.36
Depreciation and amortisation expense		38208.48		34477.31	
Less : Transfer from Revaluation Reserve		5512.33		5628.80	
Less : Transfer from Deferred Income		298.80		298.80	
Less : Amount Capitalised		2.31	32395.04	0.00	28549.71
Total Expenses			<u>491622.96</u>		<u>430733.89</u>
Profit before Exceptional Items and Tax			26706.22		34864.67
Exceptional Items:					
FCCB Redemption Premium		0.00		17792.48	
Less : Transfer from Share Premium		0.00	0.00	(17792.48)	0.00
Profit before tax			26706.22		34864.67
Tax Expense:					
Current tax		8739.83		4042.47	
Current tax - MAT Credit		(375.65)		(265.41)	
Deferred tax		480.41	8844.59	5101.64	8878.70
Profit after tax			17861.63		25985.97
Proportionate Profit / (Loss) of Associate Companies					
Adjustments in value of Investments in associates in accordance with AS 23			1387.85		1250.52
Minority Interest			(447.18)		(89.77)
Profit for the Year			<u>18802.30</u>		<u>27146.72</u>
Earnings per Share (face value of Rs.10/- per equity share):	31				
Basic (Rs.)			6.12		8.84
Diluted (Rs.)			6.12		8.84

Notes on Accounts 1 to 33

As per our Report of 20th May, 2013

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
G.HARIHARAN
Partner
Membership No. 15071

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

N.SRINIVASAN
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N.R.KRISHNAN
V.MANICKAM
K.P.NAIR
N.SRINIVASAN
Directors

Place : Chennai
Date : 20th May, 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

		2012-13		2011-12
	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs
A. Cash flow from operating activities :				
Net profit before tax and extraordinary items		27646.89		36025.42
Adjusted for:				
Depreciation	32395.04		28549.72	
Provision for Doubtful Debts & Advances	365.24		167.78	
Foreign Exchange	2875.18		276.82	
Profit / Loss on sale of Assets	- 28.69		199.89	
Interest Expense	38087.66		36008.35	
Interest Income	- 5868.15		- 4250.91	
Dividend Income	- 458.44		- 605.83	
Perquisite value of Employees' Stock Options	0.00		0.24	
Deferred Revenue Expenditure / Income	- 156.04	67211.80	- 887.94	59458.12
Operating profit before Working Capital changes		94858.69		95483.54
Trade and other receivables	- 35939.05		- 11317.90	
Inventories	651.84		- 3014.88	
Trade payables	21459.41	- 13827.80	18034.24	3701.46
Cash generated from operations		81030.89		99185.00
Direct Taxes		- 7151.89		- 4995.96
Cash flow before extraordinary items		73879.00		94189.04
Extraordinary items		0.00		0.00
Net cash from operating activities	(A)	73879.00		94189.04
B. Cash flow from Investing activities :				
Purchase of Fixed Assets		- 56451.15		- 66309.15
Sale of Fixed Assets		776.14		199.20
Sale of Investments		0.00		2697.99
Purchase of Investments		- 973.55		- 11218.26
Interest received		1247.19		802.25
Dividend received		458.44		605.83
Refund by / advances to Associates and others		536.40		3926.78
Net cash from Investing activities	(B)	- 54406.53		- 69295.36

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	2012-13	2011-12
	Rs.Lakhs	Rs.Lakhs
C. Cash flow from financing activities :		
Proceeds from issue of share capital	0.01	0.78
Dividend paid	- 7204.30	- 5654.78
Proceeds from borrowings	96630.88	100755.15
Repayment of borrowings	- 68973.04	- 69875.82
Interest paid (Net)	- 40121.58	- 53992.06
Net Cash from financing activities	(C) - 19668.03	- 28766.73
Increase / (Decrease) in cash and cash equivalent	(A+B+C) - 195.56	- 3873.05
Cash and cash equivalent at the beginning of the year	1215.55	5088.60
Cash and cash equivalent at the close of the year	1019.99	1215.55

As per our Report of 20th May, 2013

For P.S.SUBRAMANIA IYER & CO.,
Chartered Accountants
G.HARIHARAN
Partner
Membership No. 15071
Place : Chennai
Date : 20th May, 2013

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

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

RUPA GURUNATH
Wholtime Director
G.BALAKRISHNAN
President &
Company Secretary

ARUN DATTA
BASAVARAJU
R.K.DAS
N.R.KRISHNAN
V.MANICKAM
K.P.NAIR
N.SRINIVASAN
Directors

CONSOLIDATED ACCOUNTS

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2013

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.33.19.

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. (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 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.
 - (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 31.03.2013 (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 and 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 13.
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.)	2013 Rs.Lakhs	No. of Shares	Par value per share (Rs.)	2012 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 PAIDUP:						
Equity Shares fully paidup						
Opening balance	307176747	10	30717.67	307174910	10	30717.50
Add : Partly paidup shares, subscribed fully during the year	469	10	0.05	337	10	0.02
Add : Subscribed during the year	0	10	0.00	1500	10	0.15
Total issued, subscribed and fully paidup	<u>307177216</u>		<u>30717.72</u>	<u>307176747</u>		<u>30717.67</u>
Equity Shares - subscribed, but not fully paid (other than Directors):						
Opening balance	1910	10	0.14	2247	10	0.15
Less: Partly paidup shares, subscribed fully during the year	469	10	0.04	337	10	0.01
Total - Equity Shares subscribed, but not fully paid	<u>1441</u>		<u>0.10</u>	<u>1910</u>		<u>0.14</u>
Total - Subscribed Equity Shares	<u>307178657</u>		<u>30717.82</u>	<u>307178657</u>		<u>30717.81</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	40010552	13.03	4001.06	32115284	10.45	3211.53
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	17900000	5.83	1790.00
Life Insurance Corporation of India	20703547	6.74	2070.35	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.)

Aggregate number of equity shares allotted in the previous 5 years without being received in cash:

During the year 2007-08, the Company allotted 40000000 Equity Shares of Rs.10/- each fully paidup, to the shareholders of erstwhile Visaka Cement Industry Limited (VCIL) pursuant to the Order dated 25th July, 2007 of the Honourable High Court of Judicature at Madras sanctioning the Scheme of Amalgamation of VCIL with The India Cements Limited.

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.

For the year 2012-13, the Board of Directors have recommended a dividend of Rs.2.00 per share, which is subject to the approval by shareholders. During the previous year 2011-12, 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 Options 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, 2013.

	2013 Rs.Lakhs	2012 Rs.Lakhs
4. RESERVES AND SURPLUS		
Capital Reserve	<u>16.17</u>	<u>16.17</u>
Capital Redemption Reserve		
Opening Balance	2670.03	2500.00
Additions	240.19	745.73
Withdrawals	0.00	575.70
Closing Balance	<u>2910.22</u>	<u>2670.03</u>
Securities Premium Account *		
Opening Balance	147548.15	165339.77
Add : Additions on ESOS exercised	0.00	0.60
Add : Transfer from Stock Options Outstanding Account	0.00	0.24
Add : Calls in arrears received	0.01	0.02
Less: Premium on redemption of Bonds	0.00	17792.48
Closing Balance	<u>147548.16</u>	<u>147548.15</u>

* Securities Premium is net of calls in arrears of Rs.0.07 lakh (as on 31st March 2012 : Rs.0.08 lakh)

	Note No.	2013 Rs.Lakhs	2012 Rs.Lakhs
Debenture Redemption Reserve			
Opening Balance		5290.00	532.67
Additions (net) during the year		0.00	4757.33
Withdrawals		5242.00	0.00
Closing Balance		<u>48.00</u>	<u>5290.00</u>
Contingency Reserve	33.5(a)	<u>20000.00</u>	<u>20000.00</u>
Revaluation Reserve			
Opening Balance		48729.10	55010.13
Additions		0.00	0.00
Less: Transfer to depreciation		5512.33	5628.80
Less: Withdrawals		109.79	652.23
Closing Balance		<u>43106.98</u>	<u>48729.10</u>
Stock Options Outstanding Account			
Opening Balance		0.00	0.00
Additions		0.00	0.24
Less: Transfer to Securities Premium		0.00	0.24
Less: Transfer to General Reserve		0.00	0.00
Closing Balance		<u>0.00</u>	<u>0.00</u>
General Reserve			
Opening Balance		40257.06	35466.38
Additions		4170.20	5573.54
Withdrawals		0.00	782.86
Closing Balance		<u>44427.26</u>	<u>40257.06</u>
Deferred Income	33.26		
Opening Balance		3492.73	3791.53
Additions		0.00	0.00
Withdrawals		298.80	298.80
Closing Balance		<u>3193.93</u>	<u>3492.73</u>
Shipping Tonnage Tax Reserve	33.15	<u>90.00</u>	<u>90.00</u>
Foreign Currency Translation Reserve			
Opening Balance		493.72	167.95
Additions		251.35	325.77
Closing Balance		<u>745.07</u>	<u>493.72</u>
Foreign currency monetary item translation difference account	33.19		
Opening Balance		- 887.94	0.00
Foreign Currency Item translation loss during the year		- 479.75	- 1078.44
Amortised during the year		323.71	190.50
Closing Balance		<u>- 1043.98</u>	<u>- 887.94</u>

CONSOLIDATED ACCOUNTS

4. RESERVES AND SURPLUS (Contd.)

	2013 Rs.Lakhs	2012 Rs.Lakhs
Surplus in Profit & Loss Account		
Opening Balance	95369.13	85528.02
Add : Transfer from Reserves/Additions	0.00	1814.79
Profit after tax for the year	18802.30	27146.72
Sub-total	<u>114171.43</u>	<u>114489.53</u>
Less: Proposed / Interim Dividend on Equity Capital	6178.27	6399.19
Dividend Distribution Tax	1073.50	1038.11
Transfer to Contingency Reserve	0.00	0.00
Transfer to General Reserve	4355.86	4249.69
Transfer to / (from) Debenture Redemption Reserve	(5242.00)	4757.33
Transfer to Capital Redemption Reserve	459.53	459.53
Withdrawals	0.00	2216.55
Closing Balance	<u>107346.27</u>	<u>95369.13</u>
Total - Reserves and Surplus	<u>368388.08</u>	<u>363068.15</u>

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

5. LONG-TERM BORROWINGS

SECURED:

1. Bonds / Debentures (Refer Note No.33.18)	135.32	191.42
2. Term Loans:		
From banks	129930.92	106449.68
From others	17838.93	9361.20
Total Secured	<u>147905.17</u>	<u>116002.30</u>

UNSECURED:

1. Term Loans:		
From Banks	11284.79	0.00
2. Others	54022.35	59187.41
Total Unsecured	<u>65307.14</u>	<u>59187.41</u>
Total Long-term Borrowings (Refer Note No. 32 for Security clause)	<u>213212.31</u>	<u>175189.71</u>

6. DEFERRED TAX LIABILITIES - NET

Liability on account of Depreciation (Net of Unabsorbed Depreciation)	36194.44	35824.04
Asset arising on account of other timing differences	2600.44	2710.49
Net Deferred tax liability	<u>33594.00</u>	<u>33113.55</u>

7. OTHER LONG-TERM LIABILITIES

Capital Expenditure-Payable towards franchisee rights (Refer Note No. 33.20)	10920.00	14560.00
Deposits	2140.86	2174.14
Others	1790.68	673.17
Total	<u>14851.54</u>	<u>17407.31</u>

8. LONG-TERM PROVISIONS

(a) Provision for employee benefits		
Unavailed Leave (Refer Note No.33.25(b))	6692.97	6305.79
Gratuity - Unfunded	14.68	14.18
(b) Provision for Income Tax	1235.92	860.27
Total	<u>7943.57</u>	<u>7180.24</u>

CURRENT LIABILITIES (Note No. 9 to 12)

9. SHORT-TERM BORROWINGS

1. Loans repayable on Demand (Secured): Cash Credit facilities from scheduled banks (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).	63266.19	62257.99
2. Other loans (Unsecured): Short-term Loans-Banks	22660.30	17990.06
Commercial Papers placed with Banks	1000.00	0.00
	<u>86926.49</u>	<u>80248.05</u>

10. TRADE PAYABLES

1. Creditors for Goods including Acceptances (Refer Note No.33.16)	50800.96	40724.77
2. Customer Credit balances	6993.36	8097.82
3. Other Trade Payables	23422.56	19754.86
4. Trade Deposits from Customers	7435.34	7076.13
	<u>88652.22</u>	<u>75653.58</u>

11. OTHER CURRENT LIABILITIES

1. Current maturities of long-term debt		
SECURED:		
1. Bonds/Debentures (Refer Note No. 33.18)	56.10	20968.56
2. Terms Loans:		
From banks	22559.44	19331.61
From others	3278.82	3235.51
Total Secured	<u>25894.36</u>	<u>43535.68</u>
UNSECURED:		
Others	5534.60	4482.01
Total Current maturities of Long-Term Debt (Refer Note No. 32 for Security clause)	<u>31428.96</u>	<u>48017.69</u>
2. Interest accrued but not due on borrowings	2953.47	1813.80
3. Other payables Creditors for Capital Goods (Refer Note No.33.20)	443.49	435.46
Other Liabilities (Includes Payable to Directors Rs.900 Lakhs (Previous Year Rs.1103 Lakhs)	6852.00	5663.24
26329.18	19771.74	
4. Investor Education and Protection Fund: (Appropriate amounts shall be transferred to the fund as and when due)		
Unpaid dividends	98.68	77.16
Unpaid matured deposits and interest accrued thereon	65.62	39.40
	<u>68171.40</u>	<u>75818.49</u>

12. SHORT-TERM PROVISIONS

Provision for Employee Benefits	39.63	32.44
Proposed Dividend (Including Dividend distribution tax)	7202.98	7155.51
Provision for Income Tax	336.58	0.39
	<u>7579.19</u>	<u>7188.34</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 31 st Mar-12	Additions 2012-13	Additions Previous Year	Deductions 2012-13	Deductions Previous Year	As at 31 st Mar-12	For the Year 2012-13	For Deductions Previous Year	As at 31 st Mar-13	As at 31 st Mar-12
Tangible Assets:										
Land	83082.03	7738.66	(35514.39)	71.86	(2.93)	90748.83	0.00	0.00	90748.83	83082.03
Buildings	63562.63	6318.52	(12391.92)	57.42	0.00	69823.73	1605.26	(1443.81)	56217.64	51555.64
Railway Siding	12557.96	809.37	(4674.74)	0.00	0.00	13367.33	594.69	(392.66)	9098.65	8883.97
Plant and Machinery including Electrical Installations *	518873.13	11910.12	(63295.70)	1347.40	(3114.98)	529435.85	26686.96	(26204.40)	314143.52	329360.86
Wind Electric Generators	7825.81	0.00	0.00	0.00	0.00	7825.81	393.51	(413.20)	2805.91	3199.42
Ships	24559.08	8808.66	(135.78)	0.00	0.00	33367.74	3328.12	(3282.72)	16952.76	11472.22
Furniture & Fixtures	1954.00	155.73	(139.20)	8.44	(187.47)	2101.29	122.12	(122.09)	1201.15	1172.75
Office Equipment and Computers	4416.62	425.39	(363.10)	67.70	(893.66)	4774.31	441.00	(382.63)	2174.56	2195.55
Vehicles #	3475.17	482.55	(973.69)	233.43	(289.07)	3724.29	464.07	(369.70)	1538.56	1582.11
Total Tangible Assets	720306.43	36649.00	(117488.52)	1786.25	(4528.11)	755169.18	33635.73	(32611.21)	494881.58	492725.55
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)	17890.85	21330.85
Computer Software and Licences	6268.77	1674.10	(1978.67)	0.00	0.00	7942.87	932.75	(703.97)	5005.45	4264.10
Goodwill	2153.74	0.00	(1913.21)	0.00	0.00	2153.74	0.00	0.00	2153.74	2153.74
Total Intangible Assets	44822.51	1674.10	(3891.88)	0.00	0.00	46496.61	4572.75	(4343.97)	25050.04	27946.69
Total Tangible and Intangible Assets	765128.94	38323.10	(121380.40)	1786.25	(4528.11)	801665.79	38208.48	(36955.18)	519931.62	520674.24
Capital Work-in-Progress									35582.28	17041.08
Total									555513.90	537715.32

* 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.1166.46 Lakhs (Previous year:Rs.2622.18 Lakhs).

During the year finance cost amounting to Rs. 1875.44 Lakhs has been capitalised (Previous year:Rs.1595.52 Lakhs).

Includes Vehicles purchased on Finance Lease.

CONSOLIDATED ACCOUNTS

	No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2013 Cost Rs. Lakhs	2012 Cost Rs. Lakhs		No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2013 Cost Rs. Lakhs	2012 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 Rs.7441684)	239427	10	673.09	673.09					
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>11850.34</u>	<u>11850.34</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 Adcoal Energindo			9.61	0.00					
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>10015.04</u>	<u>10005.43</u>					
(C) Government and Trustee Securities (Unquoted):									
National Savings Certificates			1.30	1.25					
Indira Vikas Patra Certificates			0.02	0.02					
			<u>1.32</u>	<u>1.27</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	240.00					
Grand Total (A+B+C+D+E)			<u>42419.12</u>	<u>42264.96</u>					
Less: Provision for diminution in value of Investments			673.09	673.09					
			<u>41746.03</u>	<u>41591.87</u>					
Adjustment as per Accounting Standard 23									
1. Increase/(Decrease) in Value Post Investment:									
Raasi Cement Limited			(5.98)	(5.98)					
Coromandel Sugars Limited			3809.36	2423.34					
India Cements Capital Limited			(1391.94)	(1393.77)					
Coromandel Travels Limited			(99.00)	(99.00)					
			<u>2312.44</u>	<u>924.59</u>					
2. Goodwill arising on Investment:									
Raasi Cement Limited			(666.81)	(666.81)					
India Cements Capital Limited			234.69	234.69					
Unique Receivable Management Private Limited			(2.46)	(2.46)					
			<u>(434.58)</u>	<u>(434.58)</u>					
Grand Total			<u>43623.89</u>	<u>42081.88</u>					
Note:									
Aggregate of Quoted Investments:									
Cost			19008.37	19006.54					
Market Value			18626.99	23578.69					
Aggregate of Unquoted Investments:									
Cost			24615.52	23075.34					

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	2013 Rs.Lakhs	2012 Rs.Lakhs		2013 Rs.Lakhs	2012 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	20761.39	20302.72
Capital Advances	74742.73	77607.12	Advance payment of Tax (net of provision)	141.79	1017.85
Loans and Advances to related parties (Refer Note No.33.5(a))	5626.86	5146.05	Prepaid Expenses	829.84	851.00
Other Loans and Advances:			Other Advances (Net of provision Rs.409 lakhs (Previous Year: Rs.220 lakhs))	29054.17	24861.28
Body Corporates (Refer Note No.33.5(a))	66799.61	63195.86	Deposits	28.01	25.63
Deposits	12267.45	8857.41		<u>50815.20</u>	<u>47058.48</u>
Other (MAT Credit Entitlement)	1236.54	860.90			
Other recoverable in cash or in kind or for value to be received	2790.11	402.95		2012-13 Rs. lakhs	2011-12 Rs. lakhs
Secured:			21. REVENUE FROM OPERATIONS		
Advance Tax & TDS Receivables	1100.59	822.14	Sales Including Excise Duty	558089.71	501341.42
Housing Loan and other Loans to Employees	906.72	835.37	Sale of Energy & Recovery	4315.63	0.00
	<u>165470.61</u>	<u>157727.80</u>	Sale of Services	0.00	195.00
			Other Operating Revenues:		
CURRENT ASSETS (Note No.16 to 20)			Trade Sales	597.84	0.00
16. CURRENT INVESTMENTS (QUOTED)			Freight Earnings - Shipping	5857.43	3741.62
Fixed Income Interval fund of Unit Trust of India	974.96	155.52	Value of Power Generated from Wind Farms	1781.37	1092.79
Number of Units: 95636.56 (Previous year: 15256)			Income from Indian Premier League (Refer Note No.33.20)	13662.57	13728.98
Face Value per Unit : Rs.1019.45 (Previous year: Rs.10)				<u>21899.21</u>	<u>18563.39</u>
Market Value: Rs.974.96 lakhs (Previous Year: Rs.155.52 lakhs)			Revenue from Operations including Excise Duty	584304.55	520099.81
			Less: Excise Duty	(68357.77)	(56995.60)
17. INVENTORIES			Revenue from Operations	<u>515946.78</u>	<u>463104.21</u>
Stores / Spares (including coal and packing material)	32488.37	39671.10	22. OTHER INCOME		
Raw Materials	7600.48	4465.36	Dividend Income	458.44	605.83
Work-in-Process	848.43	746.68	Interest Income	1247.19	389.49
Semi-finished Goods	7984.10	6190.12	Other Non Operating Income:		
Finished Goods	6376.03	5192.89	Rent Recovery	31.20	24.97
Construction & Infrastructure - Projects-in-progress	316.90	0.00	Profit on Sale of Assets	137.56	64.11
	<u>55614.31</u>	<u>56266.15</u>	Foreign Exchange translation difference	32.19	87.00
			Miscellaneous Income	475.82	676.77
18. TRADE RECEIVABLES				<u>2382.40</u>	<u>2494.35</u>
Outstanding for more than six months	4430.88	5355.79	23. COST OF MATERIALS CONSUMED		
Less: Provision for doubtful debts	(532.26)	(504.85)	Raw Materials Consumed:		
Sub-total	3898.62	4850.94	Opening Stock	4465.36	5039.78
Others	45248.05	19877.34	Add: Purchases	56059.77	49569.84
Total - Sundry Debtors, considered good (Net of security deposit Rs.30399.81 lakhs (As at 31 st March 2012: Rs.29487.79 lakhs)).	<u>49146.67</u>	<u>24728.28</u>	Add: Own Quarrying (Net) (Refer Note No. 33.6(a))	20740.65	17275.84
				<u>76800.42</u>	66845.68
19. CASH AND CASH EQUIVALENTS				<u>81265.78</u>	71885.46
Cash, cheques and stamps on hand	105.06	91.00	Less: Closing Stock	7600.48	4465.36
Cash at Scheduled Banks in Current Accounts (Includes Earmarked balances for Unpaid Dividend Rs.98.68 lakhs (Previous Year: Rs.77.16 lakhs))	676.83	942.51	Raw Materials Consumed	<u>73665.30</u>	<u>67420.10</u>
Fixed Deposits with Scheduled Banks (includes deposits from public)	238.10	182.04			
	<u>1019.99</u>	<u>1215.55</u>			

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	2012-13		2011-12			2012-13		2011-12	
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs		Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
24. (INCREASE) / DECREASE IN STOCK					26. FINANCE COSTS (NET)				
Opening Stock of:					Interest Expense	21517.77			19116.88
Work-in-Process	746.68		749.96		Other Borrowing Costs	12482.81			10830.43
Semi-finished Goods	6190.12		7367.41		Loss on Foreign currency transactions / translations	2907.37			3379.90
Finished Goods	5192.89		4518.94			<u>36907.95</u>			<u>33327.21</u>
Construction & Infrastructure Projects in Progress	0.00	12129.69	0.00	12636.31	27. MANUFACTURING AND OTHER OPERATING EXPENSES				
Less: Closing Stock of:					Stores Consumed (Refer Note No. 33.6(b))	5567.84			5529.02
Work-in-Process	848.43		746.68		Transit Mixer Expenses	2166.68			1974.84
Semi-finished Goods	7984.10		6190.12		Power and Fuel	134599.15			116417.70
Finished Goods	6376.03		5192.89		Purchase of Concrete	117.57			135.99
Construction & Infrastructure Projects in Progress	316.90		0.00		Generation Expenses	915.75			358.43
		<u>15525.46</u>		<u>12129.69</u>	Repairs & Maintenance:				
Total (Increase) / Decrease in stock		<u>(3395.77)</u>		<u>506.62</u>	Building	59.67		29.43	
					Machinery	5940.19		5814.19	
					Others	3323.66		3682.77	
25. EMPLOYEE BENEFITS EXPENSE					Total Repairs & Maintenance	9323.52			9526.39
(a) Employees Other than Directors:					Agency and Port Charges - Shipping	129.23			49.43
Salaries, Wages and Bonus	25436.80		21833.39		Trade Purchase	572.01			0.00
Contribution to Provident Fund	1040.92		972.06		Excise Duty on stock adjustment	257.14			144.59
Gratuity	1080.69		350.30			<u>153648.89</u>			<u>134136.39</u>
Superannuation	1042.82		991.29		28. ADMINISTRATION AND OTHER CHARGES				
Employees' Provident Fund Admn. Charges	86.26		79.10		Insurance	729.48			617.23
Employees' State Insurance Scheme	203.52		178.43		Rent	553.31			503.94
Workmen and Staff Welfare Expenses	4845.36		5177.20		Rates and Taxes	790.85			650.96
Unavailed leave (Refer Note No.33.25(b))	755.35		1019.66		Printing and Stationery	277.21			244.35
Total - Employees other than Directors	<u>34491.72</u>		<u>30601.43</u>		Postage, Telephones and Telegrams	417.63			449.46
(b) Directors:					Other Administration Expenses	21379.85			17824.70
Directors' Remuneration:					Legal Fees	624.29			287.21
Managing Director:					Directors' Sitting Fees	10.52			13.80
Salary	360.00		360.00		Auditors' Expenses:				
HRA	108.00		108.00		Audit Fees	88.89		88.07	
Contribution to Provident Fund	43.20		43.20		Cost Audit Fees	12.12		12.12	
Contribution to Gratuity and Superannuation funds	69.00		69.00		Certifications / Others	22.68		11.23	
Commission	750.00		902.00		Tax Audit / Other Services	11.54		17.61	
Others	6.63	1336.83	4.14	1486.34	Travel / out of pocket expenses	8.48	143.71	8.13	137.16
Wholetime Director:					Amortisation of Deferred Revenue Expenses (Refer Note No.33.19)	323.71			190.50
Salary	124.72		124.72		Loss on sale of Assets	108.87			264.00
HRA	36.00		36.00		Provision for Doubtful Advances / Debtors	365.24			167.78
Contribution to Provident Fund	14.40		14.40		Provision for Doubtful Advances / Debtors - Opening balance	693.38		764.38	
Contribution to Gratuity and Superannuation funds	23.00		23.00		Add: Additional provisions during the year	365.24		167.78	
Commission	150.00	348.12	201.00	399.12		<u>1058.62</u>		932.16	
Directors' Remuneration - Total	<u>1684.95</u>		<u>1885.46</u>		Less: Bad debts / advances written-off during the year	153.39		238.78	
Total - Employee benefits expense (a + b)	<u>36176.67</u>		<u>32486.89</u>		Provision for Doubtful Advances / Debtors - Closing balance	905.23		693.38	
						<u>25724.67</u>			<u>21351.09</u>

CONSOLIDATED ACCOUNTS

	2012-13	2011-12		2012-13	2011-12
	Rs.Lakhs	Rs.Lakhs		Rs.Lakhs	Rs.Lakhs
29. SELLING AND DISTRIBUTION EXPENSES					
Packing Charges	20374.44	18019.75	Income or expenses accounted in Financial Statements attributable to potential equity shareholders	0.00	0.00
Entry Tax	284.46	142.10	Earnings - Diluted	B	27146.72
Freight outwards	96499.32	76680.86	No. of Shares:		
Handling	7654.62	6155.96	No. of Equity Shares of Rs.10/- each	307178657	307178657
Advertisement	3021.68	3891.44	Weighted average No. of Equity Shares	C	307178657
Others	7648.57	7306.01	No. of Potential Equity Shares	0	0
	<u>135483.09</u>	<u>112196.12</u>	Weighted average No. of Potential Equity Shares	0	0
30. DONATIONS			Total weighted average No. of shares - Diluted	D	307178657
The India Cements Educational Society	400.00	400.00	EPS:		
Others	617.12	359.76	Basic (Rs.)	A/C	6.12
	<u>1017.12</u>	<u>759.76</u>	Diluted (Rs.)	B/D	6.12
31. EARNINGS / LOSS PER SHARE (EPS)					
Earnings:					
Earnings available to Equity Shareholders - Basic	A	18802.30	27146.72		

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
	2013	2012	2013	2012	2013		
	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs		
SECURED:							
(a) Bonds / Debentures:							
Secured Privately placed Debentures redeemable / repayable on or before 31 st March 2016							
(i)	2385 Debentures of Rs. 375000/- each	30.41	43.63	13.22	197.38	43.63	241.01 31-03-2016 Quarterly
(ii)	7630 Debentures of Rs.500000/- each	104.91	147.79	42.88	771.18	147.79	918.97 31-03-2016 Quarterly
(iii)	4000 -11.25% Non-Convertible Debentures of Rs.500000/- each, redeemable after one year from the date of allotment	0.00	0.00	0.00	20000.00	0.00	20000.00 Paid
	Total (i) to (iii)	<u>135.32</u>	<u>191.42</u>	<u>56.10</u>	<u>20968.56</u>	<u>191.42</u>	<u>21159.98</u>
(b) Term Loans:							
From Banks:							
(i)	IDBI Bank Ltd.	2275.26	3253.33	954.13	954.13	3229.39	4207.46 31-03-2016 Quarterly
(ii)	IDBI Bank Ltd.	1118.14	1591.87	366.71	325.11	1484.85	1916.98 31-03-2016 Quarterly
(iii)	IDBI Bank Ltd.	108.98	177.65	54.94	54.94	163.92	232.59 31-03-2016 Quarterly
(iv)	IDBI Bank Ltd.	0.00	3057.25	3057.25	3333.00	3057.25	6390.25 28-02-2014 Monthly
(v)	State Bank of India	0.00	0.00	0.00	1396.43	0.00	1396.43 Paid
(vi)	Punjab National Bank	4265.51	9226.39	5020.94	4579.64	9286.45	13806.03 30-11-2014 Monthly
(vii)	Kotak Mahindra Bank	1222.22	2555.56	1333.33	1333.33	2555.55	3888.89 25-02-2015 Monthly
(viii)	Kotak Mahindra Bank	2916.67	3916.67	1000.00	1000.00	3916.67	4916.67 04-02-2017 Monthly
(ix)	Kotak Mahindra Bank	6513.60	0.00	0.00	0.00	6513.60	0.00 24-07-2015 Bullet
(x)	Kotak Mahindra Bank	2990.08	0.00	1534.32	0.00	4524.40	0.00 23-11-2015 Monthly
(xi)	Axis Bank Ltd.	2321.57	4643.14	2321.57	2321.57	4643.14	6964.71 07-12-2014 Yearly
(xii)	Axis Bank Ltd.	11667.09	30000.00	0.00	0.00	11667.09	30000.00 31-03-2017 Quarterly
(xiii)	Axis Bank Ltd.	10000.00	0.00	0.00	0.00	10000.00	0.00 30-06-2016 Quarterly
(xiv)	ICICI Bank	31374.00	30528.00	0.00	0.00	31374.00	30528.00 07-11-2019 Half Yearly

CONSOLIDATED ACCOUNTS

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
	2013 Rs.Lakhs	2012 Rs.Lakhs	2013 Rs.Lakhs	2012 Rs.Lakhs	2013 Rs.Lakhs	2012 Rs.Lakhs		
(xv) ICICI Bank	16363.60	0.00	3636.40	0.00	20000.00	0.00	30-09-2018	Quarterly
(xvi) IDBI Bank Ltd.	22500.00	0.00	0.00	0.00	22500.00	0.00	31-03-2018	Monthly
(xvii) Working Capital Loans from Banks	0.00	0.00	0.00	594.77	0.00	594.77	Paid	
(xviii) IDBI Bank Ltd.	145.88	218.83	72.94	176.35	218.82	395.18	01-03-2016	Monthly
(xix) State Bank of India	0.00	0.00	0.00	119.48	0.00	119.48	Paid	
(xx) Axis Bank Ltd.	4816.71	5888.13	1071.42	1071.43	5888.13	6959.56	01-07-2018	Quarterly
(xxi) UCO Bank	3857.14	4714.29	857.14	857.14	4714.28	5571.43	01-07-2018	Quarterly
(xxii) Yes Bank Ltd.	5464.29	6678.57	1214.29	1214.29	6678.58	7892.86	01-07-2018	Quarterly
(xxiii) Bank of Baroda	0.00	0.00	55.92	0.00	55.92	0.00	31-03-2014	Quarterly
(xxiv) HDFC Bank	10.18	0.00	8.14	0.00	18.32	0.00	31-03-2014	Monthly
Total - Secured Loans from Banks	129930.92	106449.68	22559.44	19331.61	152490.36	125781.29		
From Others:								
(xxv) IFCI Ltd.	36.16	54.06	17.71	17.65	53.87	71.71	31-03-2016	Quarterly
(xxvi) Housing Development Finance Corporation Ltd.	0.00	3000.00	0.00	1875.00	0.00	4875.00	Paid	
(xxvii) Housing Development Finance Corporation Ltd.	6827.00	0.00	2004.00	0.00	8831.00	0.00	31-08-2017	Monthly
(xxviii) L&T Infrastructure Finance Company Limited	5832.91	0.00	0.00	0.00	5832.91	0.00	24-11-2015	Quarterly
(xxix) IDFC Ltd.	0.00	21.43	114.25	200.00	114.25	221.43	31-03-2014	Quarterly
(xxx) IDFC Ltd.	5142.86	6285.71	1142.86	1142.86	6285.72	7428.57	01-07-2018	Quarterly
Total Secured Loans from Others	17838.93	9361.20	3278.82	3235.51	21117.75	12596.71		
Total Secured Long-term borrowings	147905.17	116002.30	25894.36	43535.68	173799.53	159537.98		
UNSECURED:								
From Banks								
(i) HDFC Bank Ltd	1284.79	0.00	0.00	0.00	1284.79	0.00	24-02-2014	Bullet
(ii) JP Morgan Chase Bank NA	10000.00	0.00	0.00	0.00	10000.00	0.00	30-04-2014	Bullet
Total Unsecured Term Loan from Banks	11284.79	0.00	0.00	0.00	11284.79	0.00		
From Others								
(iii) Interest free Sales Tax Deferral Loans/Others	53647.74	58555.33	4964.44	3768.07	58612.18	62323.40	12 to 14 Years	Monthly
(iv) Deposits from Public	374.61	632.08	570.16	713.94	944.77	1346.02	Various Dates	
Total Unsecured Term Loan from Others	54022.35	59187.41	5534.60	4482.01	59556.95	63669.42		
Total Unsecured Long-term borrowings	65307.14	59187.41	5534.60	4482.01	70841.74	63669.42		
Total Long-term Liabilities & Current Maturities	213212.31	175189.71	31428.96	48017.69	244641.27	223207.40		

SECURITY CLAUSE

(a) Bonds / Debentures:

- Item (a) (i) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further 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.
- Item (a) (ii) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further secured by a joint first equitable mortgage on the immovable properties of the Company.

CONSOLIDATED ACCOUNTS

32. SECURITY FOR SECURED BORROWINGS (Contd.)

(b) Term Loans:

From Banks

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. Items (b) (iii) and (b) (iv) are 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 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.
4. Items (b) (vii) and (b) (viii) are secured by way of exclusive charge on the immovable properties of the Company being the land and building situated at 93, Santhome High Road, Chennai.
5. 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.
6. Item (b) (x) is secured by way of exclusive charge on the immovable properties of the Company being land and building situated at 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.
7. Item (b) (xi) 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.
8. Items (b) (xii) and (b) (xxviii) 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 way of hypothecation of the movable fixed assets of the proposed thermal power plant of the Company at Vishnupuram, Nalgonda District, Andhra Pradesh.
10. Item (b) (xiv) 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.
11. Item (b) (xv) 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.
12. Item (b) (xvi) is to be secured by exclusive charge on the land situated at Vallur Village, Tiruvallur District, belonging to a subsidiary company.

From Others:

13. Item (b) (xxv) is secured by an exclusive first charge by way of hypothecation of the equipment purchased together with tools & accessories at Vishnupuram cement plant and further 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.
14. Item (b) (xxvii) is secured by way of mortgage by deposit of title deeds on the immovable properties of the Company being the land and building situated at 9, Boat Club Road, III Avenue, R.A. Puram, Chennai.
15. Items (b) (xviii) & (xxix) are secured by a first equitable mortgage on pari passu basis of the immovable properties of the Company situated at Valanthuravai, 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.
16. Items (b) (xx), (xxi), (xxii) & (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 Company 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.

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	2013 Rs.Lakhs	2012 Rs.Lakhs		2013 Rs.Lakhs	2012 Rs.Lakhs
33.1 Estimated amounts of contracts for Capital Expenditure and Commitments	5143.46	17443.67	33.5 Loans and Advances:		
33.2 Monies for which the Company is contingently liable:			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.	70796.01	66726.50
a. Outstanding Letters of Credit Opened by Bankers.	5724.42	7089.56	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.	715.57	670.90
b. Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates).	53930.50	48485.52	33.6 (a) Raw Materials consumed:		
c. Sales Tax demand for various years under dispute.	1463.48	1430.98	Own Quarrying includes:		
d. Contingent Liability pertaining to Raasi Cement Limited (Residuary Company) for Sales Tax, Central Excise and Income Tax.	2272.81	2272.81	(i) Salaries & Wages	1786.39	1559.30
e. Contingent Liability on account of CENVAT Cases and Others.	49366.65	34313.47	(ii) Stores Consumed	3030.35	2439.76
33.3 Claims against the Company not acknowledged as debts:			(iii) Royalty	7761.51	7035.50
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 and posted the case for final hearing in August 2013. The Company, based on external expert legal advice, believes no provision in the accounts is considered necessary.	18748.00	0.00	(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	15638.90	17437.66
b. Claims of Rs.1363.57 lakhs made by the Electricity Distribution Companies in Andhra Pradesh towards Fuel Surcharge Adjustment (FSA) have been challenged by the Company before the Hon'ble High Court of Andhra Pradesh. Based on Expert legal opinion, the Company believes that they have a good case and disposal of the case is likely to result in the entire claim / demand being quashed or be substantially reduced. Accordingly, no provision has been made in the accounts for the said claims and the payments so far made under protest, aggregating to Rs.1363.57 lakhs have been grouped under Advances.	1363.57	0.00	33.7 Repairs and Maintenance includes Stores & Spares.	5916.14	5365.08
c. Other claims against the Company not acknowledged as Debts.	23446.32	14142.34	33.8 Detailed quantitative information of goods manufactured during the Report Period (including inter company transactions):		
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	1. CEMENT:		
			(a) Installed capacity in Tonnes	15550000	15550000
			(b) Production in Tonnes	11078025	10470006
			(c) Sales – Quantity in Tonnes - Cement	11054106	10459607
			Quantity in Tonnes - Clinker	129415	77105
			Sales – Value of Cement (Gross)	547103.05	491706.31
			Value of Clinker	3136.29	2193.21
				<u>550239.34</u>	<u>493899.52</u>
			(d) Opening Stock of Cement produced in Tonnes	164758	154360
			Value	5192.89	4446.63
			(e) Closing Stock of Cement produced in Tonnes	188677.19	164758
			Value	6376.03	5192.89
			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

CONSOLIDATED ACCOUNTS

		2013	2012		2013	2012
		Rs.Lakhs	Rs.Lakhs		Rs.Lakhs	Rs.Lakhs
3. READY MIX CONCRETE:						
(a) Installed Capacity	(Cu.m)	1260000	990000			
(b) Production	(Cu.m)	343606	327055			
(c) Purchase	(Cu.m)	4485	5272			
(d) Sales - quantity	(Cu.m)	348091	332327			
(e) Sales - value	(Rs.Lakhs)	12274.98	11612.86			
(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)	16579	16601			
	Value	(Rs.Lakhs)	76.39			
(b) Closing Stock of Home Textiles Produced	(Pieces)	16159	16579			
	Value	(Rs.Lakhs)	106.81			
(c) Opening Stock of Fabrics	(Pieces)	4109	3753			
	Value	(Rs.Lakhs)	5.50			
(d) Closing Stock of Fabrics	(Pieces)	4622	4109			
	Value	(Rs.Lakhs)	10.52			
(e) Sales Quantity Home Textiles	(Pieces)	3138	2596			
	Value	(Rs.Lakhs)	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.)	2240	3148			
	Value	(Rs.Lakhs)	38.32			
5. ELECTRICITY:						
(a) Installed Capacity	(M.W)	26.19	26.19			
(b) Generation - Units in Lakhs KWH		1951.57	2011.21			
(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		1924.76	1982.90			
	Value	(Rs.Lakhs)	9253.24			
33.9 Value of Import on CIF basis:						
(a) Raw Materials		2745.27	1610.04			
(b) Fuel		48469.52	50818.51			
(c) Spare Parts and Components		224.22	1077.02			
(d) Capital goods		187.05	1721.73			
(e) Textiles		48.27	24.95			
33.10 Earnings in Foreign Exchange:						
Export						
Cement – Quantity in Tonnes		24545	8500			
– Value		824.53	254.47			
Voluntary Emission Reduction (VER)		47.46	-			
33.11 Expenditure in Foreign Currency:						
Legal & Consultancy Charges		263.90	-			
Travel Expenses and others		190.19	195.32			
Indian Premier League - payments to foreign players		3046.21	3324.50			
33.12 Remittances in Foreign Currency:						
Final Dividend on account of GDS:						
No. of shareholders		1	1			
No. of shares		9052244	5929248			
Amount remitted (Rs.Lakhs)		181.04	88.94			
Year to which it pertains		2012	2011			
Final Dividend on account of GDR:						
No. of shareholders		1	1			
No. of shares		2620914	9167240			
Amount remitted (Rs.Lakhs)		52.42	137.51			
Year to which it pertains		2012	2011			
33.13 Details of imported and indigenous materials consumed during the year:						
Raw materials:						
Imported		4257.22	4969.09			
Indigenous		60048.98	53952.57			
Total		64306.20	58921.66			
Percentage to Total Consumption:						
Raw materials:						
Imported		6.62%	8.43%			
Indigenous		93.38%	91.57%			
Total		100.00%	100.00%			
Spare parts and Components:						
Imported		325.75	424.29			
Indigenous		1869.84	1932.50			
Total		2195.59	2356.79			
Percentage to Total Consumption:						
Spare Parts and Components:						
Imported		14.84%	18.00%			
Indigenous		85.16%	82.00%			
Total		100.00%	100.00%			
33.14 Details of Raw Materials consumed:						
Quantity in Tonnes:						
Limestone		12102617	11281539			
Gypsum		602480	563248			
Others		2736371	2437010			
Value:						
Limestone		24095.99	22670.54			
Gypsum		9623.93	8681.24			
Others		32213.68	27554.08			
Freight on Inter Unit Transfer of Clinker		7731.70	8514.24			
Total		73665.30	67420.10			

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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.38.01 Lakhs 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 Ltd. with Trishul Concrete Products Ltd.
- 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 Reserve.
- 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.
 - The common documentation for creation of security between all the Lenders and the Company is yet to be executed. Pending execution of common documentation between the Lenders and the Company, the Security Clause under the loans has not been changed.
- 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.479.75 Lakhs (as on 31st March 2012: Rs.1078.44 lakhs), has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.323.71 Lakhs (as on 31st March 2012: Rs.190.50 lakhs) has been amortized during the year (included in Administration and Other charges) and the balance of Rs.1043.98 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

CONSOLIDATED ACCOUNTS

	2013 Rs.Lakhs	2012 Rs.Lakhs
B. Transactions with Associate Companies:		
Associates:		
Sale of Goods	23.19	21.33
Purchase of Shares	Nil	Nil
Rendering of Services	Nil	Nil
Receiving of Services	1136.19	1266.98
Interest on Advances	197.53	104.80
Guarantees Outstanding at the year end	14848.25	14201.00
Outstanding balance included in current assets	5419.40	4953.65
C. Transactions relating to persons mentioned in A (ii) above:		
Remuneration	1680.23	1880.74
Dividend paid during the year	9.28	6.96
Total	<u>1689.51</u>	<u>1887.70</u>
D. Transactions relating to persons mentioned in A (iii) above:		
Directors' Sitting Fee	0.40	1.00
Dividend paid during the year	1.57	1.18
Total	<u>1.97</u>	<u>2.18</u>
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%	Nil
Unique Receivable Management Pvt. Ltd.	Nil	Nil
Coromandel Travels Ltd.	Nil	Nil
(ii) Balance as at the end of the year:		
Coromandel Sugars Ltd.	3356.48	2970.61
India Cements Capital Ltd.	2062.92	1983.04
Coromandel Travels Ltd.	0.00	0.00
Total	<u>5419.40</u>	<u>4953.65</u>

	2013 Rs.Lakhs	2012 Rs.Lakhs
(iii) Maximum Balance during the year:		
Coromandel Sugars Ltd.	3799.64	8473.30
India Cements Capital Ltd.	2062.92	2031.88
Coromandel Travels Ltd.	0.00	0.00
Total	<u>5862.56</u>	<u>10505.18</u>

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 Crores 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 @ 8% p.a., under the Defined Benefit Plans and Defined Contribution Plans as at 31st March 2013 are Rs.5412.73 Lakhs (as at 31st March 2012 are Rs.4789.13 Lakhs) and Rs.1121.14 Lakhs

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(as at 31st March 2012 are Rs.1160.54 Lakhs) respectively, as per the details given below:

Defined Benefit Scheme:

	2012-13	2011-12
	Rs.Lakhs	Rs.Lakhs
Opening balance as per actuarial valuation	4789.13	4427.95
Add: Interest income / differential interest due to change in discount rate during the year	0.00	0.00
Less: Settlements during the year	239.70	325.93
Sub-total	4549.43	4102.02
Add: Provision created during the year	863.30	687.11
Closing Balance as on 31 st March	5412.73	4789.13
Assumptions:		
Discount rate	8.00%	8.00%
Salary escalation rate	2.00%	2.00%
Average age	48 yrs.	48 yrs.
Average accrued service	14 yrs.	14 yrs.
Annuity rates for pension computation	Rates applicable for 15 years certain and life thereafter, with return of corpus.	

Defined Contribution Scheme:

Opening balance as per actuarial valuation	1160.54	1054.37
Less: Settlements / transfers during the year	290.92	290.00
Sub-total	869.62	764.37
Add: Provision created during the year	251.52	396.17
Closing Balance as on 31 st March	1121.14	1160.54

(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 2013 is Rs.6692.97 Lakhs (as at 31st March 2012: Rs.6305.79 Lakhs).

(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.

	2012-13	2011-12
	Rs. Lakhs	Rs. Lakhs
Opening balance as per actuarial valuation	3673.33	3434.69
Add: Interest income during the year	180.00	150.00
Less: Settlements during the year	423.50	291.96
Sub-total	3429.83	3292.73
Add: Provisions created during the year	1099.62	380.60
Closing Balance as per actuarial valuation	4529.45	3673.33
Assumptions:		
Discount rate	8.00% p.a.	8.00% p.a.
Salary escalation rate	2.00% p.a.	2.00% p.a.
Average age	52 years	52 years
Average accrued service	26 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	2013 % of Ownership	2012 % 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 and Monomers Ltd.	98.59	98.59
Trishul Concrete Products Ltd.	88.47	88.47
PT. Coromandel Minerals Resources, Indonesia	100.00	100.00
Trinetra Cement Ltd. (Formerly Indo Zinc Ltd.)	61.22	61.22
Coromandel Minerals Pte. Ltd., Singapore	100.00	100.00
Coromandel Electric Company Ltd.	65.71	74.00
India Cements Infrastructures Ltd.	100.00	NA

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	2013 % of Ownership Directly or Through Subsidiaries	2012 % of Ownership Directly or Through Subsidiaries
Raasi Cement Ltd.	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

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 Previous year's figures have been regrouped wherever necessary.

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