www.jklakshmicement.com

2011-2012

GROWING TOWARDS CEMENTING
A MAZBOOT INDIA






ANNUAL REPORT 2011-2012

JK LAKSHMI CEMENT Ltd.

GROWING TOWARDS CEMENTING A MAZBOOT INDIA

Over the last one decade, India's growth story has touched new milestones. Understanding the critical role of infrastructure in the country's growth plans, the Government of India has been making huge investments to support the infrastructure developments in the country. At JK Lakshmi Cement, our effort is to provide a world-class product that leads to constructing long-lasting structures – be it buildings, roads, dams, flyovers, airports, canals, etc. It is a great boost to our motivation that our efforts are contributing towards cementing a Mazboot India.

To play a bigger role in the country's growth story, we have embarked on concrete plans to augment the production capacity. Our major endeavour is a new Greenfield project coming up at Durg, Chattisgarh, to be commissioned by the end of 2013. It will enhance the installed capacity of the Company to 8.5 Million Tonnes per annum. We have already commissioned a new grinding unit in District Jhajjar, Haryana. Our RMC capacity is being expanded and we believe this business has the potential to grow at a faster pace. Our range of value added products will be enhanced with the addition of eco friendly AAC Blocks.

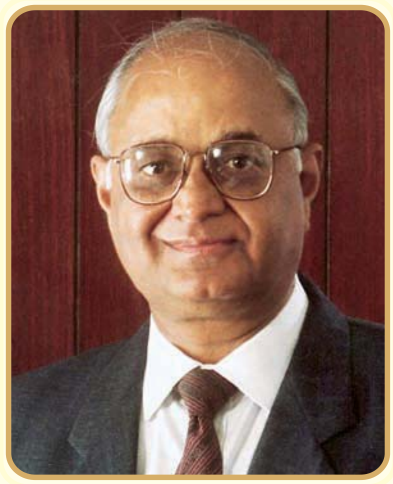
Our investments in these businesses are being matched by boosting skills and capabilities of people in all functional areas to realise the full benefits. We are confident of our growth towards cementing a Mazboot India.

SNAPSHOTS

Shri P. Chidambaram, Hon'ble Home Minister of India, Shri Hari Shankar Singhania, President - J.K. Organisation, Dr. J.J. Irani, Chairman - Board of Governors, IIM, Lucknow, Dr. Devi Singh, Director, IIM, Lucknow and Shri Bharat Hari Singhania, Vice Chairman - JK Lakshmi Cement, along with the winners at the Lakshmipat Singhania - IIM, Lucknow National Leadership Awards

Smt. Sheila Dikshit, Hon'ble Chief Minister - Delhi, Shri Hari Shankar Singhania, President - J.K. Organisation and Smt. Vinita Singhania, Managing Director, JK Lakshmi Cement, felicitating meritorious employees of the Group for completing 25 years of association

CHAIRMAN'S MESSAGE



India and China have been the major growth drivers in global cement output in recent years. The cement industry in India has a bright future ahead thanks to favourable factors. These include focus on infrastructure development, emphasis on affordable housing and increased use of cement in rural housing due to gradual shifting away from traditional materials. The increasing allocations year after year on the key infrastructure sector is a testimony to the direction in which our economy is moving. The current low per capita consumption of cement in the country vis-à-vis many other countries indeed reflects the enormous potential the industry offers in the future.

It is a matter of satisfaction that JK Lakshmi Cement has registered much improved performance despite constraints of overcapacity situation in cement industry, hike in railway freight tariffs, continuing rise in input costs especially coal which have impacted adversely the profitability of the domestic cement companies.

The Company is continuing with its expansion programme involving setting up of new Plants and augmenting production capacities with capex of over ₹ 1500 Crore upto the Financial Year 2013-14. The ongoing Projects are under way and making satisfactory progress.

The Company's production capacity already stands expanded by half-a-million tonne in April 2012 with the commissioning of Grinding Unit in Haryana. Company plans to augment its clinkerisation capacity further during the financial year 2012-13 which will enable the company to raise its cement production capacity by another half-a-million tonne. Company's Greenfield plant being set up in Chattisgarh is expected to become operational by the end of calendar year 2013. Completion of these Projects will raise the capacity to 8.5 Million Tonnes p.a. Besides the Company plans to build more RMC Plants.

The Company is also keen to contribute and play its due role in developing the society around its factory by taking up various initiatives in Corporate Social Responsibility. It has been actively engaged with Population Foundation of India in promoting Reproductive and Child Health and also in facilitating population stabilisation, adult education, vocational training and women education, to name a few.

Going forward, we are on an exciting journey ahead. I am confident that the Company shall further grow appropriately and play its due role.

At this time, I would like to thank the dedicated management team and the employees, our shareholders and stakeholders who have helped and supported us in this journey.

Best Wishes

Hari Shankar Singhania
Chairman

BOARD OF DIRECTORS

HARI SHANKAR SINGHANIA
Chairman

BHARAT HARI SINGHANIA
Vice Chairman & Managing Director

DR. RAGHUPATI SINGHANIA

RAVI JHUNJHUNWALA

K. N. MEMANI

SHAILENDRA CHOUKSEY
Whole-time Director

B. V. BHARGAVA

N. G. KHAITAN

RAJ KUMAR BANSAL

PRADEEP DINODIA

S. K. WALI
Whole-time Director

VINITA SINGHANIA
Managing Director

COMPANY SECRETARY	:	Brijesh K. Daga
OFFICES	:	Registered Office - Jaykaypuram-307 019, Basantgarh, District Sirohi (Rajasthan). Administrative Office - Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi-110 002.
PLANTS	:	I. Jaykaypuram-307 019, Basantgarh, District Sirohi (Rajasthan). II. Motibhoyan, Kalol, District Gandhinagar (Gujarat). III. Village Bajitpur, P.O. Jhamri, District Jhajjar (Haryana).
AUDITORS	:	Lodha & Co., Chartered Accountants
BANKERS	:	State Bank of India Punjab National Bank IDBI Bank Ltd. Axis Bank Ltd.
REGISTRAR & SHARE TRANSFER AGENTS	:	MCS Limited, F-65, First Floor, Okhla Indl. Area, Phase-I, New Delhi-110 020. Ph. (011) 41406149-52. Fax No. (011) 41709881. E-mail: admin@mcsdel.com
COMPANY WEBSITE	:	www.jklakshmicement.com www.jkorg.in

BOARD OF DIRECTORS

L to R : Shri S.K. Wali, Shri Pradeep Dinodia, Shri Raj Kumar Bansal, Shri B.V. Bhargava, Smt. Vinita Singhania, Shri Hari Shankar Singhania, Shri Bharat Hari Singhania, Shri N.G. Khaitan , Shri Ravi Jhunjhunwala, Dr. Raghupati Singhania, Shri Shailendra Chouksey, Shri K.N. Memani

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VICE CHAIRMAN'S MESSAGE

It gives me great satisfaction that despite the industry demand remaining subdued for most part of the year, your Company has performed reasonably well this year. This has been made possible due to consistent and conscious efforts by your management to address cost and efficiency issues in focused manner. As a result the Company today is amongst one of the lowest cost producers in the industry.

Your Company is making steady progress on all its expansion projects in time bound manner. The commissioning of Grinding Unit at Jhajjar in Haryana has just taken place at a time when the demand in its catchment zone is expected to pick up. The commissioning of Green site Plant at Durg shall happen at a time when the gap between demand and supply will begin to narrow down. The right timing of the projects is a critical success factor and we seem to be doing better on this front as well.

Besides the continued slow down of growth in core sectors, particularly in infrastructure, the industry is continuing to face the challenge of rising fuel costs and increased freights. There is little possibility that these will come down in near future, especially with steep devaluation of rupee against major global currencies. Your Company is aware of these challenges and is addressing the issues appropriately.

Enhancement of overall returns to all stakeholders always remains a key focused area for the Company. To meet this objective, the Company continues to take various initiatives at opportune times. During the year, the Company has launched the Buy-Back Scheme, which shall result in overall enhancement in the shareholders' wealth.

I look at the coming year of 2012 – 13 as full of challenges. The challenges bring best in the people and propel them to innovate & excel. Financial prudence and Investors' support have always been at the core of our strength and I count on this strength to convert every challenge into a promising opportunity.

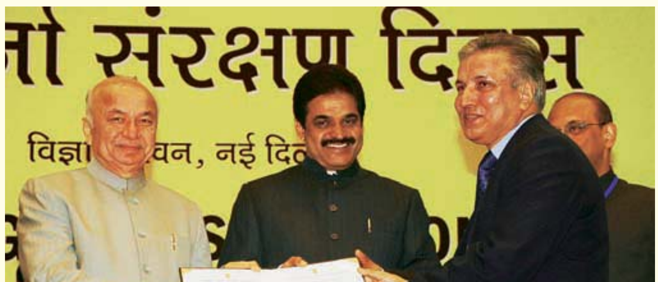
Bharat Hari Singhania
Vice Chairman & Managing Director

THE YEAR THAT WAS...

Shri Hari Shankar Singhania, President - J.K. Organisation and Chairman - JK Lakshmi Cement, along with other Directors during a plant visit in Sirohi, Rajasthan

Smt. Vinita Singhania, Managing Director, inaugurating a village road- CSR initiative of the Company

Smt. Vinita Singhania, Managing Director, being honoured by Shri Rajendra Pareek, Hon'ble Minister for Industries (Govt. of Rajasthan), on being appointed as the Chief Patron of Rajasthan Chamber of Commerce and Industry (RCCI)



Shri S.K. Wali, Whole-time Director, receiving the 'Certificate of Merit' for Energy Conservation from Shri Sushil Kumar Shinde, Hon'ble Union Minister of Power

Students' health check-up being carried out at the medical camp organised by JK Lakshmi Cement

Shri Shailendra Chouksey, Whole-time Director, and other Senior Officials of the Company receiving the Golden Peacock HR Excellence Award

MANAGING DIRECTOR'S MESSAGE

Our continued focus on strengthening bond with all the stakeholders including our customers and our people centric approach stood us in goodstead when despite subdued industry growth of 7%, your Company's sales volume grew by over 14% in the concluded financial year 2012.

We achieved better than most of our industry peers in terms of capacity utilisation, energy efficiencies, and manpower productivity. I take pride in the fact that our output per man-hour spent is one among the best in the industry and we have one of the lowest attrition rates in the times when the war for talent is at its peak.

The testimony of our achievement on people front is in being recognized as one of India's Best Companies to work for by Great Place to Work Institute, India. JK Lakshmi Cement is the only Cement Company that has figured among Top 50 in this survey and it has been rated as one of the best in special category for Leadership & Innovation in Employee Retention strategies.

The economy in general and the cement industry in particular is passing through an uncertain and turbulent phase. The cement demand growth in last two years has been below the industry's expectations. Energy costs, rail freight and other input costs have significantly gone up. Some of the capacity additions which were delayed in last year are expected to come on stream this year. Collectively it would mean further widening of demand supply gap and consequent pressure on prices & profitability. I am of the firm belief that our investments in relationships and people will make all the difference that is needed to charter out of turbulence and be firmly on the path of sustained growth.

On other hand we are and we shall continue to invest in growth through new Greenfield projects, expansion at existing locations, and in new business avenues which look promising. We shall also leverage our resources to cut costs and reach out to new pinnacles of efficiencies, in line with our philosophy "when going gets tough the tough gets going".

I would like to thank all my people and all the stakeholders for the continued faith that they have bestowed upon us. Together let's cherish and live the spirit of "WE CARE".

Vinita Singhania
Managing Director

OPERATIONS

Shri P.L. Mehta - Vice President (Commercial) and Shri Dinesh Pandya - General Manager (P&A), receiving the Safety Innovation Award

JK Lakshmi Cement's newly commisioned Grinding Unit in Jhajjar, Haryana

EXCELLENCE IN INNOVATION

JK Lakshmi Cement is recognised in the cement industry for taking up challenges with great passion and deliver astounding results. This year too, our team has made us proud by coming up with innovative solutions for maximising efficiency at its plants. The results have not only helped us achieve efficiency in processes but has also resulted in cost savings. Following projects exemplify the innovation culture in the Company:

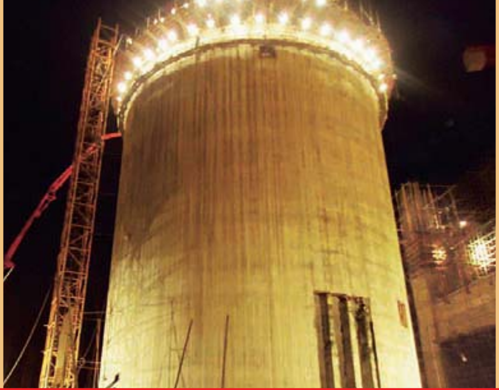
In-house development of Burner Pipe

During the rehabilitation of one of the kilns at the Sirohi Plant, our team decided to manufacture burner pipe in-house. The burner is a critical component of kiln combustion system. An effective burner design helps in optimizing combustion of fuels in the kiln. The burner pipe, developed in-house has maximized the fuel efficiency and heat recovery from the cooler. The quality of clinker manufactured is better because of brighter and shorter flame. The cost of developing the burner pipe in-house was just ₹ 10 Lacs as against ₹ 80 Lacs that would have been paid for purchasing a new burner.

Innovative Wind Power

The enthusiastic engineers of Team JK Lakshmi have developed an innovative device which is a combination of small windmill developed in-house and the waste gases discharged from the bag filter fan. These devices installed at the Cement Grinding Units at Kalol (Gujarat) and Jhajjar (Haryana) are able to generate free renewable green energy sufficient to power more than 17 CFLs each of 17 watts and is sufficient to illuminate the office areas at these locations. This innovation, a first of its kind, is the beginning of a new era in the field of renewable energy. Such small windmills can be installed at any industrial unit, where clean exhaust gases are available and these windmills can significantly contribute towards the sustainable development of the nation.

A view of the innovative Green Power Pilot Project developed in-house



Glimpses of work-in-progress at JK Lakshmi Cement's upcoming Greenfield plant at Durg

Apart from these cases, JK Lakshmi Cement has also carried out many more innovations and processes, such as Modification of pre-calcinator bend to reduce fine clinker dust spillage, in-house modification of retainer ring to improve brick lining life in kilns, stabilization of VRM from 180 TPH to 200 TPH, in-house improvement in efficiency of CM-4 circulating air fan, reduction in false air ingress through dividing gate, in-house capacity enhancement of staker/reclaimer, in-house extension of cooler and switching from imported to indigenous spares.

EXPANDING FOOTPRINTS

The Company has taken aggressive steps to expedite its expansion plans. The new Grinding Unit in Haryana has become operational in a record time of 15 months. Located in Distt. Jhajjar, Haryana, the Grinding Unit will add 6 Lac MT per annum to the production capacity of the Company.

The work at JK Lakshmi Cement's Greenfield plant in Durg, Chattisgarh is also progressing swiftly. The civil work is in progress at the site and the plant is expected to be commissioned by the end of 2013 and taking the total production capacity of the Company to 8.5 Million Tonnes per annum.

EXCELLENCE RECOGNIZED

In our pursuits to achieve excellence, it is indeed a great motivation for us to be recognized and awarded for our work. This year too, our efforts were applauded and JK Lakshmi Cement was conferred with prestigious honours.

JK Lakshmi Cement was conferred with the "Certificate of Merit" for Energy Conservation, instituted by Energy Department of the Government of India and Bureau of Energy Efficiency.

The Company won the "Excellence Award" from RCCI in recognition to the efforts being made by the Company to have adopted environment friendly measures and running a 'Green' cement plant in the state of Rajasthan.

It was a quadruple feat for the Company to be awarded the 'Productivity Excellence Award' for the fourth consecutive year. For the safety measures and initiatives for employees' safety at plant, JK Lakshmi Cement won the Safety Innovation Award.

Shri A.K. Bartaria, Vice President - P & QC, receiving the "Energy Conservation Award"

Delegates from Ministry of Environment of South Asian countries during their visit to the JK Lakshmi Cement - Kalol Plant, to observe the best practices in Cement Industry of India

FINANCE

Shri S.A. Bidkar, CFO, sharing the Company's Performance and Growth Plans at the Investors' Meet along with Shri S. Chouksey, Whole-time Director

Shri S.A. Bidkar, CFO, making a Presentation at the Bankers' Consortium Meeting. Also seen are Shri S.K. Wali, Whole-time Director, Shri R.R. Gupta, VP (A&C) and Shri C.K. Bagga, VP (A&F)

BUY-BACK OF EQUITY SHARES

The Company has been taking various initiatives for continuously increasing the Returns to the Shareholders. In the recent past, the Company has enhanced its Pay-out ratio from 15% in 2009-10 to 30% in 2010-11 and has split its Equity Shares of ₹ 10/- each into 2 Equity Shares of ₹ 5/- each. In the pursuit of its objective of enhancing the Shareholders' wealth, the Company has announced Buy-Back of Equity Shares upto an amount of ₹ 97.50 Crore, at a price not exceeding ₹ 70/- per Equity Share. This cap of ₹ 70/- per Equity Share represents a 57% premium over the average share price of the Company prevailing over a period of 12 months, preceding the date of announcement of the Buy-Back. The Buy-Back announcement has sent very strong signals about the Company's belief in its future and strong fundamentals. This Buy-Back apart from resulting in optimum use of its surplus funds, has been perceived as a tax-efficient method of rewarding its Shareholders. Going forward, the Buy-Back shall result in overall enhancement of Shareholders' Return in the long run.

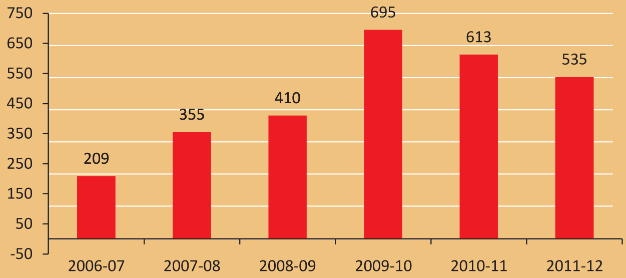
RATING

The Company continues to enjoy highest possible Short-term Rating of **'A1+'** for its Commercial Paper programme of ₹ 70 Crore and the High Safety Long-term Rating of **'AA-'**. These Ratings are based on Company's inherent strength of its Balance Sheet and various key fundamental Financial Ratios.

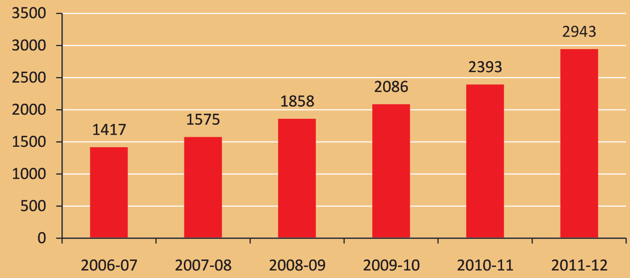
LIQUIDITY

The Company continues to deploy its cash surplus in a judicious and tax-efficient manner to increase overall returns on the surplus funds. It continues to make a trade-off between risk and reward while deploying its surplus funds. As on 31st March, 2012, the Company had cash and cash equivalent amounting to ₹ 535 Crore, which have been deployed in Fixed Deposits with Banks, CDs, Bonds and FMPs of various Mutual Funds. During the Financial Year 2011-12, the Company generated a Treasury Income of ₹ 59 Crore on deployment of its surplus funds. The Company has also been able to reduce its cash to cash cycle through efficient Working Capital Management.

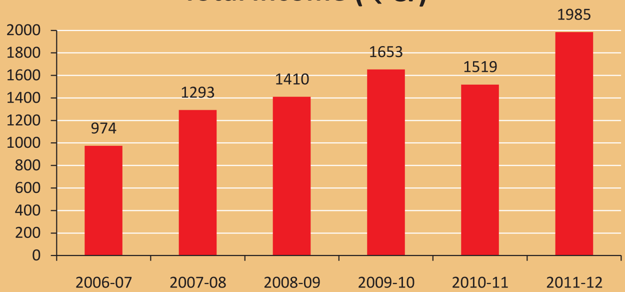
Cash & Cash Equivalents (₹ Cr)



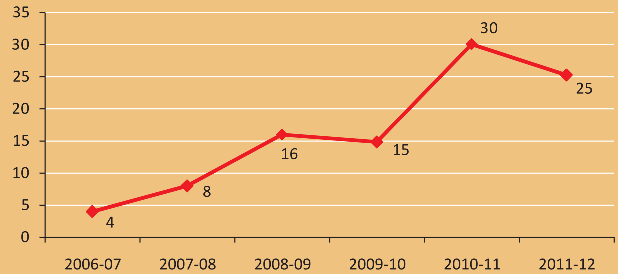
Fixed Assets (₹ Cr)



Total Income (₹ Cr)



Dividend Payout Ratio (%)



FINANCIAL LEVERAGE

The Company has continuously been able to improve its financial leverage and gradually reduce its gearing. As of 31st March, 2012, the Company's total Debt Equity Ratio stood at 0.96 as against 0.99 as of 31st March, 2011. Considering the available surplus cash of ₹ 535 Crore, the Net Debt Equity Ratio of the Company as on 31st March, 2012 comes to 0.48. The above gearing position of the Company provides comfort to the Company to raise funds by leveraging its Balance Sheet for financing its future organic or inorganic growth.

INTEREST COST

Based on the excellent Short-term and Long-term Rating of the Company, the Company continues to raise funds in the market at the most competitive interest rates possible in the present money market scenario. The Company has a proper blend of fixed & floating rate long term loans. These term loans have an Annual Reset Clause, enabling the Company to continuously swap & substitute high cost loans with low cost funds without any pre-payment penalty. The Company continues to meet its Working Capital requirements at the lowest possible cost through market borrowings from Commercial Paper and availing Buyer's Credit, whenever possible.

INVESTORS' RELATIONS

The Company regularly communicates with the Investors and Financial Analysts and shares, in detail, its Financial Performance and Growth Plans through Conference Calls, Investors' Meet & Road Shows. A dedicated team is looking after Investors' Grievances, if any, and ensures that the same are resolved smoothly in a shortest possible time.

71st Annual General Meeting in progress at Jaykaypuram, Rajasthan

MARKETING

ENHANCING BRAND VISIBILITY

The Company's aggressive campaigns have resulted in increased level of brand awareness in the market. Using innovative platforms like interactive print campaigns, various dealer engagement activities and a new approach to rural market development have enabled the Company of stronger bonding with its various customer segments.

To support the above, consumer awareness camps and customer meets were organised besides participating in fairs and trade exhibitions. Various customer touch points like Knowledge Sharing Sessions to interact with the influencer segment and road shows for enhancing the brand awareness were organised across the markets as a measure for increased brand visibility.

JK Lakshmi Cement also went live on Social Media with the Facebook fanpage. With activities being planned and specialists brought on-board, this initiative will be developed for interacting with various stakeholders.

MAZBOOT INDIA, MAZBOOTI GUARANTEED

JK Lakshmi Cement's objective of contributing in building a Mazboot India has been supported with a strategy of deeper penetration in the key markets with innovative, engaging and interactive print ad campaigns. Started off in Rajasthan, where the theme of strength was linked to the heritage and legacy of Rajasthan, i.e. its Mazboot Forts. In this interactive campaign, readers were asked to participate in a contest – 'Rajasthan ki Mazboot Pehchaan', to vote for 'the mazboot fort'. The fort with maximum number of votes was featured next. The campaign concluded with an astounding response and participation across Rajasthan.

A similar campaign for the Grinding Unit in Haryana was adopted, with the theme - 'Pride of Haryana'. It covered areas which highlights the progress the state has made and the promising future it holds.

'GO RURAL' REACHES GUJARAT AND HARYANA

'Go Rural', the rural marketing initiative was extended to the states of Gujarat and Haryana after successful implementation in Rajasthan. Two of the most prominent names in the field of Rural Marketing, were roped in as the implementation partners for various activities leading to increased brand presence and awareness in the growing rural markets of India.

View of JK Lakshmi Cement pavilion at a renowned Trade Exhibition in Rajasthan

Shri Shailendra Chouksey, Whole-time Director receiving the prestigious Star Brand Award

As the part of planned activities, campaigns are carried out in the rural markets where focus is on activities which are engaging, entertaining and interactive. These help in connecting the brand with the consumer easily and have a long-term impact. Participation in the local melas and weekly markets has helped the brand to gain footprints in the rural markets.

JK LAKSHMI CEMENT IS A STAR BRAND

The Company's efforts were appreciated and acknowledged, when JK Lakshmi Cement was recognised as the Star Brand this year. Chosen through wide pan-India surveys, the honour was awarded on the three parameters – Product Innovation, Recall and Impact. Being chosen as a Star Brand is also a reaffirmation of the Company's commitment to delivering high quality products in building a strong brand.

STAR™ BRAND INDIA 2011
India's Most Impactful Brand
Chosen by the Indian Consumer

LEADING PRODUCT INNOVATION

The uniqueness about JK Lakshmi Cement has been that its products are designed keeping in mind the needs and requirements of the customer.

Last year, when the demand for loose cement increased in the metro cities, JK Lakshmi Cement led the initiative to develop an indigenous mobile loose cement feeding arrangement in Mumbai. This truck mounted feeding system can be easily moved within the city resulting in cost effective loose cement supply solution.

GETTING READY FOR THE FUTURE

The marketing team regularly interacts with its channel partners to do brainstorming on the emerging opportunities and challenges. Such sessions cover new ideas and technologies in the marketing sphere which help us to remain the preferred brand among the customers.

Extensive marketing activities are being planned in view of the upcoming Greenfield project at Durg. The required distribution infrastructure is being put in place.

Interactive activity in progress as the part of Rural Marketing initiative in Haryana


A Brainstorming session in progress

HUMAN RESOURCES

Smt. Vinita Singhania - Managing Director, Shri S.K. Wali and Shri Shailendra Chouksey - Whole-time Directors, with the winner of Coffee with MD - Season 3

Shri Bharat Hari Singhania - Vice Chairman & Managing Director, with the winning team from JK Lakshmi Cement at JK Organisation Udaan Competition

Caring for our employee's aspirations is our utmost objective and their contribution as an individual lays a strong foundation for the Company's growth.

JK Lakshmi Cement has been recognized as an Industry Leader for its innovative HR practices and employee engagement programmes. We believe in nurturing aspirations, promoting leadership and encouraging growth of each individual in the Company.

Therefore, at JK Lakshmi Cement, we put great emphasis on creating opportunities which are taken up as challenges which culminate in personal development of the individuals, contributing to the overall growth of the Company.

INNOVATIVE EMPLOYEE ENGAGEMENT PROGRAMMES

JK Lakshmi Cement has been applauded for blending the time-tested methods and the modern-day fundamentals of human resource management.

'Krishna Arjuna' is one such initiative, where an immediate superior essays the role of the "Krishna" and the officer under him plays the role of the "Arjuna". This initiative has helped in selecting young talented professionals and instilling the right set of knowledge and values in them, for their growth.

This year, the third edition of Coffee with MD was a resounding success. This innovative HR scheme backed actively by Smt. Vinita Singhania, Managing Director, JK Lakshmi Cement has turned out to be an excellent motivational tool for youngsters.

The Annual Inter-company J.K. Organisation Udaan Competition was organised which focused on bringing the best brains of the Company together and come up with innovative solutions that will take the Company forward.

Apart from the above HR initiatives, emphasis is also given on continuous learning and self-development through seminars, classrooms and outbound programmes to bring the best out of each member of Team JK Lakshmi Cement.

Training on 'Managerial Effectiveness and Conflict Management' in progress

Dr. Tapomoy Deb - General Manager - HR, receiving the Star News HR & Leadership Award

GROWTH MAPPING

The Company has invested hugely in developing various systems that have helped in mapping the growth of an individual within the Organisation. The Employee Satisfaction Survey is carried out on regular basis for understanding the needs of the team members and acting on it to provide the best facilities and infrastructure for them to grow.

The structured Performance Management System and 360 degree feed forward systems have been helpful in understanding the strength and the capabilities of an individual and preparing a Leadership Development Plan for them.

SAFETY IS PARAMOUNT

Driven by our core value "Caring for People", our safety strategy is to nurture a "Zero Accident Culture" and to reinforce it with innovative occupational health and safety management systems and ensuring participation at all levels. We have started a number of initiatives i.e. Safety Committee Meetings at Sectional level, Safety Audit by Cross Functional Team, Intensive Safety Training Workshops highlighting emergent issues of the shopfloor, Safety Work Permit Systems, Emergency Prevention and Preparedness, Celebration of National Safety Week, Road Safety Week & Fire Service Week etc. have resulted in a better safety culture at the workplace. We have recently launched the Behavior Based Safety System with the help of an eminent expert to achieve safety excellence.

REWARDS & RECOGNITIONS

JK Lakshmi Cement has been rewarded time and again for its innovative HR initiatives and policies. This year, the Company was conferred with the "Star News HR and Leadership Award" under the category "Learning and Talent Initiative Excellence" and the "Greentech HR Award – 2012" under the category "Innovation in Employee Retention Strategies" at the 2nd Annual Greentech HR Conference 2012.

Our Plant has been conferred with the "Safety Innovation Award - 2011" instituted by Institution of Engineers (India) a second time in a row for implementing innovative safety management system and "Greentech Safety Gold Award - 2011" instituted by Greentech Foundation New Delhi, a third time in a row for outstanding achievements in safety management.

JK Lakshmi Cement has always paid utmost attention to the motivation and betterment of its employees who it believes, are its true strength.

Some of the proud members of Team JK Lakshmi

Dr. Tapomoy Deb, General Manager - HR, receiving the Greentech HR Excellence Award

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the 72nd Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2012.

FINANCIAL RESULTS

₹ in Crore

	2011-12	2010-11
Sales & Other Income	**1985.03**	1524.31
Profit before Interest & Depreciation	**391.37**	223.88
Profit before Depreciation	**311.71**	163.40
Profit after Tax	**108.78**	59.13
Surplus brought forward	**95.71**	104.35
Amount available for appropriation	**204.49**	163.48
Appropriations		
- Dividend - (incl. tax on Dividend)	**27.49**	17.77
- General Reserve	**75.00**	50.00
- Surplus carried to Balance Sheet	**102.00**	95.71
	204.49	163.48

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 2/- per Equity Share of ₹ 5 each (40%) for the year ended 31st March 2012. The Dividend outgo would amount to ₹ 27.49 crore (inclusive of Dividend Distribution Tax of ₹ 3.84 crore). The Dividend subject to approval at the AGM on 4th August 2012, will be paid to those Shareholders whose names appear in the Register of Members as on the date of book closure for the AGM.

OPERATIONS

Your Company has registered an all-round improvement in its performance over the previous year 2010-11. Gross sales turnover at ₹ 1922 crore was higher by 29% compared to ₹ 1491 crore in the previous year. PBIDT at ₹ 392 crore, is 76% higher than ₹ 223 crore in the previous year, which demonstrates Company's robust performance. The growth in Company's volume by 14% is much better than the industry's growth of about 7%. We are happy that the Company achieved 100% capacity utilisation vis-à-vis industry's average of 75%.

During the year, the Company further improved its operating efficiencies. There was reduction in consumption of both power and fuel per unit of production. In addition, the Company improved usage of alternate fuel of bio-mass from 2% to 6%. These improvements have enabled the Company to also reduce the carbon footprint.

EXPANSIONS

Company's various initiatives towards increasing its overall cement production capacity and undertaking value added products, as under, are making satisfactory progress:

- The 0.55 Million Tonnes grinding unit in Haryana with an investment of over ₹ 100 crore has commenced commercial production in April 2012. This has raised the Company's production capacity from 4.7 Million Tonnes p.a. to 5.3 Million Tonnes p.a.
- Augmenting the existing capacity of the Company's clinkerisation at Jaykaypuram by additional 0.33 Million Tonnes p.a. from the existing 3.96 Million Tonnes p.a. to 4.29 Million Tonnes p.a. at a much lower capital cost. The additional clinker would enable the Company to further enhance cement production capacity by about 0.5 Million Tonnes p.a.
- The 2.7 Million Tonnes Greenfield Project at Durg, in Chattisgarh with a capital outlay of ₹ 1250 crore is making satisfactory progress. It is likely to go in operation by the end of the year 2013. Besides clinkerisation facility at Durg, the Project will have two additional split location grinding units in different states of Eastern India. This will enable the Company to substantially cover Eastern Indian markets.

- On commencement of the above Projects Company's cement capacity will increase to about 8.5 Million Tonnes.

As reported earlier, the Company as a part of its growth plans, has also undertaken revival of Udaipur Cement Works Ltd. having an installed capacity of 1.2 Million Tonnes p.a. in Udaipur, Rajasthan. This will further increase Company's overall presence in the Cement Industry.

As a part of Company's overall strategy to increase its footprint into value added products, the Company is setting up an Aerated Autoclaved Concrete (AAC) Blocks Project at Haryana, which is likely to be commissioned by March, 2013. This product would help the Building Industry to save on labour cost, reduce time as well as bring down the overall cost.

The Company continues to consolidate its presence in RMC segment and has added two more RMC Plants during the year. Plans are afoot to further expand RMC capacity in the coming financial year, thus, taking the total number of RMC Plants to about fourteen with capacity of 7 lac Cu.Mtr/annum.

OUTLOOK

The fiscal 2011-12 saw an improvement in the growth of cement consumption to 6.9% as against 5% growth witnessed in the year 2010-11. The second half of FY 11-12 was particularly better when the demand grew by 9%.

Indian Cement Industry continues to face the challenge of excess capacity build up which has resulted in low capacity utilization of about 75%. Consequently, the prices are generally under pressure. The bigger challenge, however, remains from the continuous rise in the costs, particularly those of fuel and freight costs which are largely dependent on the petroleum prices being continuously on the rise.

Government's increased impetus on urban as well as rural infrastructure development, housing and an enhanced capital allocation towards infrastructure in the 12th – Five Year Plan, will be the major growth drivers. Higher allocation by the Govt. of India for infrastructure projects by over 25% in the Budget Proposal of FY 13, gives a confidence that the cement demand would get back to higher growth rates in the coming years. Further, part rationalisaton of the duty structure in the Budget would also help the Cement Industry to partly mitigate the high tax burden on this core industry.

BUY-BACK OF SHARES

The Board of Directors at their meeting held on 7th February 2012, approved Buy-Back of its fully paid up Equity Shares of ₹ 5 each ("Buy-Back"), with a view to enhance overall Shareholders' value. The Buy-Back offer has been made for acquisition of Shares upto ₹ 97.50 crore i.e., 9.96% of the aggregate of the total paid-up equity capital and free reserves of the Company as on March 31, 2011, at a price not exceeding ₹ 70 per share. The Buy-back is being made out of the Free Reserves and/or the Securities Premium Account of the Company, from the open market through Stock Exchange(s) in India. The Buy-Back opened w.e.f. 26th March 2012 and the Company has bought back 40,78,019 Equity Shares as on 16th May 2012. Consequently, the Paid-up Equity Capital of the Company stands reduced from ₹ 61.18 crore to ₹ 59.14 crore (11,82,80,905 Equity Shares of ₹ 5 each), as on the date of this Report.

DIRECTORS

Dr. Ajay Dua ceased to be a Director on the Board of Directors of the Company w.e.f. 30th September 2011. The Board of Directors places on record its sincere appreciation of the valuable contributions made by Dr. Ajay Dua during his tenure of office.

The Board has appointed Shri Ravi Jhunjhunwala as Additional Director of the Company, w.e.f. 26th March 2012. He is an independent Director and shall hold office upto the date of the ensuing Annual General Meeting (AGM). The Company has received requisite Notice from a Member under Section 257 of the Companies Act 1956 proposing the name of Shri Ravi Jhunjhunwala for appointment as Director liable to retire by rotation at the AGM. The Board of Directors commends his appointment as aforesaid.

Dr. Raghupati Singhania, Shri Kashi Nath Memani and Shri Pradeep Dinodia retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

SUBSIDIARY COMPANY

The Annual Accounts of the wholly-owned Subsidiary, Hansdeep Industries & Trading Company Limited, have been consolidated and the Statement pursuant to Section 212 of the Companies Act 1956 read with General Circular No. 51/12/2007-CL-III dated 8th February 2011 of the Ministry of Corporate Affairs, containing the details of the Company's Subsidiary is attached.

In terms of the said Circular dated 8th February 2011, copies of the Balance Sheet, Profit & Loss Account, Reports of the Board and the Auditors of the aforesaid Subsidiary, have not been attached to the Balance Sheet of the Company. However, the annual accounts of the Subsidiary Company and the related detailed information shall be made available to the Shareholders of the Company and that of the Subsidiary seeking such information at any point of time. The annual accounts of the Subsidiary Company are also available for inspection by any Shareholder at the Head Office of the Company and that of its Subsidiary.

AUDITORS

M/s. Lodha & Co., Chartered Accountants, Auditors of the Company, retire and are eligible for re-appointment. The observations of the Auditors in their Report on Accounts read with the relevant notes are self-explanatory.

COST AUDIT

M/s. R. J. Goel & Co., Cost Accountants, New Delhi have been appointed as Cost Auditors of the Company for the Financial Year 2012-13 commencing 1st April 2012, subject to approval of the Central Government. Audit of the Cost Accounts of the Company relating to 'Cement' for the year ended 31st March 2012, will be conducted by the Cost Auditors and Cost Audit Report will be submitted to the Ministry of Corporate Affairs, Government of India within the prescribed time.

The Cost Audit Report for the financial year ended 31st March 2011 was filed by the Cost Auditors with the Ministry of Corporate Affairs, Government of India on 12th September 2011 (Due date 30th Sept 2011).

CORPORATE GOVERNANCE

The Company believes in maintaining the highest standards of Corporate Governance. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding due compliance of the conditions of Corporate Governance are made a part of this Annual Report.

CONSERVATION OF ENERGY ETC.

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, particulars of energy conservation, technology absorption, foreign exchange earnings and outgo are annexed and forms part of the Annual Report.

PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of Section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975 regarding employees is given in Annexure B to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act 1956, the Annual Report is being sent to all shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Secretary at the Company's New Delhi Office.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that period;

- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors thank all the Shareholders, Customers, Dealers, Suppliers and Business Associates for their continued support and faith in the Company and the Financial Institutions, Banks and Government Authorities for the assistance and co-operation extended by them.

Your Directors also wish to place on record their appreciation of the contribution made by the Company's employees at all levels but for whose hard work, solidarity and support the Company's consistent growth would not have been possible.

On behalf of the Board of Directors

HARI SHANKAR SINGHANIA
Chairman

New Delhi
Date : 16th May 2012

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH 2012

a) Conservation of Energy

M/s. JK Lakshmi Cement Ltd. took following major initiatives with an intention to conserve energy and reduce fuel.

- Stabilization of 12 MW Green Power Plant to utilize the Waste Heat of preheater.
- Optimization of idle running of auxiliary drives of Raw Mill – 1.
- Modification of logic control of clinker cooling and optimization of power generation from WHRs.
- Enhancement of Cement Mill-6 output by modification diaphragm.
- Enhancement of Coal Mill-2 output by increasing chamber length.
- Arresting of false air ingress in Kiln-2 and Kiln-3.
- Increase in consumption of fly-ash in PPC production.
- Modification of Kiln Inlet smoke chamber for arresting false air ingress.
- Replacement of non-metallic expansion joints with metallic expansion joints in Kiln-2 and Kiln-3 preheater down comer duct to reduce preheater fan power consumption.
- Installation of VFD in Bag Filter Dust Collector Fan, Raw Mill-2, Raw Mill-3 and LS
- Installation of 2700 KW SPRS System for preheater fan of Kiln-2 & 3.

b) Technology absorption, adaptation and innovation by technology adaptation

All the above improvements have been completed and the technologies have been fully absorbed and the plant is performing at its optimum capacity.

c) Research and Development

During the year, the Company has spent ₹ 0.32 crore. This is equivalent to 0.02% of the turnover.

d) Exports, Foreign Exchange Earnings and Outgo

	₹ In crore
i) Foreign Exchange earned	Nil
ii) Foreign Exchange used (CIF value of Imports of Fuel, stores and spares, capital goods etc.)	33.37

PARTICULARS OF CONSERVATION OF ENERGY

S. No.	Particulars	Unit	**2011-12** (12 Months)	2010-11 (12 Months)
A.	**POWER AND FUEL CONSUMPTION**			
1.	**Electricity**			
(a)	**Purchased :**			
	Units	(Kwh in Lacs)	**1417.71**	1400.99
	Total amount	(₹ in crore)	**64.92**	63.05
	Rate/Unit	(₹)	**4.58**	4.50
(b)	**Own Generation:**			
(i)	**Through Diesel Generators :**			
	Units	(Kwh in Lacs)	**2.77**	20.95
	Units Per Litre of Furnance Oil/LDO	(kwh)	**2.16**	3.52
	Furnance Oil / LDO - Cost/Unit	(₹)	**13.24**	7.19
(ii)	**Through Steam Turbine/Generators**			
	Units	(Kwh in Lacs)	**2339.19**	2077.91
	Units Per Kg of Fuel	(kwh)	**2.55**	2.15
	Fuel Cost/Unit	(₹)	**2.72**	3.18
2.	**Fuel (Pet Coke / Coal)**			
	Quality (Grade)		**A to D**	A to D
(a)	**Used in Calcining Raw Meal**			
	Quantity	(MT)	**410523**	373544
	Total Cost	(₹ in crore)	**276.14**	253.43
	Average Cost	(₹/MT)	**6727**	6784
(b)	**Used in Steam Turbine/ Generators**			
	Quantity	(MT)	**91912**	96457
	Total Cost	(₹ in crore)	**63.72**	66.01
	Average Cost	(₹/MT)	**6933**	6843
3.	**Other Internal Generation**	-		
B.	**CONSUMPTION PER UNIT OF PRODUCTION**			
	Electricity	Kwh/MT	**78**	79
	Fuel (Pet Coke / Coal)	K. Cal.	**742**	746

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

Corporate Governance is an integral part of values, ethics and best business practices followed by the Company. The core values of the Company are :

- commitment to excellence and customer satisfaction
- maximising long term shareholders' value
- socially valued enterprise and
- caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long term shareholders' value and commitment to high standard of business ethics by following best corporate governance norms in true letter and spirit. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

2. BOARD OF DIRECTORS :

The Board of Directors presently consists of Twelve Directors comprising of eight Non-executive Directors (NED) of which six are independent (IND). The Chairman is Non-executive and is a Promoter. Four Board Meetings were held during the Financial Year 2011-12 ended 31st March 2012, on 25th May 2011, 27th July 2011, 29th October 2011, and 7th February 2012. Attendance and other details of the Directors are given below :

The Board periodically reviews Compliance reports of all laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances, if any.

The Company has a Code of Conduct for Management Cadre Staff (including Executive Directors), which is strictly adhered to. In terms of Clause 49 of the Listing Agreement and contemporary practices of good corporate governance, a Code of Conduct was laid down by the Board for all the Board Members and Senior Management of the Company. The said code is available on the Company's website (*www.jklakshmicement.com*). All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by the Managing Director.

Director	Category	No. of Board Meetings Attended	Whether last AGM attended (16.7.2011)	Outside Directorships and Committee positions		
				Directorships $	Committee Memberships @	Committee Chairmanships @
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Shri Hari Shankar Singhania, Chairman	NED	4	Yes	3	-	-
Shri Bharat Hari Singhania, Vice Chairman & Managing Director	Executive	4	Yes	4	-	-
Shri B.V. Bhargava	IND	3	Yes	9	3	4
Shri Kashi Nath Memani	IND	3	No	12	5	5
Shri Nand Gopal Khaitan	IND	4	No	9	6	1
Shri Pradeep Dinodia	IND	3	No	8	4	4
Shri Raj Kumar Bansal (IDBI Nominee)	IND	4	No	5	1	-
Dr. Raghupati Singhania	NED	3	No	7	1	-
Smt. Vinita Singhania, Managing Director	Executive	4	Yes	3	-	-
Shri Shailendra Chouksey, Whole-time Director	Executive	4	No	1	-	-
Shri Sushil Kumar Wali, Whole-time Director	Executive	4	Yes	1	-	-
Dr. Ajay Dua #	IND	2	No	#	#	#
Shri Ravi Jhunjhunwala *	IND	N.A.	N.A.	10	2	2

Dr. Ajay Dua ceased to be Director w.e.f. 30.9.2011.
* Shri Ravi Jhunjhunwala was appointed as Additional Director w.e.f. 26.3.2012.
$ As per Section 275 read with Section 278 of the Companies Act 1956.
@ Only covers Memberships / Chairmanships of Audit Committee and Shareholders / Investors Grievance Committee.
N.A. Not Applicable

3. AUDIT COMMITTEE :

The Company has an Audit Committee of Directors since 1987. The "Terms of Reference" of the Committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Committee consists of four Directors out of which three are Independent Directors and one is Non-executive Director. Four meetings of the Audit Committee were held during the year ended 31st March 2012.

Dates of the meetings and the number of Members attended :

Dates of meetings	Number of members attended
25th May 2011	4
27th July 2011	3
29th October 2011	4
7th February 2012	4

The names of the Members of the Committee and their attendance at the Meetings :

Name	Status	No. of Meetings attended
Shri B.V. Bhargava	Chairman	3
Shri Raj Kumar Bansal (IDBI Nominee)	Member	4
Shri Nand Gopal Khaitan	Member	4
Dr. Raghupati Singhania	Member	4

The Chief Finance Officer regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee. All the Committee meetings were attended by the Internal Auditors and the Statutory Auditors.

4. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE :

The Company has Shareholders/Investors Grievance Committee at the Board level. It consists of three Directors, of which one is Independent Director and one is a Non-executive Director. Four meetings of the said Committee were held during the year ended 31st March 2012. Dr. Ajay Dua ceased to be a Director on the Board and Shareholders/Investors Grievance Committee of Directors of the Company w.e.f. 30th Sept 2011. The composition of the Committee is in conformity with Clause 49 of the Listing Agreement.

Dates of the meetings and the number of Members attended :

Dates of meetings	Number of members attended
25th May 2011	4
27th July 2011	4
29th October 2011	3
7th February 2012	3

The names of the Members of the Committee and their attendance at the Meetings :

Name	Status	No. of Meetings attended
Dr. Raghupati Singhania	Chairman	4
Shri Nand Gopal Khaitan	Member	4
Shri Bharat Hari Singhania	Member	4
Dr. Ajay Dua*	Member	2

*Dr. Ajay Dua ceased to be member w.e.f.30.9.2011.

Shri B.K. Daga, Vice President & Company Secretary, is the *Compliance Officer* who oversees the investors' grievances including related to Transfer of shares, Non-receipt of balance sheet and dividends etc. During the year, only 32 complaints were received which stand resolved and no complaint is pending as on 31st March 2012.

The Company also has a Committee of Directors (COD), which approves registration of transfer and transmission of shares in physical mode on fortnightly basis. During this period, 26 meetings of COD were held. All the valid requests for transfers of shares were processed in time and there are no pending transfers of shares.

5. REMUNERATION COMMITTEE (non-mandatory) :

The Remuneration Committee of Directors comprises of three Directors – all being Independent, namely, Shri Nand Gopal Khaitan (Chairman), Shri B.V. Bhargava and Shri Raj Kumar Bansal (IDBI Nominee). Two Meetings of the Committee were held on 25th May 2011 and on 7th February 2012 to determine remuneration payable to Shri Bharat Hari Singhania, Vice Chairman & Managing Director and Smt. Vinita Singhania, Managing Director on their re-appointment for a period of five years each w.e.f. 1st October 2011 and 1st August 2011 respectively subject to requisite approvals.

6. CORPORATE GOVERNANCE COMMITTEE (non-mandatory) :

The Corporate Governance Committee of Directors comprises of Shri Hari Shankar Singhania (Chairman), Shri Pradeep Dinodia, Shri Shailendra Chouksey and Shri Sushil Kumar Wali. The Committee met on 17th May 2011 to oversee compliance by the Company of the provisions of the Corporate Governance contained in Clause 49 of the Listing Agreement.

7. REMUNERATION PAID TO DIRECTORS :

(i) Executive Directors : The aggregate value of salary, perquisites and contribution to Provident Fund and Superannuation Funds for the financial year ended 31st March 2012 to the Vice Chairman & Managing Director, Managing Director, Whole-time Directors is as follows : Shri Bharat Hari Singhania - ₹ 265.28 lacs plus ₹ 310 lacs payable as Commission, Smt. Vinita Singhania - ₹ 281.04 lacs plus ₹ 310 lacs payable as Commission, Shri Sushil Kumar Wali - ₹ 151.89 lacs plus ₹ 30 lacs payable as Commission and Shri Shailendra Chouksey - ₹ 151.40 lacs plus ₹ 30 lacs payable as Commission.

The Company does not have any Stock Option Scheme. In the case of Whole-time Directors, notice period is six months. Severance fee for the Vice Chairman & Managing Director and Managing Director is remuneration for the unexpired residue terms or for three years, whichever is shorter.

(ii) Non-executive Directors : During the financial year 2011-12, the Company paid sitting fees aggregating to ₹ 7,40,000 to all the Non-executive Directors (NEDs) for attending the meetings of the Board and Committees of Directors of the Company. Commission payable to NEDs :– Shri Hari Shankar Singhania is ₹ 100 lacs; ₹ 7 lacs each to Shri B.V. Bhargava, Shri Nand Gopal Khaitan, Dr. Raghupati Singhania, Shri Kashi Nath Memani, Shri Pradeep Dinodia, Shri Raj Kumar Bansal (IDBI Nominee – payable to IDBI) and ₹ 3.50 lacs to Dr. Ajay Dua (proportionately for six months). The Non-executive Directors did not have any other material pecuniary relationship or transactions vis-à-vis the Company during the year except as stated above.

The number of Equity Shares held by Non-executive Directors : Shri Hari Shankar Singhania – 1,66,518 Shares, Shri B.V. Bhargava – 6,660 Shares, Shri Nand Gopal Khaitan – 20,924 Shares and Dr. Raghupati Singhania – 1,77,948 Shares. Shri Kashi Nath Memani, Shri Raj Kumar Bansal (Nominee Director), Shri Pradeep Dinodia and Shri Ravi Jhunjhunwala do not hold any Shares. The Company does not have any outstanding convertible instruments.

8. GENERAL BODY MEETINGS :

Location and time for the last three Annual General Meetings (AGMs) of the Company were :

Year	Location	Date	Time
2008-09	Regd. Office : Jaykaypuram, Distt. Sirohi (Rajasthan)	25th July 2009	2.30 P.M.
2009-10	Same as above	14th July 2010	2.15 P.M.
2010-11	Same as above	16th July 2011	2.15 P.M.

An Extra-Ordinary General Meeting was held on 5th December 2009 to approve sub-division of Equity Shares of ₹ 10/- each into two Shares of ₹ 5/- each of the Company. Re-appointment of the Whole-time Directors was approved by means of a Special Resolution at AGM held in 2010. Special Resolutions regarding re-appointment of Managing Directors were passed in the AGM held in 2011. No special resolutions were required to be put through postal ballot last year.

9. DISCLOSURES :

(a) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large : *None. Suitable disclosure as required by Accounting Standard (AS-18) on Related Party Transactions has been made in the Annual Report.*

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital market, during the last three years : *There were no cases of non-compliance of any matter related to capital markets during the last three years.*

(c) The Company has an elaborate risk management system to inform Board Members about risk assessment and minimization procedures. A Risk Management Committee headed by a Whole-time Director meets on quarterly basis and evaluates the efficacy of the framework relating to risk identification and its mitigation laid down by the Committee. Board Members are accordingly informed.

10. MEANS OF COMMUNICATION :

Quarterly, half-yearly and annual results are normally published in the leading English newspapers, namely, The Economic Times, The Financial Express/ Business Standard and one regional daily "Rajasthan Patrika" (Jaipur), having wide circulation and promptly furnished to the Stock Exchanges for display on their respective websites. The financial results are also displayed on the Company's website – www.jklakshmicement.com. Official news releases are also available on the Company's website.

"Management Discussion & Analysis" forms part of the Annual Report.

11. GENERAL SHAREHOLDERS' INFORMATION :

(i) Annual General Meeting (AGM) :

(a) Date and Time : Please refer to Notice for the AGM being sent along with the Annual Report.

Venue : Regd. Office : Jaykaypuram - 307019, Basantgarh, Dist. Sirohi (Rajasthan).

(b) As required under Clause 49(IV)(G)(i), a brief resume and other particulars of the appointment and re-appointment of the Directors retiring by rotation at the aforesaid AGM are being given in the Notes to the Notice and Explanatory Statement convening the said AGM.

(ii) Financial Calendar (Tentative) :

Financial Reporting

• for the quarter ending 30.06.2012 • for the half-year ending 30.09.2012 • for the quarter ending 31.12.2012	Within 45 days of the end of the quarter
• for the year ending 31.03.2013 (Audited)	Within 60 days of the end of the financial year
• Annual General Meeting for the Financial Year ending 2012-13	: between July and September 2013

(iii) Date of Book Closure : As in the AGM Notice

(iv) Dividend Payment Date : August 2012

(v) Listing on Stock Exchanges : The Equity Shares of the Company (Face Value : ₹ 5/- each) are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Annual listing fee for the financial year 2012-13 has been paid to the said Stock Exchanges.

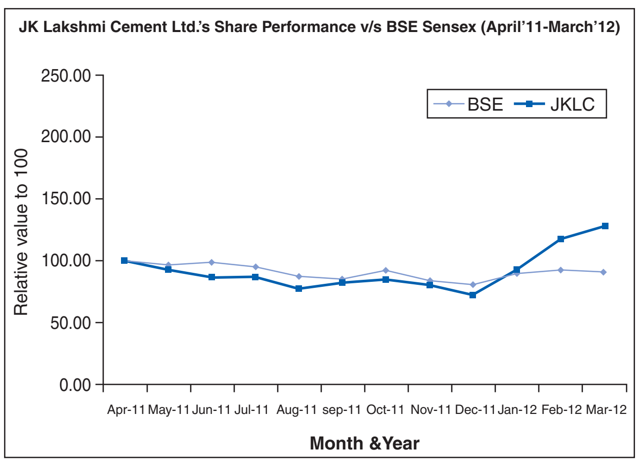
(vi) Security Code for Company's Equity Shares on Stock Exchanges and ISIN No. :

BSE – 500380 and NSE – JKLAKSHMI, ISIN No. INE786A01032.

(vii) Stock Market Price Data :

Months (2011-2012)	Bombay Stock Exchange, (BSE) (₹)		National Stock Exchange, (NSE) (₹)	
	HIGH	LOW	HIGH	LOW
April 2011	56.80	50.55	57.00	50.55
May 2011	51.95	42.95	52.50	41.85
June 2011	49.60	43.20	49.65	42.30
July 2011	47.00	42.50	46.70	42.10
August 2011	45.35	35.50	45.65	35.60
September 2011	44.45	38.80	48.50	38.60
October 2011	44.20	39.00	44.00	38.80
November 2011	48.80	40.00	48.80	40.25
December 2011	44.40	36.60	43.50	36.60
January 2012	47.85	36.85	48.00	36.55
February 2012	66.50	47.50	67.00	47.50
March 2012	66.80	58.20	67.50	57.15

(viii) JK Lakshmi Cement Ltd.'s Share Performance v/s BSE Sensex (April'11 - March'12) :



(ix) Distribution of Shareholdings as on 31st March, 2012 :

Category (No. of Shares)	No. of Equity Shares of ₹ 5/- each	%	No. of Shareholders	%
1-500	85,98,258	7.03	99,609	92.16
501-1000	36,41,821	2.98	4,712	4.36
1001-5000	64,53,596	5.27	3,003	2.78
5001-10000	27,16,782	2.22	366	0.34
10001 & above	1,00,941,467	82.50	388	0.36
TOTAL	1,22,351,924*	100.00	1,08,078	100.00

*Pursuant to the Buy-Back of Equity Shares of ₹ 5 each approved at the Board at its meeting held on 7th February 2012, the Company has upto 31st March 2012, bought back and extinguished 7,000 Equity Shares.

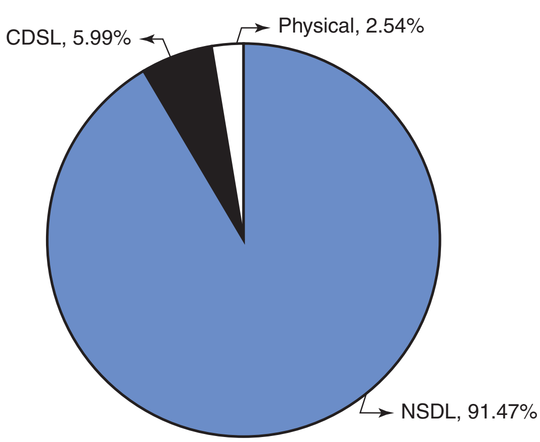
(x) Share Transfer System :

All valid requests for transfer/transmission of Equity Shares held in physical form are processed within a period of 15-20 days from the date of receipt thereof and the Share Certificates duly transferred are immediately returned to the transferee/lodger. Transaction in the dematerialized Shares are processed by NSDL/CDSL through the Depository Participants with whom the Shareholders have opened their demat account.

(xi) Dematerialisation of Shares and Liquidity :

Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their holdings in physical form, with any one of the Depositories namely NSDL and CDSL. The Equity Shares of the Company are actively traded on BSE and NSE. The *ISIN* No. for Equity Shares of the Company for both the depositories is *INE786A01032*. As on 31st March 2012, 97.46% of the Equity Shares stand dematerialised. It may be noted that in respect of shares held in demat form, all the requests for nomination, change of address, ECS, Bank Mandate and rematerialisation etc. are to be made only to the Depository Participant (DP) of the Shareholders.

Share held in Physical/Demat Form (with NSDL & CDSL) as on 31st March 2012



(xii) Outstanding GDRs and likely impact on Equity :

GDRs : 7,32,554 GDR underlying Equity Shares of ₹ 5 each stand registered in the name of Citibank, Custodian. These are included in and form part of the existing Equity Share Capital of the Company.

(xiii) Plant Location :

(1) JK Lakshmi Cement
Jaykaypuram-307 019,
Basantgarh, Distt. Sirohi
(Rajasthan)

(2) JK Lakshmi Cement
Village Motibhoyan,
Taluka Kalol (N.G.),
Distt. Gandhi Nagar – 382 721,
Gujarat

(3) JK Lakshmi Cement
Village Bajitpur
PO Jhamri, Jhajjar – 123 305,
Haryana

(xiv) Address for correspondence regarding share transfers and related matters :

1. **JK Lakshmi Cement Limited**
Secretarial Department,
Gulab Bhawan, 3rd Floor (Rear Block)
6A, Bahadur Shah Zafar Marg,
New Delhi- 110 002.
Ph :(011) 30179862-66
Fax Nos. 91-11-2373 9475
Contact Person : Mr. B.K.Daga
(E-mail : psbisht@jkmail.com).

2. **Registrar & Share Transfer Agents – MCS Ltd. (RTA) :**
F-65, First Floor, Okhla Indl. Area, Phase – I,
New Delhi – 110 020
Ph. (011) 41406149-52,
Fax No. 91-11-41709881
(E-mail : admin@mcsdel.com).
Contact Person : Mr Aniruddha Mitra
(E-Mail : amitra@mcsdel.com).

(xv) Unclaimed Shares :

In terms of Clause 5A of the Listing Agreement, the Company has through its RTA sent requisite Reminders to Shareholders whose Share Certificates were returned to the Company as undelivered mail or lying unclaimed, requesting them to provide complete postal address and other relevant details, along with self attested photocopies of PAN Card and proof of address to enable the RTA to dispatch such unclaimed Share Certificates to them. Necessary steps are being taken to transfer the aforesaid unclaimed Shares – 6,29,422 Equity Shares of ₹ 5 each held by 14,523 Shareholders, to "Unclaimed Suspense Account".

The "Unclaimed Suspense Account" shall be held by the Company purely on behalf of the allottees and the Shares held in such Suspense Account shall not be transferred except to the allottees as and when they approach the Company.

12. Declaration :

This is to confirm that for the financial year ended 31st March 2012, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board.

Vinita Singhania
Managing Director

AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of JK LAKSHMI CEMENT LIMITED

We have examined the compliance of conditions of Corporate Governance by JK LAKSHMI CEMENT LIMITED for the year ended 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures 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, we certify that the Company has complied with, in all material respect, with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For LODHA & CO,
Chartered Accountants

N.K. LODHA
Partner
Firm's Registration No. 301051E
Membership No. 85155

Place : New Delhi
Dated : 16th May 2012

MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS

- Cement Sales (Including Clinker for Sale) higher by 14% to 48.89 lac MT
- Gross Turnover at ₹ 1915 Cr. higher by 29%
- PBIDT at ₹ 391.37 Cr. higher by 75%
- PAT at ₹ 108.78 Cr. higher by 84%
- Clinker production increased to 38 Lac MT – a growth of 8%
- Capacity utilization at 100% as against 75% of the industry
- Improvement in Power and Fuel efficiencies

INDUSTRY SCENARIO

Cement industry continued to face the challenge on account of low demand for the entire FY 2011-12. The cement demand grew by only 4% in the first half of the year FY 2011-12. In the second half, however, things started looking up, especially in the states which were going for assembly elections, viz. Punjab, UP, Uttarakhand, Goa. The improvement in the second half enabled the industry to ramp up the overall demand for the year to slightly more respectable level at about 7% than FY 2010-11. Closer to home in our marketing zone with the elections in three important states, viz. Punjab, UP and Uttarakhand, our zone posted a healthy growth of 13% in the second half vis-à-vis 8% in the first half. The factors which contributed to lower demand growth in 2011-12 such as high interest rates, shortage of labour for construction, lower spending by the government departments, high inflation, etc. however, continued to prevail.

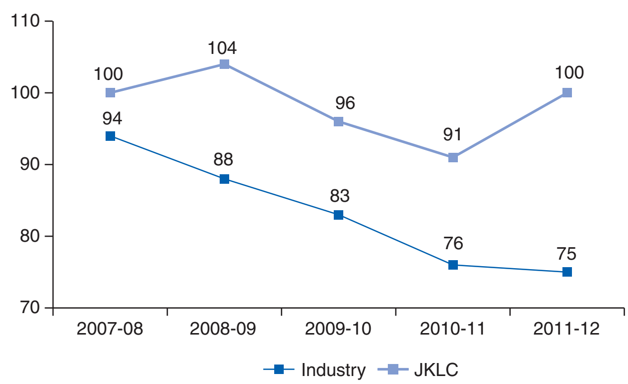
The new capacity creations, however, also saw a fall during the year as many of the projects which were in the construction got delayed. The new capacity addition to the extent of 47 million tonnes in FY 2010-11, fell down steeply to 6 million tonnes in FY 2011-12. This helped to correct the demand supply imbalance to some extent thereby the price scenario saw an improvement.

Industry has continuously been taking up the issue of high taxation, especially the high rate of excise duty which this core item to the basic infrastructure sector attracts. The government has finally accepted, albeit in part, the industry's demand and has allowed abatement of 30% against the industry's demand of 55%. This helped the industry to partly mitigate the burden of higher excise duty consequent to complete withdrawal of the stimulus package resulting in excise duty going up from 10.33% to 12.36%.

COMPANY'S PERFORMANCE

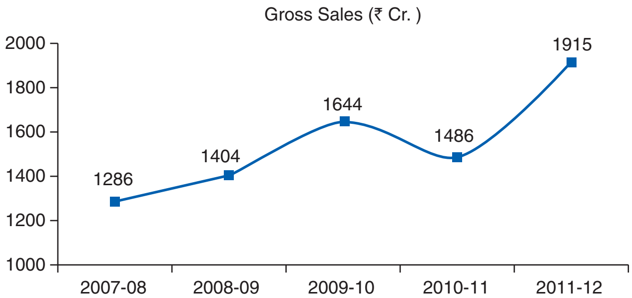
The stabilization of our Kiln I rehabilitation undertaken in FY 2010-11 helped the clinker production in FY 2011-12 to notch up a growth of 8%. This coupled with Company's improved sales performance vis-à-vis its competitors enabled the Company to achieve a volume growth of 14%. This compares favourably with the industry's growth of 7% on all India basis and 11% in our marketing zone.

The higher volume growth also enabled the Company to achieve near 100% capacity utilization as against industry's 75% and 80% by cement companies in our marketing zone.



Comparative position of capacity utilisation (%)

Aided by improved pricing in different markets of our zone in the second half of the financial year combined with our growth of 14% enabled the Company to achieve gross turn over of ₹ 1915 crore as against ₹ 1486 crore in the previous year, registering a growth of 29%. The net sales registered a growth of 30% at ₹ 1711 crore. The Company could achieve further milestones in the areas of power and fuel efficiency.



MARKETING

The Cement Industry continued to be plagued by the dual problems of oversupply and low demand. The demand grew by only 6.9% in the year, making this the second consecutive year of low demand (FY11 - 5%) as compared to healthy growth of 12% in FY 10, 8% in FY 09 & 10% in FY 08.

Notwithstanding the above challenges, the Company managed to register an overall growth of 14% in overall sales vis-à-vis the Industry growth rate of 6.9%. This also enabled the Company to achieve an overall capacity utilization of close to 100% against the overall Industry utilization of 75%.

The Company was able to drive this above average growth with the support of various aggressive and well focused marketing initiatives. The Company's thrust into the rural markets continued during the year. Carrying forward its mantra of 'Go Rural', the rural marketing initiative was extended to the States of Gujarat and Haryana (besides our home State of Rajasthan) which yielded good results. Extensive rural marketing activities are under progress in the areas close to our new grinding unit at Jhajjar in Haryana, for strengthening our distribution network. As a result of all these activities, the Company was able to achieve an overall rural penetration of close to 35% in the trade segment.

Rural Mobile Van Campaign

During the year the Company further consolidated its presence in our home markets of Gujarat & Rajasthan and also undertook various measures to increase its presence in the North markets. The Company's arrangement for a grinding unit in Western UP in September 2011, enabled Company's deepen reach in this market, especially its rural segment. Company's grinding unit in Haryana at Jhajjar has also since been commissioned during April 2012. These new grinding units in North would enable us in servicing our customers better, especially the rural ones whose requirements are normally in smaller lots.

The Company has increased its network of large and mid size dealers during the year which has enabled it to increase volumes in the trade segment. Company has also undertaken various CRM activities and loyalty programmes wherein our brand ambassador Mr Om Puri has been featured prominently for better mass appeal and higher impact.

Dealer get-together with Brand Ambassador

Company's other interactive branding promotions elicited excellent response as also from the key influence segment such as architects, contractors, masons, etc. In recognition of Company's brand building activities it has received the prestigious "Star Brand" award instituted by Planman Media, which reinforces the supremacy, legacy, sustainability and credibility of our brand.

The Company has further consolidated its presence in the Value Added Products segment of RMC / POP where the total turnover has increased by 13% to over ₹ 134 Cr. Two new RMC plants have been set up in Kota & Ahmedabad during the year to further establish our presence in these markets. Further 2/3 RMC plants at new locations are being targeted during the coming financial year.

Architect meet held at Palanpur, Gujarat

Keeping in view our proposed expansion in Durg, the Company has undertaken a large scale market research study to gain insights of the Eastern markets and build up a sound and well structured programme for launching our products in the these Markets.

HUMAN RESOURCES

Developing people with focus on aligning individual aspiration with organizational goals has always been forte of the Company. Our Company's emphasis this year has been on "Niche HR Practices". A significant number of initiatives were taken to leverage individual capability for fostering excellence. For instance, online TST (fluid Intelligence) and PPA (Personality Test) of Thomas International was introduced at frontline level also in order to further enhance the quality and objectivity of hiring process. Welcome kit comprising of jacket, Company brochure and joining docket was introduced for better employer brand. In order to optimize costs, frontline sales personnel were outsourced through third party in Haryana, UP and Delhi. Besides welcome gifts and orientation with different functional heads, they were exposed to structured induction training to prepare them for on-the-job success. In order to seek and act upon feedback of new employees on their recruitment and induction experience from a credible source, we have participated in DDI's "Global Selection Forecast (2012)" for further improvement.

Skill and competency development of executives and employees continues to be one of the major priorities of the Company. A wide array of both in-house as well as external training and development programmes were conducted catering to technical, functional and behavioural domains. Senior executives were nominated in short-term courses/MDPs in premier institutions of higher learning like IIM, XLRI, ASCI, etc. Major HR activities and videos of the programmes conducted were uploaded on Intranet for individual reflection and self-improvement. Employee engagement activity mandays increased significantly with activities like self-reflection workshops, strategy formulation exercise, Coffee with MD, Young Executives Meet, etc. New leadership development initiative like LIFE (Leadership Development Initiative Through Fire of Experience) were successfully introduced.

"Coffee with MD" winner along with his family

With a view to further sharpen the holistic thinking and broadening of perspectives of talents/high performers and winners of coffee with MD, bestselling books with motivational messages from the Whole Time Director, were distributed. In order to strengthen performance excellence, annual goal setting workshop for VPs/GMs was organized for better focus on key result areas.

Young executive forum meet

The efficacy of these programmes was reflected in the Company being shortlisted in M/s Aon Hewitt Associates 'Top Companies for Leaders' wherein 478 global companies including 152 companies from Asia Pacific participated. We were amongst select Companies which were shortlisted and audited. We have also been shortlisted in "India's Best Companies to Work For (2012)" being conducted by Great Place To Work Institute. Overall, significant year from perspective of human resource management activities, processes and outcomes.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, the Company constantly strives to contribute to the cause of the society at large with a focus on improvisation on villages through various modes in and around our Plant locations.

The Integrated Family Welfare Programme – Naya Savera continued to make significant contribution during the year predominantly in improving the health in tribal dominated areas in terms of medical assistance, Ante Natal / Post Natal Checkups, Family Planning, Video Shows for awareness and mass Immunization Camps. So far, through this initiative, 16 villages and 43 hamlets covering a population of 51000 have been covered.

A view of the Naya Savera Meet at Adarsh village

We are greatly satisfied through this initiative that over a period of last 6 - 7 years, the infant mortality rate has been reduced to 19 in those areas where we are operating compared to the overall figures for the district of Sirohi which is presently 87. We have also achieved a Zero Maternal Mortality Rate and have achieved 100% Ante Natal and Post Natal Checkups for ladies in the villages covered under our Naya Savera Programme.

Our focus on literacy drive is predominantly in tribal belt and massive literacy drive was undertaken last year, specially for the tribal women and their children.

Chairman giving literacy award to tribal woman

The other areas of our CSR activities include Rewards and Recognition to Scheduled Caste and Scheduled Tribe students to enable social upliftment of these backward classes. Special forcus was given to the talented sports persons participating in State and National level competitions.

The ITI, Sirohi adopted by us is on the clear path for transformation into a 'Centre of Excellence' and this year we are introducing three new trades – Diesel Mechanic, Draughtsman and A/C Refrigeration. It is a matter of great satisfaction that 100% of the students passing out from this Institute get placement.

Last financial year, we have launched HIV/AIDS Awareness Programme with the support of International Labour Organisation (ILO) and a Memorandum of Understanding was signed between ILO and our Company and already 36 Master Trainers have been trained by ILO who are now actively involved in spreading awareness on HIV/AIDS.

HIV/AIDS Awareness Programme

A massive Plantation Drive was also undertaken in and around our Plant location to convert areas into green zones besides providing clean drinking water to nearby villages through laying separate water pipeline, digging Bore Wells and Hand Pumps.

Plantation Drive at Bikaner

The Company was adjudged the First Prize Winner of Golden Peacock Award for Corporate Social Responsibility for the year 2011-12 for its significant contribution in the welfare of community.

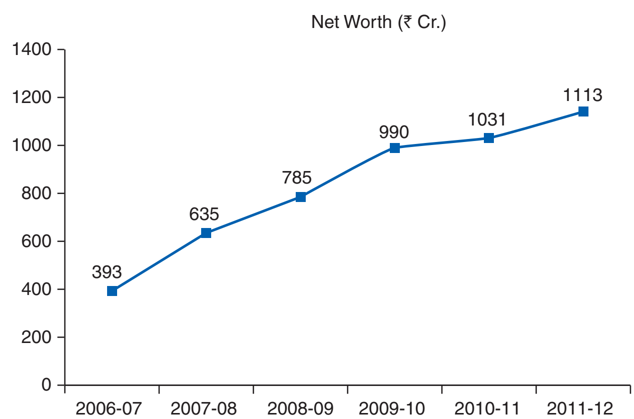
INTERNAL CONTROL SYSTEM

Company deploys a robust system of internal controls to allow optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and Company's policies.

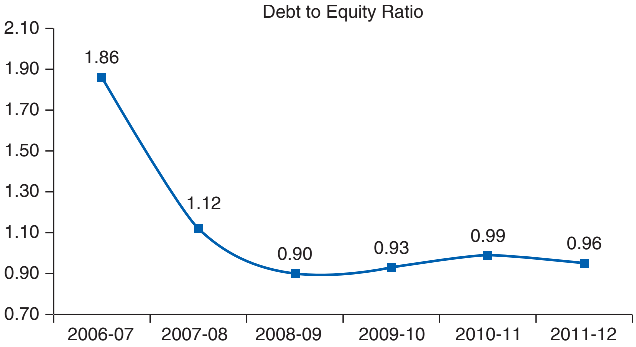
Internal Audit is conducted periodically across all locations and of all functions by firms of Chartered Accountants and our own Internal Audit Department who verify and report on the functioning and effectiveness of internal controls. The Internal Audit reports, the progress in implementation of recommendations contained in such reports and the adequacy of internal control systems are reviewed by the Audit Committee of the Board in its periodical meetings.

FINANCIAL MANAGEMENT

The Company's consistent excellent operational performance has resulted in strong financial fundamentals of the Company. Based on its strong Balance Sheet and Low Gearing, the Credit Analysis & Research (CARE) has reaffirmed its Long-term Rating of AA- (Double A Minus) for Company's long-term operations. With the good liquidity position, the Company has achieved a strong Current Ratio. CARE has also granted highest possible Short-term Rating of A1+ (A One Plus) for its Commercial Paper Programme of ₹ 70 Crore. These Ratings have enabled the Company to raise Short-term resources at competitive interest rates.



The Gearing Ratio of the Company has consistently been improving as is clear from the following Graph.



The Company continues to deploy its Cash Surplus into tax-efficient instruments with the objective of maximizing overall effective returns. The Net Debt to Equity Ratio of the Company has consistently been low as is clear from the following Table:

Year	Net Debt to Equity Ratio
2006-07	1.32
2007-08	0.55
2008-09	0.37
2009-10	0.20
2010-11	0.39
2011-12	0.48

BUY-BACK OF EQUITY SHARES

The Board of Directors of the Company at its meeting held on 7th February, 2012 have announced the Buy-Back of its own Equity Shares upto a maximum amount of ₹ 97.50 crore subject to a cap of ₹ 70/- Per Share. This is yet another Investor-Friendly initiative announced by the Company, as the maximum Buy-Back Price reflects 43% premium over the average Share Price of the preceding 15 days and 57% over the Average Share Price of the Company prevailing during the last 12 months.

The Buy-Back proposal reaffirms the Company's belief in its strong fundamentals and future business prospects. The said Buy-Back, besides tax-efficient method of rewarding the Shareholders shall enable the Company to put a part of the available cash surplus to an optimum use.

The Buy-Back proposal shall enhance the Company's returns parameters and improve its various Financial Ratios viz. EPS and Return on Equity (ROE). Going forward, the Buy-Back shall result in overall enhancement of the shareholders' return in the long run.

AWARDS

The Company continued to be acknowledged and recognized by numerous awards in various diverse fields during the year. Some of the notable awards received by the Company during the year are as under:

Award for Strong Commitment towards HR Excellence by CII.

- The Company was awarded the "Excellence Award" in "Cement" Sector, instituted by the Rajasthan Chamber of Commerce & Industry.
- GreenTech HR Awards 2012, under the category "Innovation in Employee Retention strategy".

Best Employer Award from The Employer's Association of Rajasthan.

- "Energy Conservation Award", Certificate of Merit.
- Star News HR & Leadership Award under the category "Learning & Talent Initiative Excellence".
- 'Energy Conservation Award 2011' for being First amongst Cement Industry of Rajasthan.

- JK Lakshmi Cement Ltd has been awarded for the fourth time with "Rajasthan Productivity Excellence Award".
- JK Lakshmi Cement has been awarded with "Best Employer Award" third time in a row from The Employer's Association of Rajasthan.
- JK Lakshmi Cement has been presented with the Golden Peacock HR Excellence Award 2011.
- JK Lakshmi Cement has been chosen as a "Star Brand".

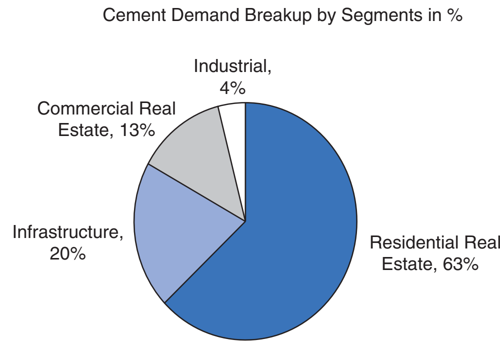
Beside above Our Quality Circle Teams excelled at the National Convention on Quality Circles (NCQC 2011) Hyderabad. The following Quality Circles won laurels for the Company:

1. Think Quality Circle (Instrumentation Dept.) - Par Excellent
2. Prakash Quality Circle (Electrical Dept.) - Par Excellent
3. Utkarsh Quality Circle (Production & QC Dept.) - Par Excellent
4. Jagriti Quality Circle (Mechanical Dept.) - Excellent
5. Hari Om Quality Circle (Mining Dept.) - Excellent

Greentech Safety Award

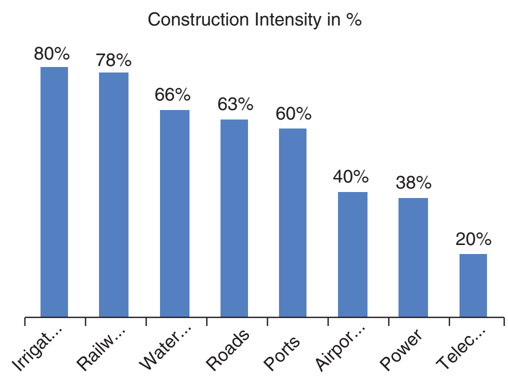
OUTLOOK FOR CEMENT INDUSTRY & STRATEGIC IMPERATIVES

Residential real estate, infrastructure, and commercial real estate are three major segments which account for almost 95% of total cement consumption in the country. The respective share of these three major segments in total cement demand is about 63%, 20%, and 13%.

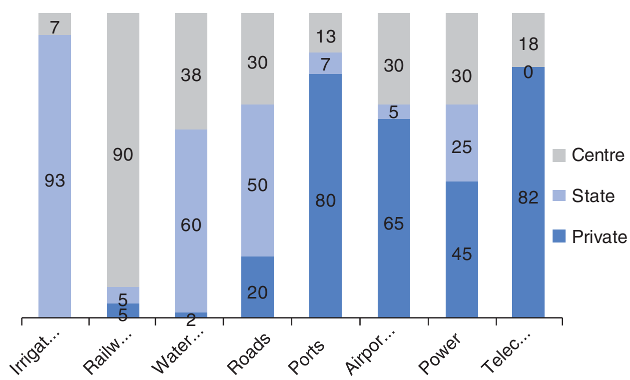


Infrastructure segment which includes Power, Telecom, Railways, Irrigation, Water Supply, Ports, Airports, and Roads; though relatively smaller in size as compared to residential real estate has much higher intensity of construction.

Therefore any slowdown in the construction activities in the infrastructure segment is likely to have greater adverse impact on cement demand as compared to slowdown in rest of the segments.



Within infrastructure segment, 5 sectors which have 60% or more construction intensity are mostly dependent on public financing i.e. financing by either of State or the Centre as the case may be (see the chart below).



Political volatility and uncertain global economic environment has adversely impacted investments in construction intensive infrastructure segments, which, for the first time in last 20 years of cement industry history, has led to cement demand growth being lower than the GDP growth in these two years.

As per a McKinsey Study Report "Sustaining Infrastructure Delivery for long term demand" released during "India Infrastructure Summit 2011 Achieving Trillion Dollar Dreams" in Sept. 2011, key infrastructure sectors like Railways & Roads, where bulk of the investments are by the government, the actual achievements have been short of 11th five year plan projections.

In residential and commercial real estate sector too there has been an environment of uncertainty owing to variety of factors such as labour shortage, increasing interest rates, judicial interventions etc. These uncertainties over last 2 years have also adversely contributed to lower demand growth for cement.

Going forward in short to medium term, we expect the uncertain and volatile environment to continue for a while which may imply a moderate growth of about 7 – 8% in cement demand for next 1 – 2 years. These years shall also see national general elections happening in 2014 and some major states going for elections in 2012 & 2013. In the past we have seen construction activity picking up with expediting of infrastructure projects during the election years and hence going by possibility of same happening on positive side the cement demand growth may touch 9% or more.

Beyond the horizon of two years, India growth story looks to be far more promising. Growth in infrastructure, housing, and manufacturing is bound to take place and all these sectors shall significantly contribute to GDP and consequent cement demand growth. India along with other emerging markets has a long way to go to reach the level of per capita cement consumption which is comparable to mature or maturing markets.

Your Company keeping in line with expected short, medium, and long term trends is following a path of aggression with caution. In short run it is focusing on strategically located grinding units and augmenting of capacities at existing locations with minimal capital expenditure. The recently commissioned grinding unit at Jharli, Jhajjar District in Haryana is strategically located adjacent to the source of fly ash and in the influence zone of Delhi Mumbai Industrial corridor (DMIC). The other manufacturing facilities including integrated cement plant at Sirohi District in Rajasthan too are located along with DMIC, which when fully operational shall see massive spurt in construction activity and quantum cement demand growth. On the other hand the green field cement plant at Chattisgarh is making steady time bound progress and shall be operational by end of 2013, when there is overall expectation of jump in cement demand. The revival of UCWL too is on track. Both Chattisgarh and UCWL have further growth potentials that can be leveraged as and when opportunities arise.

In addition to growth in core cement business, the Company is also investing for growth in Value Added Products such as RMC, Gypsum Plasters, and AAC Blocks. The first AAC block plant with state of art technology is expected to be operational in the coming financial year. These products meet the ever growing customer requirements of labour and energy saving products.

AUDITORS' REPORT

To the Members of

JK LAKSHMI CEMENT LIMITED

We have audited the attached Balance Sheet of **JK LAKSHMI CEMENT LIMITED**, as at 31st March 2012, Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 (as amended) (The Order) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (The Act), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. Further to our comments in the Annexure referred to in Paragraph 1 above, we report that :

   (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) 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;

   (c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;

   (e) As per the information and explanations given to us, none of the directors of the Company is disqualified from being appointed as a director under Clause (g) of sub section (1) of section 274 of the Companies Act, 1956;

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and Notes thereon, 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 :

i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2012;

ii) In the case of Statement of Profit & Loss, the Profit for the year ended on that date; and

iii) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

For LODHA & CO.
Chartered Accountants

N. K. LODHA
Partner

Place: New Delhi
Date: 16th May, 2012

Firm's Registration No. 301051E
Membership No. 85155

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our Report of even date of JK LAKSHMI CEMENT LIMITED for the year ended 31st March 2012)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) The fixed assets have been physically verified by the Management according to the programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies noticed on such physical verification were not material.

   (c) As per the records and information and explanations given to us, fixed assets disposed off during the year were not substantial.

2. (a) The inventory of the Company (except stock lying with the third parties and in transit) has been physically verified by the management at reasonable intervals.

   (b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.

   (c) The Company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.

3. The Company has neither granted nor taken any loans, secured or unsecured to and from companies, firms or other parties as covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (b) to (d), (f) & (g) of the Order are not applicable, read with Note 46 of Financial Statements.

4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.

5. According to the information and explanations provided by the management and based upon audit procedures performed, we are of the opinion that the particular of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section; and the transactions made in pursuance of such contracts or arrangements (exceeding the value of ₹ 5 lacs in respect of each party during the financial year) have been made at prices which are generally reasonable having regard to prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Act or any other provisions of the Act and the rules framed thereunder with regard to deposits accepted from the public. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.

7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

8. We have broadly reviewed the books of account 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 Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed 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.

9. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2012.

   (b) According to the records and information & explanations given to us, there are no dues in respect of custom duty and wealth tax that have not been deposited with the appropriate authorities on account of any dispute and the dues in respect of service tax, sales tax, excise duty, income tax and cess that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below:

Nature of statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Sales Tax Act	Sales Tax	3.80	1987-89	Assessing Authority
		22.66	2008-09	Asstt. Comm, Comml. Tax Pali
		45.80 42.14 807.88 457.23 352.02	1992-94 1995-00 1995-06 1997-01 1995-12	High Court
		5.21 25.95 5.40	1997-98 1998-99 2001-02	Jt. Comm. (Appeals)
		15.00 201.85 58.15	2003-04 2007-08 2008-09	Jt. Comm. of Commercial Taxes
The Rajasthan Tax on Entry of Goods into Local Area Act, 1999	Entry Tax	4811.18	2002-12	High Court
The Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry Tax	267.84	2007-10	High Court
Central Excise Act,1944	Excise duty	46.00 2.08 186.51	1976-83 1984-85 1996-98	High Court
		232.92	1996-97	Tribunal
Income Tax Act, 1961	Income Tax	.154.62 303.68 225.37	2004-05 2007-08 2008-09	CIT (Appeals)
Customs Act, 1962	Custom Duty	16.28 18.71	1999-00 2009-10	Asstt. Comm. Customs
Minerals (Validation) Act, 1992	Cess	13.38	1994-95	High Court
Orissa Municipality	Water Cess	8.42	1992	High Court
The Rajasthan Finance Act, 2008	Environment and Health Cess	887.17	2008-11	High Court
Finance Act, 1994	Service Tax	35.68 69.05 117.82	2007-09 2008-09 2007-09	Excise Comm. Jaipur II
		9.50	Mar, 2008	Dy. Comm. Jodhpur

10. The Company does not have accumulated losses at the end of financial year and has not incurred cash losses during the current financial year and in the immediately preceding financial year.

11. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.

12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi /mutual benefit fund /society, therefore, the provisions of clause 4 (xiii) of the said Order are not applicable to the Company.

14. According to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

16. On the basis of information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

17. On the basis of information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that no funds raised on short-term basis have been used for long-term investment.

18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to any parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.

19. On the basis of records made available to us and according to information and explanations given to us, the Company has created securities as stated in footnote (2) of Note 4 of financial statements in respect of Debentures outstanding at the year end.

20. The Company has not raised any money through a public issue during the year.

21. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud on or by the Company has been noticed or reported during the course of the audit.

For LODHA & CO.
Chartered Accountants

N. K. LODHA
Partner
Firm's Registration No. 301051E
Membership No. 85155

Place : New Delhi
Date : 16th May, 2012

BALANCE SHEET
As at 31st March 2012

₹ in Crore (10 Million)

Particulars	Note	31st March 2012		31st March 2011	
I. EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	2	**61.19**		61.19	
(b) Reserves and Surplus	3	**1114.00**		985.14	
			1175.19		1046.33
(2) NON-CURRENT LIABILITIES					
(a) Long-Term Borrowings	4	**908.25**		816.88	
(b) Deferred Tax Liabilities (Net)	5	**123.31**		107.22	
(c) Other Long-Term Liabilities	6	**30.76**		28.02	
(d) Long Term Provisions	7	**3.86**		3.39	
			1066.18		955.51
(3) CURRENT LIABILITIES					
(a) Short-Term Borrowings	8	**6.34**		23.23	
(b) Trade Payables		**104.74**		79.00	
(c) Other Current Liabilities	9	**401.61**		310.45	
(d) Short-Term Provisions	10	**31.60**		23.22	
			544.29		435.90
Total			**2785.66**		2437.74
II. ASSETS					
(1) NON -CURRENT ASSETS					
(a) Fixed Assets					
(i) Tangible Assets	11	**1325.14**		1375.73	
(ii) Intangible Assets	11	**4.19**		5.31	
(iii) Capital Work-in-Progress		**294.05**		40.90	
(b) Non-Current Investments	12	**6.32**		5.97	
(c) Long term Loans and Advances	13	**369.16**		190.69	
(d) Other Non-Current Assets	14	**1.82**		2.59	
			2000.68		1621.19
(2) CURRENT ASSETS					
(a) Current Investments	15	**447.43**		521.79	
(b) Inventories	16	**120.09**		119.92	
(c) Trade Receivables	17	**38.24**		27.95	
(d) Cash and Bank Balances	18	**89.03**		88.75	
(e) Short-term Loans and Advances	19	**89.65**		56.33	
(f) Other Current Assets	20	**0.54**		1.81	
			784.98		816.55
Total			**2785.66**		2437.74
Significant Accounting Policies	1				
Notes on Financial Statements	2-56				

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
Firm's Registration No. 301051E
Membership No. 85155
New Delhi, the 16th May, 2012

B.K. DAGA
Vice President & Company Secretary

H.S. SINGHANIA — *Chairman*
B.H. SINGHANIA — *Vice Chairman & Managing Director*
VINITA SINGHANIA — *Managing Director*

B. V. BHARGAVA
KASHI NATH MEMANI
N.G. KHAITAN
RAJ KUMAR BANSAL
RAVI JHUNJHUNWALA
Dr. R.P. SINGHANIA
S. CHOUKSEY
S.K. WALI
— Directors

STATEMENT OF PROFIT AND LOSS
For The Year Ended 31st March 2012

₹ in Crore (10 Million)

		Note	2011-12	2010-11
I.	**Revenue from Operations**	21	**1921.63**	1491.26
	Less : Excise Duty		**203.53**	169.02
	Revenue from Operations(Net)		**1718.10**	1322.24
II.	**Other Income**	22	**63.40**	33.05
III.	**Total Revenue (I+II)**		**1781.50**	1355.29
IV.	**EXPENSES**			
	(a) Cost of Materials consumed	23	**285.98**	271.11
	(b) Purchase of Stock-in-Trade	24	**80.95**	20.19
	(c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	25	**0.58**	(35.06)
	(d) Employee benefit expense	26	**98.39**	80.29
	(e) Other expenses	27	**924.23**	794.88
	Total Expenses		**1390.13**	1131.41
V.	**Profit before Interest, Depreciation & Tax(PBIDT) (III-IV)**		**391.37**	223.88
	Finance Costs	28	**79.66**	60.48
	Depreciation and Amortization Expense	29	**129.73**	84.61
VI.	**Profit before Exceptional Items and Tax**		**181.98**	78.79
VII.	**Exceptional Items**	39	**39.24**	-
VIII.	**Profit beforeTax (VI-VII)**		**142.74**	78.79
IX.	**Tax Expense:**			
	(1) Current Tax (MAT)		**30.93**	15.60
	Less: MAT credit entitlements		**(13.07)**	(11.69)
	Net Current Tax		**17.86**	3.91
	(2) Deferred Tax		**16.09**	15.12
	(3) Tax Adjustments for earlier years		**0.01**	0.63
X.	**Profit for the period**		**108.78**	59.13
XI.	**Earning per Equity Share (₹):**	30		
	Cash		**24.02**	12.98
	Basic and Diluted		**8.89**	4.83
	Notes on Financial Statements	2-56		

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
Firm's Registration No. 301051E
Membership No. 85155
New Delhi, the 16th May, 2012

B.K. DAGA
Vice President & Company Secretary

H.S. SINGHANIA — *Chairman*
B.H. SINGHANIA — *Vice Chairman & Managing Director*
VINITA SINGHANIA — *Managing Director*

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N.G. KHAITAN
RAJ KUMAR BANSAL
RAVI JHUNJHUNWALA
Dr. R.P. SINGHANIA
S. CHOUKSEY
S.K. WALI
Directors

NOTE 1

Significant Accounting Policies

1.1 The financial statements have been prepared under historical cost convention (except for certain fixed assets which have been adjusted by revaluation / business valuation) on accrual basis in compliance with applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956. Accounting Policies are consistent with the Generally Accepted Accounting Principles.

1.2 Fixed Assets are stated at cost adjusted by revaluation / business valuation.

1.3 Expenditure during construction / erection period is included under Capital Work-in-Progress and is allocated to the respective fixed assets on completion of construction / erection.

1.4 Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary Assets and liabilities related to foreign currency transactions are stated at exchange rate prevailing at the end of the year and exchange difference in respect thereof is charged to Statement of Profit & Loss. Premium in respect of forward contracts is recognized over the life of the contract.

1.5 Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management. The current investments are stated at lower of cost and quoted / fair value computed categorywise.

1.6 Inventories are valued at lower of cost and net realisable value (except scrap / waste which are valued at net realisable value). The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.7 Export incentives, Duty drawbacks and Other benefits are recognized in the Statement of Profit and Loss and other revenue incentives are netted from respective head. Project subsidy is credited to Capital Reserve.

1.8 Revenue expenditure on Research and Development is charged to Statement of Profit and Loss and capital expenditure is added to Fixed Assets.

1.9 Borrowing cost is charged to Statement of Profit and Loss except cost of borrowing for acquisition of qualifying assets which is capitalized till the date of commercial use of the asset.

1.10 (i) Depreciation on Buildings, Plant & Machinery {except for Captive Power Plants, Ready Mix Concrete Plants (RMC)} and Railway Siding is provided as per straight line method, at the rates and in the manner specified in Schedule XIV to the Companies Act 1956. Depreciation on Captive Power Plants & Other Assets is provided on written down value method as per the said Schedule as amended. Depreciation on Aircraft and RMC is provided @15% on SLM basis, based on their useful economic life. Continuous Process Plants as defined in Schedule XIV to the Companies Act 1956 have been considered on technical evaluation. Depreciation on impaired assets is provided on the basis of their residual useful life.

(ii) Leasehold Land is being amortized over the lease period.

(iii) Depreciation on the increased amount of assets due to revaluation / business valuation is computed on the basis of residual life of the assets as estimated by the valuers on straight line method.

1.11 The carrying amounts of assets are reviewed at each Balance Sheet date to assess impairment, if any, based on internal / external factors. An impairment loss is recognised, as an expenses in the Statement of Profit & Loss, wherever the carrying amount of the asset exceeds its recoverable amount. Previously recognised impairment loss is further provided or reversed depending on change in its estimated recoverable amount in subsequent years.

NOTE 1 (*Contd…*)

1.12 Intangible Assets are being recognized if the future economic benefits attributable to the assets expected to flow to the Company and cost of the asset can be measured reliably. The same are being amortised over the expected duration of benefits.

1.13 Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961. Deferred Tax Assets and Liabilities are recognised in respect of current year and prospective years. Deferred Tax Assets is recognized on the basis of reasonable/virtual certainty that sufficient future taxable income will be available against which the same can be realised.

1.14 Employee Benefits:

(i) Defined Contribution Plan

Employees benefits in the form of Superannuation Fund, Provident Fund (PF) and ESIC considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit method, as at the date of the Balance Sheet. Actuarial gain / losses, if any, are immediately recognized in the Statement of Profit and Loss .

The Provident Fund Contribution is made to trust administered by the trustees. The interest rate to the members of the trust shall not be lower than the statutory rate declared by the Central Government under Employees' Provident Fund and Miscellaneous Provision Act, 1952. Shortfall, if any, shall be made good by the Company.

(iii) Short Term Employee Benefits

Short term compensated absences are provided based on past experience of the leave availed.

1.15 Provision in respect of present obligation arising out of past events are made in accounts when reliable estimates can be made of the amount of the obligation. Contingent Liabilities (if material) are disclosed by way of Notes to Accounts. Contingent Assets are not recognised or disclosed in Financial Statements but are included, if any, in the Directors' Report.

₹ in Crore (10 Million)

	31st March 2012	31st March 2011
NOTE 2		
SHARE CAPITAL		
Authorised :		
Equity Shares - 250,000,000 (Previous year 250,000,000) of ₹ 5 each	**125.00**	125.00
Preference Shares - 5,000,000 (Previous year 5,000,000) of ₹ 100 each	**50.00**	50.00
Unclassified Shares	**25.00**	25.00
	200.00	200.00
Issued, Subscribed and Paid up :		
Equity Shares (with equal rights) 122,351,924 of ₹ 5 each (Previous year 122,358,924 of ₹ 5 each) fully paid up	**61.18**	61.18
Add: Forfeited Shares	**0.01**	0.01
	61.19	61.19
a. Reconciliation of number of Share Outstanding :		
Opening Balance	**122,358,924**	122,358,924
Shares Issued during the year	-	-
Shares bought back during the year (₹ 35000) (Refer Note 34)	**(7,000)**	-
Shares Outstanding at the end of the year	**122,351,924**	122,358,924
b. List of shareholders holding more than 5% of the Equity Share Capital of the Company:		
Shareholder name	**Number**	Number
Bengal & Assam Company Ltd.	**27,221,455**	27,221,455
JK Agri Genetics Ltd.	**13,645,040**	13,645,040
Fenner (India) Ltd	**10,259,400**	10,259,400
Life Insurance Corporation of India Ltd.	**9,546,084**	9,546,084

c. Terms / right attached to Equity shareholders :

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share.

NOTE 3

₹ in Crore (10 Million)

RESERVE AND SURPLUS

	31st March 2012	31st March 2011
Capital Reserve		
Balance as per last Financial Statement	0.74	0.74
	0.74	0.74
Capital Redemption Reserve		
Balance as per last Financial Statement	23.30	23.30
Add: amount credited for buy- back of equity shares (₹35000)	-	-
	23.30	23.30
Securities Premium Reserve		
Balance as per last Financial Statement	116.78	116.78
Less: amount utilised for buy- back of equity shares (refer Note 34)	0.04	-
	116.74	116.78
Debenture Redemption Reserve		
Balance as per last Financial Statement	28.07	28.07
	28.07	28.07
Revaluation Reserve		
Balance as per last financial statement	14.99	30.72
Add: Revaluation of certain Fixed assets at Cement plant, Jaykaypuram as on 1st April 2011. (refer Note 38a)	68.13	-
Less: amount transferred on account of sale of assets	0.21	-
Less: amount transferred to the Statement of Profit and Loss as reduction from depreciation	20.31	15.73
	62.60	14.99
General Reserve		
Balance as per last Financial Statement	705.55	655.55
Add: amount transferred from surplus balance in the statement of profit and loss	75.00	50.00
	780.55	705.55
Surplus in Statement of Profit & Loss		
Balance as per last Financial Statement	95.71	104.35
Add: Transfer from Statement of Profit and Loss	108.78	59.13
Less: Appropriations		
Transfer to General Reserve	75.00	50.00
Transfer to Capital Redemption Reserve(on Buy- Back of 7000 Equity Shares) (₹ 35000)	-	-
Proposed Divided	23.65	15.29
Corporate Dividend tax	3.84	2.48
	102.00	95.71
	1114.00	985.14

₹ in Crore (10 Million)

NOTE 4	Non-Current		Current*	
LONG TERM BORROWINGS	**31st March 2012**	31st March 2011	**31st March 2012**	31st March 2011
SECURED LOANS				
Bonds/Debentures				
Redeemable Non-Convertible Debentures	**200.00**	200.00	**-**	-
Term Loans				
From Financial Institutions	**1.72**	12.70	**4.26**	8.28
From Banks	**621.16**	504.06	**135.61**	134.34
	822.88	716.76	**139.87**	142.62
UNSECURED LOANS				
Deferred Sales Tax	**82.18**	85.71	**3.86**	8.61
Fixed Deposits	**3.19**	14.41	**11.31**	5.65
	85.37	100.12	**15.17**	14.26
	908.25	816.88	**155.04**	156.88
Amount disclosed under the head "other current liabilities" (refer Note 9)	**-**	-	**155.04**	156.88
	908.25	816.88	**-**	-

*Due and payable within one year.

1. Secured Redeemable Non-Convertible Debentures(NCDs) are privately placed and consists of :
   (i) 10.35% NCDs Series B-2 of ₹ 60 crore are redeemable in three equal annual installments at the end of 8th, 9th and 10th year from the date of allotment i.e. 4th Feb, 2010.
   (ii) 10.05% NCDs Series B-1 of ₹ 40 crore are redeemable in two equal annual installments at the end of 6th and 7th year from the date of allotment i.e. 4th Feb, 2010.
   (iii) 9.85% NCDs Series A of ₹ 100 crore are redeemable in two equal annual installments at the end of 4th and 5th year from the date of allotment i.e. 4th Feb, 2010.
2. NCDs are secured by a mortgage on the Company's immovable properties located in the State of Gujarat and are also secured by way of a first charge on all the immovable and movable fixed assets pertaining to the Company's Cement Unit situated at Jaykaypuram, Basantgarh, Distt. Sirohi, in the State of Rajasthan, ranking pari-passu with the charges created on the said fixed assets, subject to the prior charges in favour of Banks on specified assets.
3. Term Loans from Financial Institution aggregating to ₹ 5.98 crore are secured by way of a first charge on all the immovable and movable properties pertaining to the Company's Cement Unit situated at Jaykaypuram, Basantgarh, Distt. Sirohi, in the State of Rajasthan, ranking pari-passu with the charges created on the said assets subject to the prior charges in favour of Banks on specified assets and Company's Banks for working capital on specified movables assets. These Term Loans are repayable in 8 quarterly installments.

NOTE 4 (*Contd…*)

4. Term Loans from Banks aggregating to ₹ 247.00 crore are secured by way of a first charge on all the immovable and movable properties pertaining to the Company's Cement Unit situated at Jaykaypuram, Basantgarh, Distt. Sirohi, in the State of Rajasthan, ranking pari-passu with the charges created on the said assets subject to the prior charges in favour of Banks on specified assets and Company's Banks for working capital on specified movables assets. These Term Loans are / shall be repayable as under:

   (a) Term Loans aggregating to ₹ 154.86 crore are repayable in 8 quarterly installments.

   (b) Term Loan of ₹ 57.14 crore is repayable in 16 equal quarterly installments.

   (c) Term Loan of ₹ 35.00 crore shall be repayable in 32 equal quarterly installments commencing from 30th June 2013.

5. Term Loans from a Bank aggregating to ₹ 50.00 crore are secured / to be secured by way of a first charge on all the immovable and movable properties pertaining to the Company's Cement Unit situated at Jaykaypuram, Basantgarh, Distt. Sirohi, in the State of Rajasthan, ranking pari-passu with the charges created on the said assets subject to the prior charges in favour of Banks on specified assets and Company's Banks for working capital on specified movables assets. These Term Loans shall be repayable as under:

   (a) Term Loan of ₹ 15.00 crore shall be repayable in 20 equal quarterly installments commencing from 31st March 2013.

   (b) Term Loan of ₹ 35.00 crore shall be repayable in 32 equal quarterly installments commencing from 30th June 2014.

6. Term Loans from Banks aggregating to ₹ 164.77 crore are secured by way of an exclusive charge on certain specified assets of the Company situated at Jaykaypuram, Basantgarh, Distt. Sirohi, in the State of Rajasthan. These Term Loans are / shall be repayable as under:

   (a) Term Loans aggregating to ₹ 30.33 crore are repayable in 14 equal quarterly installments.

   (b) Term Loan of ₹ 21.94 crore is repayable in 16 equal quarterly installments.

   (c) Term Loan of ₹ 62.50 crore is repayable in 20 equal quarterly installments.

   (d) Term Loan of ₹ 50.00 crore shall be repayable in 32 equal quarterly installments commencing from 30th June 2013.

7. Term Loan from a Bank of ₹ 70.00 crore is secured / to be secured by way of exclusive first charge on immovable & movable fixed assets of the Company's Split Grinding Unit situated at Jhajjar, in the State of Haryana, except charge on the Current Assets. This Term Loan shall be repayable in 32 equal quarterly installments commencing from 30th June 2014.

8. Term Loans from Banks aggregating to ₹ 225.00 crore are secured / to be secured by way of first pari passu charge on all the immovable and movable fixed assets of the Company's Greenfield Cement Plant at Durg in the State of Chattisgarh. These Term Loans shall be repayable in 40 equal quarterly installments commencing from 1st April 2014.

9. Unsecured Deferred Sales Tax Loan of ₹ 86.04 crore includes ₹ 3.86 crore payable in one installment during 2012-13 and balance ₹ 82.18 crore repayable in 16 quarterly installments commencing from July, 2013.

10. Fixed Deposits represents the Deposits accepted by the Company from Public under its Fixed Deposit Scheme having maturity of 2 & 3 years from the date of deposits.

₹ in Crore (10 Million)

	31st March 2012	31st March 2011
NOTE 5		
DEFERRED TAX LIABILITIES (Net)		
Deferred Tax Liability		
Related to Fixed Assets	**151.16**	145.75
Less: Deferred Tax Assets		
Expenses / Provisions allowable	**27.85**	22.84
Unabsorbed depreciation	**-**	15.69
	27.85	38.53
Deferred Tax Liability / (Assets) - Net	**123.31**	107.22
NOTE 6		
OTHER LONG TERM LIABILITIES		
Trade and other deposits	**28.76**	26.02
Deposits from related party	**2.00**	2.00
	30.76	28.02
NOTE 7		
LONG-TERM PROVISIONS		
Provision for Employees' Benefits	**3.86**	3.39
	3.86	3.39
NOTE 8		
SHORT TERM BORROWINGS		
Secured Loans		
Working Capital Borrowing from Banks*	**5.55**	12.13
Buyer's Credit from Bank	**-**	9.07
Unsecured Loans		
Fixed Deposits	**0.79**	2.03
	6.34	23.23

* Working Capital Borrowing from Banks are secured by hypothecation of Stores, Raw Materials, Finished Goods, Stock-in-Process and Book Debts etc. and by way of a second charge on the immovable assets pertaining to the Cement Unit of the Company situated at Jaykaypuram, Basantgarh, Distt.Sirohi, in the State of Rajasthan.

	31st March 2012	31st March 2011
NOTE 9		
OTHER CURRENT LIABILITIES		
Current maturities of long-term debts (refer Note 4)	**155.04**	156.88
Interest Accrued but not due on borrowings	**1.67**	1.78
Unclaimed dividends #	**1.26**	1.05
Unclaimed matured Deposits and interest #	**0.30**	0.33
Advance from Customers	**37.49**	33.97
Govt. and other dues	**98.73**	83.79
Creditors for Capital expenditures	**42.28**	4.32
Other liabilities	**64.84**	28.33
	401.61	310.45

Investor Education and Protection Fund will be credited as and when due.

	31st March 2012	31st March 2011
NOTE 10		
SHORT-TERM PROVISIONS		
Provision for Employees' Benefit	**4.10**	5.45
Proposed Dividend	**23.66**	15.29
Corporate Dividend Tax	**3.84**	2.48
	31.60	23.22

NOTE 11

₹ in Crore (10 Million)

TANGIBLE ASSETS

Description	Gross Block				Depreciation				Net Block	
	1st April 2011	Additions/ Adjustments	Sales/ Adjustments	**31st March 2012**	Upto Last Year	During the year	On Sales/ Adjustments	To date	**31st March 2012**	31st March 2011
Freehold Land	119.00	5.67	-	**124.67**	-	-	-	-	**124.67**	119.00
Leasehold Land	0.35	-	-	**0.35**	0.09	-	-	0.09	**0.26**	0.26
Buildings	69.67	2.40	-	**72.07**	19.22	1.84	-	21.06	**51.01**	50.45
Plant & Machinery	2027.05	a) 118.45	5.49	**2140.01**	888.54	177.40	4.91	1061.03	**1078.98**	1138.51
Furniture Fixtures & Equipments	4.75	0.72	0.17	**5.30**	3.04	0.44	0.09	3.39	**1.91**	1.71
Office Equipments	5.72	0.74	0.03	**6.43**	3.99	0.30	0.02	4.27	**2.16**	1.73
Vehicles, Aircraft and Locomotives	52.06	3.10	1.86	**53.30**	10.97	6.96	1.20	16.73	**36.57**	41.09
Railway Siding	34.45	b) 7.82	-	**42.27**	11.47	1.22	-	12.69	**29.58**	22.98
Total	2313.05	138.90	7.55	**2444.40**	937.32	188.16	6.22	1119.26	**1325.14**	1375.73
Previous year	1903.64	413.41	4.00	**2313.05**	840.65	100.07	3.40	937.32	**1375.73**	

Note : a) and b) includes ₹ 60.31 crore and ₹ 7.82 crore respectively due to revaluavation (refer Note 38)

INTANGIBLE ASSETS

Computer Software c)	5.58	-	-	**5.58**	0.27	1.12	-	1.39	**4.19**	5.31
Previous year	-	5.58	-	**5.58**	-	0.27	-	0.27	**5.31**	

Note: c) Being amortised over a period of 5 years.

NOTE 12

NON-CURRENT INVESTMENTS

₹ in Crore (10 Million)

Long Term (Other than trade)	31st March 2012		31st March 2011	
(At cost)	**Numbers**	**Amount**	Numbers	Amount
Investment in Equity Shares				
Subsidiary Company				
Hansdeep Industries and Trading Co. Ltd.(₹ 10 each)	**50,007**	**0.05**	50,007	0.05
Others				
V. S Lignite Power Pvt. Ltd. (₹ 10 each)#	**2,022,223**	**2.02**	2,022,223	2.02
Dwarkesh Energy Ltd (₹ 10 each)	**350,000**	**0.35**		
Investment in Preference Shares				
VS Lignite Power Pvt. Ltd. (0.01%) (₹ 10 each)#	**3,899,777**	**3.90**	3,899,777	3.90
		6.32		5.97
Aggregate book value of quoted investments		**-**		-
Aggregate market value of quoted investments		**-**		-
Aggregate book value of unquoted investments		**6.32**		5.97

Under lien with Issuer

₹ in Crore (10 Million)

	31st March 2012	31st March 2011
NOTE 13		
LONG-TERM LOANS AND ADVANCES		
Secured	**-**	-
Unsecured, considered good		
Capital Advances	**198.80**	33.53
Deposits with Govt. Authorities and Others	**28.21**	24.74
MAT Credit Entitlements	**100.77**	87.70
Other Advances (refer Note 46)	**41.38**	44.72
	369.16	190.69
NOTE 14		
OTHER NON-CURRENT ASSETS		
(Unsecured, considered good unless otherwise stated)		
Non-current Bank Balances (refer Note 18)	**1.82**	2.59
	1.82	2.59

NOTE 15
CURRENT INVESTMENTS

(valued at lower of cost and quoted / fair value)
(Other than trade)

₹ in Crore (10 Million)

	31st March 2012		31st March 2011	
	Nos.	Amount	Nos.	Amount
Investment in Bonds				
HDFC 0% 2012	**250**	**26.81**	250	26.81
HDFC 0% 2011	**-**	**-**	750	77.78
IDFC Ltd. 0% 2011	**-**	**-**	100	9.03
Indian Railways Finance Corporation Ltd (8.10%,Tax free)	**10,875**	**1.09**	-	-
Power Finance Corporation Limited (8.30%,Tax free)	**14,239**	**1.42**	-	-
Investment in Mutual Funds				
Birla Sun Life Fixed Term Plan - Series C Y Growth	**5,000,000**	**5.00**	-	-
Birla Sun Life Fixed Term Plan - Series E A Growth	**5,000,000**	**5.00**	-	-
Birla Sun Life Fixed Term Plan - Series E B Growth	**10,000,000**	**10.00**	-	-
Birla Sun Life Fixed Term Plan Series E G Growth	**5,000,000**	**5.00**	-	-
Birla Sun Life Fixed Term Plan - Series E K Growth	**10,000,000**	**10.00**	-	-
Birla Sun Life Floating Rate Fund Short Term IP Growth	**280,990**	**4.00**	-	-
DSP BlackRock FMP Series 32 -12 M- Growth	**10,000,000**	**10.00**	-	-
DSP BlackRock FMP Series 31-12 M- Growth	**5,000,000**	**5.00**	-	-
DSP BlackRock FMP Series 19-12 M- Growth	**10,006,640**	**10.01**	-	-
DSP BlackRock FMP Series 34-12 M- Growth	**5,000,000**	**5.00**	-	-
DWS Fixed Maturity Plan Series 3 Growth Plan	**5,000,000**	**5.00**	-	-
DWS Fixed Maturity plan Series 5 Growth Plan	**5,000,000**	**5.00**	-	-
Edelweiss Fixed Maturity Plan - Series 5- 91 Days Growth	**5,000,000**	**5.00**	-	-
Fidelity FMP Series 6 - Plan E - Growth	**10,000,000**	**10.00**	-	-
HDFC FMP 370 D Jan 2012 (1) - Growth - Series XIX	**5,001,309**	**5.00**	-	-
HSBC Fixed Term Plan - Growth - Series 82	**5,000,000**	**5.00**	-	-
ICICI Prudential Fixed Maturity Plan Series 54-1 Year Plan D Cumulative	**10,000,000**	**10.00**	-	-
ICICI Prudential Fixed Maturity Plan Series 61-1 Year Plan E Cumulative	**5,000,000**	**5.00**	-	-
ICICI Prudential Fixed Maturity Plan Series 62-1 Year Plan A Cumulative	**5,000,000**	**5.00**	-	-
IDBI FMP - 395 Days Series I (March 2011) -A- Growth	**5,000,000**	**5.00**	5,000,000	5.00
IDBI FMP - 369 Days Series II (February 2012) -C- Growth	**5,000,000**	**5.00**	-	-
IDFC Fixed Maturity Yearly Series - 51 Growth	**5,000,000**	**5.00**	-	-
IDBI Liquid Fund Growth	**17,384**	**2.00**	-	-
JM High Liquidity Fund- Super Institutional plan- Growth	**1,190,398**	**2.00**	-	-
KotaK FMP Series 44 Growth	**10,000,000**	**10.00**	-	-
KotaK FMP Series 72 Growth	**10,000,000**	**10.00**	-	-
KotaK FMP Series 75 Growth	**5,000,000**	**5.00**	-	-
KotaK FMP Series 84 Growth	**7,500,000**	**7.50**	-	-
L&T Fixed Maturity Plan V (Feb. 368 D)- A Growth	**5,000,000**	**5.00**	-	-
Reliance Fixed Horizon Fund -XIX - Series 4 Growth Plan	**10,000,000**	**10.00**	-	-
Reliance Fixed Horizon Fund -XXI - Series 2 Growth Plan	**10,000,000**	**10.00**	-	-
Reliance Fixed Horizon Fund -XXI - Series 4 Growth Plan	**10,000,000**	**10.00**	-	-
Reliance Fixed Horizon Fund -XXI - Series 5 Growth Plan	**10,000,000**	**10.00**	-	-
Reliance Fixed Horizon Fund -XXI - Series 6 Growth Plan	**5,000,000**	**5.00**	-	-
Reliance Fixed Horizon Fund -XXI - Series 8 Growth Plan	**5,000,000**	**5.00**	-	-
Religare Fixed Maturity Plan - Series VII-Plan A (370 Days) Gr.	**6,000,000**	**6.00**	-	-
Religare Fixed Maturity Plan - Series VII-Plan C (369 Days) Gr.	**5,000,000**	**5.00**	-	-
Religare Fixed Maturity Plan - Series XII-Plan E (369 Days) Gr.	**5,002,590**	**5.00**	-	-
Religare Fixed Maturity Plan - Series XIII-Plan A (370 Days) Gr.	**5,000,000**	**5.00**	-	-
SBI Debt Fund Series 367 Days - 14- Growth	**5,000,000**	**5.00**	-	-
SBI Debt Fund Series 367 Days - 16- Growth	**5,000,000**	**5.00**	-	-
Sundaram FMP - CJ 366 Days Growth	**5,000,000**	**5.00**	-	-
Sundaram FMP - CQ 370 Days Growth	**7,500,000**	**7.50**	-	-
TATA FMP Series - 38 Scheme D Growth	**5,000,000**	**5.00**	-	-
TATA FMP Series - 38 Scheme I Growth	**5,000,000**	**5.00**	-	-
TATA FMP Series - 39 Scheme A Growth	**5,000,000**	**5.00**	-	-
Taurus FMP 369 Days Series P Growth	**5,000,000**	**5.00**	-	-

NOTE 15 (*Contd…*)

₹ in Crore (10 Million)

	31st March 2012		31st March 2011	
	Nos.	**Amount**	Nos.	Amount
Taurus FMP 370 Days Series M Growth	**5,000,000**	**5.00**	-	-
TATA Money Market Fund Institutional Plan Growth	**1,188,008**	**2.00**	-	-
Taurus Liquid Fund Super Institutional Gr.	**34,612**	**4.00**	-	-
UTI Fixed Term Income Fund - Series IX - II (369 Days) Growth	**10,798,800**	**10.80**	-	-
UTI Fixed Term Income Fund - Series IX - III (367 Days) Growth	**10,000,000**	**10.00**	-	-
Axis Fixed Term Plan-Series1(384 days) Retail Growth	**-**	**-**	10,000,000	10.00
Birla Sun Life Fixed Term Plan Series CA - Growth	**-**	**-**	8,000,000	8.00
Canara Robeco FMP-Series 5 -13 M(Plan B) - Growth	**-**	**-**	4,000,000	4.00
DSP BlackRock FMP 13 M- Series 2 - Growth	**-**	**-**	15,000,000	15.00
HDFC FMP 13 M March 2010(3) Growth Series XII	**-**	**-**	5,000,000	5.00
ICICI Prudential Fixed Maturity Plan Series 51-13M Plan C - Cummulative	**-**	**-**	15,000,000	15.00
IDBI FMP - 367 Days Series 1 (February 2011) -B- Growth	-	-	5,000,000	5.00
Kotak FMP 13 Months Series 6 Growth	**-**	**-**	10,000,000	10.00
L& T Fixed Maturity Plan Series - 12 - Plan- 15M March 10-I- Growth	**-**	**-**	5,000,000	5.00
Reliance Fixed Horizon Fund XIV Series 2 Growth Plan	**-**	**-**	10,000,000	10.00
RelianceFixed Horizon Fund -XIV Series 1 Growth Plan	**-**	**-**	25,000,000	25.00
Religare Fixed Maturity Plan Series II Plan B (15 M)	**-**	**-**	10,000,000	10.00
UTI Fixed Term Income YFMP(3/10) Institutional Growth Plan	**-**	**-**	10,000,000	10.00
UTI Fixed Term Income Fund - Series VII- 11(407 Days) Growth	**-**	**-**	10,000,000	10.00
Birla Sun Life Fixed Term Plan - Series C K (368 Days) Growth	**-**	**-**	10,000,000	10.00
Canara Robeco - FMP - Series 6 - 13 Months (Plan A) Growth	**-**	**-**	5,000,000	5.00
DSP BlackRock FMP-12 M-Series 5 Growth	**-**	**-**	10,000,000	10.00
DSP BlackRock FMP-Series 12 Growth	**-**	**-**	15,000,000	15.00
DSP BlackRock FMP-12 M-Series 13 Growth	**-**	**-**	10,000,000	10.00
DWS Fixed Term Fund Series 81 Growth Plan	**-**	**-**	10,000,000	10.00
Fidelity FMP Series 2 - Plan D - Growth	**-**	**-**	5,000,000	5.00
Fidelity FMP Series 5 - Plan A - Growth	**-**	**-**	5,000,000	5.00
Fidelity FMP Series V - Plan E - Growth	**-**	**-**	5,000,000	5.00
ICICI Prudential Fixed Maturity Plan Series 53-1 Year Plan F Cumulative	**-**	**-**	15,001,069	15.00
ICICI Prudential Fixed Maturity Plan Series 55-1 Year Plan D Cumulative	**-**	**-**	5,000,000	5.00
IDFC Fixed Maturity Yearly Series - 35 Growth	**-**	**-**	20,000,000	20.00
ICICI Prudential Fixed Maturity Plan Series 55-1 Year Plan A Cumulative	**-**	**-**	10,000,000	10.00
JM FMP Series XIX -Plan A Growth	**-**	**-**	10,000,000	10.00
KotaK FMP 370 Days Series 9	**-**	**-**	10,000,000	10.00
KotaK FMP Series 32	**-**	**-**	10,000,000	10.00
KotaK FMP Series 34	**-**	**-**	5,000,000	5.00
KotaK FMP Series 38	**-**	**-**	2,000,000	2.00
KotaK FMP Series 40	**-**	**-**	5,000,000	5.00
Reliance Fixed Horizon Fund -XV - Series 4 Growth Plan	**-**	**-**	15,000,000	15.00
Reliance Fixed Horizon Fund -XVII - Series 2 Growth Plan	**-**	**-**	10,000,000	10.00
Reliance Fixed Horizon Fund -XVII - Series 4 Growth Plan	**-**	**-**	20,000,000	20.00
TATA FMP Series - 30 Scheme A Growth	**-**	**-**	20,009,819	20.01
Taurus FMP 370 Days Series D Growth	**-**	**-**	5,000,000	5.00
Other Investments				
Bank Certificate of Deposits (CDs)				
Axis Bank Ltd - 22 May 12	**2,500**	**24.39**	-	-
Axis Bank Ltd - 12 Jun 12	**1,000**	**9.74**	-	-
Bank of Maharashtra - 24 May 12	**2,500**	**24.38**	-	-
Indian Bank - 10 Sep 12	**1,000**	**9.48**	-	-
UCO Bank - 20 Jun 12	**2,500**	**24.31**	-	-
ICICI Bank	**-**	**-**	1000	24.16
		447.43		521.79
Aggregate book value of quoted investments		**447.43**		521.79
Aggregate market value of quoted investments		**457.53**		537.21
Aggregate book value of unquoted investments		**-**		-

As the market value of the Bonds and CDs is not available, purchase value is considered as market value.

	₹ in Crore (10 Million) 31st March 2012	31st March 2011
NOTE 16		
INVENTORIES		
(As certified by the management)		
Raw Materials #	**6.80**	7.66
Work-in-progress	**32.28**	31.51
Finished Goods	**19.72**	21.69
Stock-in-Trade	**0.36**	-
Stores and Spares	**60.93**	59.06
	120.09	119.92

Includes in transit Nil (previous year ₹ 2.22 crore)

	31st March 2012	31st March 2011
NOTE 17		
TRADE RECEIVABLES		
(Unsecured ,considered good unless otherwise stated)		
Outstanding for period exceeding Six months from the date they are due for payment		
Considered good	**-**	0.44
Doubtful	**1.21**	1.30
Less Allowance for doubtful receivables	**(1.21)**	(1.30)
Other	**38.24**	27.51
	38.24	27.95
NOTE 18		
CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances with Banks		
On Current Accounts	**2.62**	3.16
Deposits with original maturity of less than 3 months	**55.00**	-
Cheques, DD on hand/transit	**28.63**	24.26
Cash on hand	**0.25**	0.26
	86.50	27.68
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months	**-**	60.00
Deposits with original maturity for more than 12 months	**1.25**	-
Margin Money Deposits	**1.82**	2.59
Unclaimed Dividend Accounts	**1.26**	1.05
Saving bank Accounts (Employees Security Deposit account)	**0.02**	0.02
	4.35	63.66
Less: Amount disclosed under non-current assets (refer Note 14)	**(1.82)**	(2.59)
	89.03	88.75

₹ in Crore (10 Million)

	31st March 2012	31st March 2011
NOTE 19		
SHORT-TERM LOANS AND ADVANCES		
Secured	**-**	-
Unsecured, considered good		
Advance Income tax (Net of Provision)	**18.26**	5.42
Prepaid expenses	**2.65**	4.02
Balance with Govt. Authorities	**22.30**	11.06
Other Advances (refer Note 47 & 48)	**50.66**	40.05
	93.87	60.55
Less: Provision for doubtful advances	**4.22**	4.22
	89.65	56.33
NOTE 20		
OTHER CURRENT ASSETS		
Other receivables	**0.54**	1.81
	0.54	1.81

₹ in Crore (10 Million)

	2011-12	2010-11
NOTE 21		
REVENUE FROM OPERATION		
Sale of products		
Cement	**1,654.99**	1,271.93
Others	**259.60**	213.92
Other Operating Revenues	**7.04**	5.41
Revenue from Operations (gross)	**1,921.63**	1,491.26
Less: Excise duty	**203.53**	169.02
Revenue from Operations (Net)	**1,718.10**	1,322.24
NOTE 22		
OTHER INCOME		
Interest Income	**5.61**	8.97
Dividend Income	**-**	0.63
Profit on sale of		
Long Term Investments	**-**	-
Current Investments	**53.75**	19.00
Profit / (Loss) on Sale of Assets (Net)	**0.66**	0.51
Other Non - Operating Income	**3.38**	3.94
	63.40	33.05

₹ in Crore (10 Million)

	2011-12	2010-11
NOTE 23		
COST OF MATERIAL CONSUMED*		
Limestone	**88.25**	80.36
Gypsum	**24.59**	23.19
Fly ash	**54.66**	49.97
Packing material	**62.78**	52.23
Others	**55.70**	65.36
	285.98	271.11

*	Amount	% of Total	Amount	% of Total
Indigenous	**278.92**	**97.53**	270.75	99.87
Imported	**7.06**	**2.47**	0.36	0.13
Total	**285.98**	**100.00**	271.11	100.00

	2011-12	2010-11
NOTE 24		
PURCHASE OF STOCK-IN-TRADE		
Cement	**64.76**	9.62
Others	**16.19**	10.57
	80.95	20.19
NOTE 25		
CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stocks		
Stock-in-progress		
Crushed limestone	**1.34**	1.13
Raw-meal	**0.11**	0.39
Clinker	**30.06**	4.14
	31.51	5.66
Finished Goods	**21.69**	10.91
Stock-in Trade	**-**	-
	53.20	16.57
Closing Stocks		
Stock-in-progress		
Crushed limestone	**1.36**	1.34
Raw-meal	**1.01**	0.11
Clinker	**29.90**	30.06
	32.27	31.51
Finished Goods	**19.72**	21.69
Stock-in Trade	**0.36**	-
	52.35	53.20
Add/(Less): Excise Duty Variance on Stock	**(0.27)**	(1.57)
(Increase) / Decrease in Stocks	**0.58**	(35.06)
NOTE 26		
EMPLOYEES BENEFIT EXPENSES		
Salaries and Wages	**74.80**	58.94
Contribution to Provident and Other Funds	**10.92**	9.78
Staff Welfare Expenses	**12.67**	11.57
	98.39	80.29

₹ in Crore (10 Million)

NOTE 27	2011-12	2010-11
OTHER EXPENSES		
Consumption of Stores and Spares*	**60.42**	48.44
Power & Fuel	**413.63**	391.93
Rent (Net of realisation ₹ 0.19 crore, Previous year ₹ 0.15 crore)	**9.90**	8.14
Repairs to Buildings	**4.72**	3.72
Repairs to Machinery	**25.73**	21.51
Insurance	**4.23**	3.09
Rates and Taxes	**0.88**	0.38
Transport, Clearing and Forwarding Charges	**331.31**	263.57
Commission on Sales	**17.30**	15.54
Directors' Fee & Commission	**1.53**	0.60
Provision for Doubtful Debts	**-**	0.11
Prior Period Expenses	**11.74**	
Advertisement, Bank Charges, Travelling, Consultancy etc.	**42.84**	37.85
	924.23	794.88

*	Amount	% of Total	Amount	% of Total
Indigenous	**55.71**	**87.03**	46.14	89.82
Imported	**8.30**	**12.97**	5.23	10.18
Total	**64.01**	**100.00**	51.37	100.00

Excluding Scrap sale ₹ 3.59 crore (Previous year ₹ 2.93 crore)

NOTE 28	2011-12	2010-11
FINANCE COSTS		
Interest expenses	**79.00**	59.91
Other borrowing cost	**0.66**	0.57
	79.66	60.48
NOTE 29		
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Assets	**188.16**	100.07
Amortisation on Intangible Assets	**1.12**	0.27
Less: Transferred from Revaluation Reserve	**20.31**	15.73
Less: Shown as Exceptional Item	**39.24**	-
	129.73	84.61
NOTE 30		
EARNING PER SHARE		
Profit after tax available for Equity Shareholders	**108.78**	59.13
Weighted average number of equity shares	**12.24**	12.24
Earning per Equity Share (₹) (face value ₹ 5 each)		
- Cash	**24.02**	12.98
- Basic and diluted	**8.89**	4.83

NOTES TO ACCOUNT

31. Estimated amount of contracts remaining to be executed on capital account (Net of Advances) ₹ 240.89 crore (Previous year ₹ 336.70 crore).
32. Contingent liabilities in respect of claims not accepted by the Company (matters in appeals) and not provided for are as follows :

₹ in Crore (10 Million)

	31st March 2012	31st March 2011
a) Excise duty	**15.88**	14.58
b) Sales tax	**15.86**	9.36
c) Income Tax	**6.84**	30.86
d) Land tax	**1.31**	1.31
e) Other matters	**11.80**	25.45
Total	**51.69**	81.56

33. Maximum balance due for Commercial Paper issued during the year was ₹ 60 crore and the year end balance is Nil (Previous year Maximum balance ₹ 40 crore and at the year end Nil).
34. The Board of Directors of the Company, in February, 2012, approved the Buy-Back of its Equity Shares up to an amount of ₹ 97.50 crore at price not exceeding ₹ 70.00 per Share. The Company started the Buy-Back in the last week of March, 2012 and has bought back and extinguished 7,000 Equity Shares up to 31st March 2012. Consequently a sum of ₹ 0.35 lac has been appropriated to Capital Redemption Reserve from Surplus in Statement of Profit and Loss and ₹ 4.20 lac has been reduced from Securities Premium Reserve.
35. In respect of certain disallowances and additions made by the Income Tax Authorities, Appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally settled.
36. Contingent liability for non-use of jute bags for Cement packing upto 30th June, 1997, as per Jute Packaging Materials (Compulsory use of Packaging Commodities) Act, 1987 is not ascertained and the matter is subjudice. The Government has excluded Cement Industry from application of the said Order from 1st July, 1997.
37. Under the Sales Tax exemption granted by the State Government, contingent liability may arise, if the Hon'ble Supreme Court of India, in case of another Company on the same subject, decides contrary to the judgement of Hon'ble High Court of Rajasthan, presently amount cannot be ascertained.
38. Factory & Service Buildings and Plant & Machinery of Lakshmi Cement Plant, Jaykaypuram Rajasthan were revalued as at 1st April 1990. Certain fixed assets of aforesaid Plant were revalued and updated as at 1st April, 1997 and certain Buildings, Plant & Machinery and other assets of aforesaid Plant were revalued and / or updated as at 31st March, 2000. Based on report of the valuer on business valuation of Cement business, fixed assets value was re-determined at net replacement cost basis on 1st April 2005. Certain Plant and Machinery of aforesaid plant were revalued and up dated as at 1st April 2008. Further during the Current year certain Plant and Machinery and Railway Siding of aforesaid Plant were revalued by an approved valuer and updated as at 1st April 2011 based on their current replacement value, resulting in an increase in their value by ₹ 68.13 crore (as compared to the net book value as on that date), which has been transferred to Revaluation Reserve. The Gross Block as at 31st March 2012 includes aggregate revaluation / business valuation of ₹ 422.43 crore (Previous year ₹ 354.83 crore).
39. (a) During the current year, the Company has changed with retrospective effect, the method of providing depreciation on Captive Power Plants from 'Straight Line' to 'Written Down Value' at the rate prescribed in Schedule XIV to the Companies Act, 1956. This shall result in a more systematic basis of apportionment of depreciation charge over the useful economic life of the Captive Power Plants. This change has resulted in an additional depreciation charge of ₹ 63.68 crore comprising of ₹ 24.44 crore for the year and ₹ 39.24 crore

for the earlier years, which has been shown as an Exceptional Item. The Profit after Tax for the year would have been higher by ₹ 43.02 crore had the Company continued to follow the earlier method of depreciation.

(b) Depreciation on Aircraft has been considered on the basis of its residual economic life.

40. (a) Sales include own consumption at cost ₹ 3.85 crore (Previous years ₹ 0.75 crore).

(b) Consumption of Stores and Spares is net of scrap sale ₹ 3.59 crore (Previous year ₹ 2.93 crore.)

(c) Prior period expenses represent interest on entry tax/sales tax.

41. Other-Non-Operating Income represents receipts from aircraft flying, net of expenses ₹ 5.80 crore (previous year ₹ 3.97 crore).

42. (a) Foreign exchange Loss (net) amounting ₹ 0.67 crore (Previous year gain (net) ₹ 0.61 crore) has been included in respective heads of accounts in Statement of Profit and Loss.

(b) Forward contracts of ₹ 19.98 crore – EUR 2.83 Mn, USD 0.13 Mn (Previous year ₹ 25.48 crore – EUR 2.29 Mn, USD 2.44 Mn.) taken for the purpose of hedging against letter of credit outstanding as at 31st March, 2012.

43. Research and Development expenditure amounting to ₹ 0.32 crore (Previous year ₹ 0.29 crore) has been debited to Statement of Profit and Loss.

44. (a) Based on information available with the Company in respect of MSME (The Micro Small & Medium Enterprises Development Act, 2006) the details are as under :

(i) Principal and Interest amount due and remaining unpaid as at 31st March 2012 - Nil (Previous year - Nil).

(ii) Interest paid in terms of section 16 of the MSME Act during the year - Nil (Previous year - Nil).

(iii) The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified – Nil (Previous year - Nil).

(iv) Payment made beyond the appointed day during the year - Nil (Previous year - Nil).

(v) Interest Accrued and unpaid as at 31st March 2012- Nil (Previous year - Nil).

(b) Some of the balances of debtors and creditors are in process of confirmation.

45. The Company has only one business segment i.e. Cement.

46. Other advances include an amount of ₹ 43.33 crore (including ₹ 3.33 crore receivable within one year) (Previous year ₹ 46.66 crore) (Maximum balance due ₹ 46.66 crore, Previous year ₹ 50.00 crore) due from a Group Company and arising out of an earlier Scheme of Reconstruction, Arrangement and Demerger sanctioned by Hon'ble High Courts of Rajasthan (Jodhpur) and Delhi.

47. The Company has taken up revival and rehabilitation of Udaipur Cement Works Limited (UCWL) after its Rehabilitation Scheme got approved by BIFR in January, 2012. As per the Scheme, the Company is to invest ₹ 98.64 crore in UCWL including 9% Non Convertible Redeemable Debentures (NCD) of ₹ 50 crore, to be issued by the Company directly to the erstwhile Term Lenders of UCWL against their outstanding dues. In this connection, the Company has given a Letter of Comfort to BIFR to infuse / arrange funds to meet any crystallized liability in UCWL. The Company has already paid ₹ 11.44 crore (Previous year ₹ 1.83 crore) upto 31st March, 2012 which is being reflected in Other Advances as per Note 19.

48. Other Advances (refer Note 19) include Share Application Money of ₹ 3 crore (Previous year Nil) paid by the Company to Dwarkesh Energy Limited, a SPV for the Power Project, for subscribing to the Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹ 10 crore (face value ₹ 100.00).

49. Disclosure pursuant to Clause 32 of the Listing Agreement : Nil
(Loans / Advances to employees as per Company's policy are not considered.)

NOTE 50

₹ in Crore (10 Million)

Amount paid to Auditors :

	2011-12	2010-11
(i) Statutory Auditors:		
Audit Fee	**0.08**	0.07
For Taxation matters	**0.02**	0.01
For Other Services	**0.06**	0.04
Reimbursement of Expenses	**0.01**	0.01
	0.17	0.13
(ii) Cost Auditors:		
Cost Audit Fee (₹)	**50000**	40000
	50000	40000

NOTE 51

Expenses charged to Raw Material (Limestone) account includes:

	2011-12	2010-11
Salaries & Wages	**3.68**	3.42
Contribution to Provident and Other Funds	**0.21**	0.29
Employees' Welfare Expenses	**0.80**	0.63
Consumption of Stores and Spares	**24.73**	21.20
Power & Fuel	**3.16**	3.24
Repairs to Machinery	**17.02**	15.70
Insurance	**0.09**	0.09
Rates and Taxes	**1.43**	1.31
Royalty	**36.84**	34.07
Miscellaneous Expenses	**0.29**	0.41
	88.25	80.36

NOTE 52

RELATED PARTY DISCLOSURE

List of Related Parties

a) Subsidiary
Hansdeep Industries & Trading Co. Ltd.

b) Key Management Personnel (KMP) :

Shri Bharat Hari Singhania	Vice Chairman & Managing Director
Smt. Vinita Singhania	Managing Director
Shri S.K. Wali	Whole-time Director
Shri S. Chouksey	Whole-time Director

c) Enterprise over which KMP is able to excercise significant influence:
JK Tyre & Industries Ltd. (JKTIL)
Rockwood Properties Pvt. Ltd. (RPPL)

NOTE 52 ***(Contd...)***

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

i) ₹ in Crore (10 Million)

Nature of Transactions $	Enterprise over which KMP is able to exercise significant influence	
	2011-12	2010-11
–Sharing of Expenses received	**0.73**	3.20
–Sharing of Expenses paid	**0.66**	0.66
–Purchase of Tyres	**0.85**	1.36
–Payment of Expenses #	**0.35**	0.35
–Sale of Cement *	**0.10**	0.06
–Security Deposit received	**-**	2.00
–Other Income	**3.07**	2.54
Outstanding as at year end:		
–Receivable:		
RPPL	**0.42**	0.42
–Payable:		
JKTIL	**2.00**	2.00

ii) Details of remuneration to KMP : Vice Chairman & Managing Director ₹ 5.75 crore (Previous year ₹ 2.28 crore), Managing Director ₹ 5.91 crore (Previous year ₹ 2.36 crore) and Whole-time Directors ₹ 1.82 crore each (Previous year ₹ 1.22 crore each). Remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall Company basis.

$ All the above transactions are with JKTIL except the one marked with # is with RPPL.
* Maximum amount outstanding ₹ 0.03 crore (Previous year ₹ 0.02 crore)

NOTE 53

Capital work in progress includes Machinery in stock, construction / erecetion materials, advances for Construction and Machinery and also include the following pre -operation expenses pending allocation.

₹ in Crore (10 Million)

	2011-12	2010-11
Power & Fuel	**0.47**	1.51
Salaries and Wages	**9.15**	3.91
Staff Welfare expenses	**0.24**	0.54
Insurance	**0.54**	0.08
Rent	**1.13**	0.78
Travelling, Consultancy & Miscellaneous Expenses	**13.21**	5.61
Finance costs	**18.15**	20.74
	42.89	33.17
Add : Expenditure upto previous year	**12.02**	14.56
Less : transferred to Fixed Assets	**0.78**	35.71
	54.13	12.02

NOTE 54

EMPLOYEE DEFINED BENEFITS:

(a) Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuation on 31st March 2012.

₹ in Crore (10 Million)

		2011-12		2010-11	
		Gratuity Funded	Leave Encashment Non Funded	Gratuity Funded	Leave Encashment Non Funded
I.	**Expenses recognised in the Statement of Profit & Loss for the year ended 31st March 2012**				
1.	Current Service Cost	**1.36**	**0.49**	1.23	0.35
2.	Interest Cost	**1.76**	**0.33**	1.47	0.29
3.	Expected return on plan assets	**(1.85)**	**-**	(1.68)	-
4.	Actuarial (Gains) / Losses	**2.19**	**0.95**	1.76	0.27
5.	Total expense	**3.46**	**1.77**	2.78	0.91
II.	**Net Asset/(Liability) recognised in the Balance Sheet as at 31st March 2012**				
1.	Present Value of Defined Benefit Obligation as at 31st March 2012	**28.51**	**4.98**	23.53	4.31
2.	Fair value of plan assets as at 31st March 2012	**29.39**	**-**	23.10	-
3.	Funded status [Surplus/(Deficit)]	**0.88**	**-**	(0.43)	-
4.	Net asset / (liability) as at 31st March 2012	**0.88**	**(4.98)**	(0.43)	(4.31)
III.	**Change in obligation during the Year ended 31st March 2012**				
1.	Present Value of Defined Benefit Obligation at the beginning of the year	**23.53**	**4.31**	19.67	3.83
2.	Current Service Cost	**1.36**	**0.49**	1.23	0.35
3.	Interest Cost	**1.76**	**0.33**	1.47	0.29
4.	Actuarial (Gains) / Losses	**2.57**	**0.95**	1.56	0.27
5.	Benefits Payments	**(0.71)**	**(1.10)**	(0.40)	(0.43)
6.	Present Value of Defined Benefit Obligation at the end of the year	**28.51**	**4.98**	23.53	4.31
IV.	**Change in Assets during the Year ended 31st March 2012**				
1.	Fair value of plan assets at the beginning of the year	**23.10**	**-**	21.06	-
2.	Expected return on plan assets	**1.85**	**-**	1.68	-
3.	Contributions by employers	**4.77**	**-**	1.04	-
4.	Actual benefits paid	**(0.71)**	**(1.10)**	(0.40)	(0.43)
5.	Actuarial gains / (losses)	**0.39**	**0.95**	(0.28)	0.27
6.	Fair value of plan assets at the end of the year	**29.40**	**-**	23.10	-
7.	Actual return on plan assets	**2.23**	**-**	1.48	-
V.	**The major categories of plan assets as % of total plan**				
	Mutual Fund	100%		100%	
VI.	**Actuarial Assumptions :**				
1.	Discount Rate	**7.50%**		7.50%	
2.	Expected rate of return on plan assets	**8.00%**	**-**	8.00%	-
3.	Mortality	**LIC (1994-96) duly modified**		LIC (1994-96) duly modified	
4.	Turnover rate	age upto 30-3%,from 31 to 44 -2%, above 44 -1%			
5.	Salary Esclation	**5.00%**		5.00%	

NOTE 54 ***(Contd...)***

(a) Defined Benefit Plan

Amounts recognised as an expense and included in the Note 26 and Note 51 of herein above.

Item "Salaries and Wages" includes ₹ 1.77 crore (Previous year ₹ 0.91 crore) for Leave Encashment.

Item "Contributions to Provident and Other Funds" includes ₹ 3.46 crore (Previous year ₹ 2.78 crore) for Gratuity.

(b) Defined Contribution Plans

Amount recognised as an expense and included in Note 26 and Note 51 "Contributions to Provident and other Funds" of Statement of Profit and Loss ₹ 7.67 crore (Previous year ₹ 7.29 crore)

(c) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of assets management, historical results of return on plan assets and the policy for plan assets management.

(d) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(e) Provident Fund

Pending the issuance of the Guidance Note from the Institute of Actuaries of India, the Company's actuary has expressed his inability to reliably measure the provident fund liability.

NOTE 55

Other Particulars : ₹ in Crore (10 Million)

	2011-12	2010-11
(a) Expenditure in Foreign Currency on account of		
(i) Consultancy and know-how fee	**0.79**	1.23
(ii) Interest	**0.23**	1.39
(iii) Others	**0.95**	0.36
	1.97	2.98
(b) Earning in Foreign Currency on account of FOB value of Exports	**-**	-
(c) C.I.F. Value of Imports :		
(i) Raw Materials	**-**	4.16
(ii) Power & Fuel	**8.97**	9.13
(iii) Stores and Spares	**5.59**	8.38
(iv) Capital Goods	**16.84**	26.37
	31.40	48.04

NOTE 56

Current year accounts have been prepared in accordance with the Revised Schedule- VI and previous year's figures have been re-grouped /re-classified accordingly.

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
Firm's Registration No. 301051E
Membership No. 85155
New Delhi, the 16th May, 2012

B.K. DAGA
Vice President & Company Secretary

H.S. SINGHANIA — *Chairman*
B.H. SINGHANIA — *Vice Chairman & Managing Director*
VINITA SINGHANIA — *Managing Director*

B. V. BHARGAVA
KASHI NATH MEMANI
N.G. KHAITAN
RAJ KUMAR BANSAL
RAVI JHUNJHUNWALA
Dr. R.P. SINGHANIA
S. CHOUKSEY
S.K. WALI
— Directors

CASH FLOW STATEMENT
For the Year Ended 31st March 2012

₹ in Crore (10 Million)

		2011-12		2010-11	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax and Exceptional Items	**181.98**		78.79	
	Adjustments for:				
	Depreciation and Amortisation	**129.73**		84.61	
	Interest & Dividend Income	**(5.61)**		(9.60)	
	Profit on sale of Assets & Current Investments (Net)	**(54.41)**		(19.51)	
	Interest Expenses (Gross)	**79.66**		60.48	
	Provision for doubtful debts	**-**		0.11	
	Foreign Exchange Rate Difference	**-**		0.18	
	Operating Profit before Working Capital changes	**331.35**		195.06	
	Adjustments for:				
	Trade and Other Receivables	**(30.12)**		18.33	
	Inventories	**(0.17)**		(45.15)	
	Trade and Other Payables	**119.94**		25.08	
	Cash generated from Operations	**421.00**		193.32	
	Income Tax Payments	**(43.18)**		(18.83)	
	Net Cash from Operating Activities		**377.82**		174.49
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	**(489.19)**		(311.47)	
	Sale of Fixed Assets	**1.78**		1.12	
	(Purchase) / Sale of Investments (net)	**127.76**		(28.24)	
	Dividend Received	**-**		0.63	
	Interest Received	**6.10**		20.50	
	Net Cash from / (used in) Investing Activities		**(353.55)**		(317.46)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Buy-Back of Equity Shares	**(0.05)**			
	Proceeds from Long-term borrowings	**345.00**		203.33	
	Repayment of Long-term borrowings	**(255.47)**		(117.22)	
	Short-term borrowings (net)	**(16.89)**		9.44	
	Interest paid	**(79.79)**		(60.16)	
	Dividend paid (including Dividend Distribution Tax)	**(17.56)**		(21.47)	
	Net Cash from / (used in) Financing Activities		**(24.76)**		13.92
D.	Increase / (Decrease) in Cash and Cash Equivalents		**(0.49)**		(129.05)
E.	Cash and Cash Equivalents as at the beginning of the year		**91.34**		220.39
F.	Cash and Cash Equivalents as at the close of the year		**90.85**		91.34

Notes :

1.	Cash and Cash Equivalents include:				
	– Cash, Cheques in hand and remittances in transit		**28.88**		24.52
	– Balances with Scheduled Banks		**61.97**		66.82
			90.85		91.34

2 Previous year's figures have been re-arranged and re-cast wherever necessary.

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
Firm's Registration No. 301051E
Membership No. 85155
New Delhi, the 16th May, 2012

B.K. DAGA
Vice President & Company Secretary

H.S. SINGHANIA — *Chairman*
B.H. SINGHANIA — *Vice Chairman & Managing Director*
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RAJ KUMAR BANSAL
RAVI JHUNJHUNWALA
Dr. R.P. SINGHANIA
S. CHOUKSEY
S.K. WALI
— Directors

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956

1.	Name of the Subsidiary Company		**Hansdeep Industries & Trading Co. Ltd**
2.	Financial year of the Company ended on		**31.03.2012**
3.	Shares held in the Subsidiary Company on the above date :		
	(i) Number - Equity		**50007**
	(ii) Extent of holding		**100%**
4.	The net aggregate amount of the Profits/ (losses) of the Subsidiary Company as far as it concerns the members of the Holding Company :		
	(i) Not dealt with in the Holding Company's Accounts :		
	(a) For the Financial year of the Subsidiary	₹	**18080**
	(b) For the previous Financial years since it became the Holding Company's Subsidiary	₹	**136471**
	(ii) Dealt with in the Holding Company's Accounts :		
	(a) For the Financial year of the Subsidiary	₹	**Nil**
	(b) For the previous Financial years since it became the Holding Company's Subsidiary	₹	**Nil**
	Additional Information u/s 212 (8)		**Not applicable**

		H.S. SINGHANIA		*Chairman*
		B.H. SINGHANIA		*Vice Chairman & Managing Director*
		VINITA SINGHANIA		*Managing Director*
		B. V. BHARGAVA	RAVI JHUNJHUNWALA	
		KASHI NATH MEMANI	Dr. R.P. SINGHANIA	Directors
	B.K. DAGA	N.G. KHAITAN	S. CHOUKSEY	
New Delhi, the 16th May, 2012	Vice President & Company Secretary	RAJ KUMAR BANSAL	S.K. WALI	

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF JK LAKSHMI CEMENT LIMITED

We have audited the attached Consolidated Balance Sheet of JK Lakshmi Cement Limited and its subsidiary Company as at 31st March 2012, and also the related Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year then ended.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects in accordance with an identified financial reporting frame work and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiary company, Hansdeep Industries and Trading Co. Ltd., whose financial statements reflect total assets of ₹ 5.68 lacs as at 31st March 2012 and total revenues of ₹ 0.43 lacs for the year ended. This statement was audited by other auditor whose report has been furnished to us and our opinion, in so far as it relates to this Company is based solely on the report of the other auditor.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, on the basis of the individual financial statements of JK Lakshmi Cement Limited and its subsidiary company included in the aforesaid consolidation.

On the basis of the information and explanations given to us and on the consideration of the separate audit report on individual audited financial statements of the Company and its Subsidiary included in the Consolidated Financial Statements, we are of the opinion that the said consolidated financial statements read together with notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India subject to Note 4 regarding non-preparation of notes and schedules as stated in the said note :

a) In the case of Consolidated Balance Sheet, of the consolidated state of affair of the Company and its subsidiary as at 31st March 2012.

b) In the case of Consolidated Statement of Profit & Loss of the consolidated results of operation of the Company and its subsidiary for the year then ended; and

c) In the case of Consolidated Cash Flow Statement, of the consolidated cash flow of the Company and its subsidiary for the year then ended.

For LODHA & CO.
Chartered Accountants

N. K. LODHA
Partner

Place: New Delhi — Firm's Registration No. 301051E

Date: 16th May, 2012 — Membership No. 85155

CONSOLIDATED BALANCE SHEET
As at 31st March 2012

₹ in Crores (10 Million)

Particulars	31st March 2012		31st March 2011	
I. EQUITY AND LIABILITIES				
(1) SHAREHOLDERS' FUNDS				
(a) Share Capital	**61.19**		61.19	
(b) Reserves and Surplus	**1114.00**		985.14	
		1175.19		1046.33
(2) NON-CURRENT LIABILITIES				
(a) Long-Term Borrowings	**908.25**		816.88	
(b) Deferred Tax Liabilities (Net)	**123.31**		107.22	
(c) Other Long-Term Liabilities	**30.76**		28.02	
(d) Long Term Provisions	**3.86**		3.39	
		1066.18		955.51
(3) CURRENT LIABILITIES				
(a) Short-Term Borrowings	**6.34**		23.23	
(b) Trade Payables	**104.74**		78.99	
(c) Other Current Liabilities	**401.61**		310.45	
(d) Short-Term Provisions	**31.61**		23.23	
		544.30		435.90
Total		**2785.67**		2437.74
II. ASSETS				
(1) NON -CURRENT ASSETS				
(a) Fixed Assets				
(i) Tangible Assets	**1325.14**		1375.74	
(ii) Intangible Assets	**4.19**		5.30	
(iii) Capital Work-in-Progress	**294.05**		40.90	
(b) Non-Current Investments	**6.27**		5.92	
(c) Long term Loans and Advances	**369.16**		190.69	
(d) Other Non-Current Assets	**1.82**		2.59	
		2000.63		1621.14
(2) CURRENT ASSETS				
(a) Current Investments	**447.49**		521.84	
(b) Inventories	**120.09**		119.92	
(c) Trade Receivables	**38.24**		27.95	
(d) Cash and Bank Balances	**89.03**		88.75	
(e) Short-term Loans and Advances	**89.65**		56.33	
(f) Other Current Assets	**0.54**		1.81	
		784.04		816.60
Total		**2785.67**		2437.74

Notes on Financial Statements 1-4

H.S. SINGHANIA — *Chairman*
B.H. SINGHANIA — *Vice Chairman & Managing Director*
VINITA SINGHANIA — *Managing Director*

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
Firm's Registration No. 301051E
Membership No. 85155
New Delhi, the 16th May, 2012

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Dr. R.P. SINGHANIA
S. CHOUKSEY
S.K. WALI
Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
For The Year Ended 31st March 2012

₹ in Crore (10 Million)

		2011-12	2010-11
I.	**Revenue from operations**	**1921.63**	1491.26
	Less : Excise Duty	**203.53**	169.02
	Revenue from operations(Net)	**1718.10**	1322.24
II.	Other Income	**63.40**	33.05
III.	**Total Revenue (I+II)**	**1781.50**	1,355.29
IV.	**EXPENSES**		
	a) Cost of Materials consumed	**285.98**	271.11
	b) Purchase of stock-in-trade	**80.95**	20.19
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	**0.58**	(35.06)
	d) Employee benefit expense	**98.38**	80.29
	e) Other expenses	**924.23**	794.88
	Total Expenses	**1390.12**	1,131.41
V.	**Profit before Interest, Depreciation & Tax (PBIDT) (III - IV)**	**391.38**	223.88
	Finance Costs	**79.66**	84.61
	Depreciation and Amortization Expense	**129.73**	60.48
VI.	**Profit before Exceptional Items and Tax**	**181.99**	78.79
VII.	**Exceptional Items**	**39.24**	-
VIII.	**Profit beforeTax (VI - VII)**	**142.75**	78.79
IX.	**Tax Expense:**		
	(1) Current tax (MAT)	**30.93**	15.60
	Less: MAT credit entitlements	**(13.07)**	(11.69)
	Net Current tax	**17.86**	3.91
	(2) Deferred tax	**16.09**	15.12
	(3) Tax adjustments for earlier years	**0.01**	0.63
X.	**Profit for the period**	**108.79**	59.13
XI.	**Earning per Equity Share (₹):**		
	Cash	**24.02**	12.98
	Basic and Diluted	**8.89**	4.83
	Notes on Financial Statements 1 - 4		

As per our report of even date

For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
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Membership No. 85155
New Delhi, the 16th May, 2012

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Dr. R.P. SINGHANIA
S. CHOUKSEY
S.K. WALI
Directors

CONSOLIDATED CASH FLOW STATEMENT
For the Year Ended 31st March, 2012

₹ in Crore (10 Million)

		2011-12		2010-11	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax and Exceptional Items	**181.98**		78.79	
	Adjustments for:				
	Depreciation & Amortisation	**129.73**		84.61	
	Interest and Dividend Income	**(5.61)**		(9.60)	
	Profit on sale of assets & investments (net)	**(54.41)**		(19.51)	
	Interest expenses (Gross)	**79.66**		60.48	
	Provision for doubtful debts	**-**		0.11	
	Foreign Exchange rate difference	**-**		0.18	
	Operating Profit before Working Capital changes	**331.35**		195.06	
	Adjustments for:				
	Trade and Other Receivables	**(30.12)**		18.33	
	Inventories	**(0.17)**		(45.15)	
	Trade and Other Payables	**119.94**		25.08	
	Cash generated from Operations	**421.00**		193.32	
	Income Tax Payments	**(43.18)**		(18.83)	
	Net Cash from Operating Activities		**377.82**		174.49
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	**(489.19)**		(311.47)	
	Sale of Fixed Assets	**1.78**		1.12	
	(Purchase) / Sale of Investments (net)	**127.76**		(28.24)	
	Dividend Received	**-**		0.63	
	Interest Received	**6.10**		20.50	
	Net Cash from / (used in) Investing Activities		**(353.55)**		(317.46)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Buy-Back of Equity Shares	**(0.05)**		-	
	Proceeds from long-term borrowing	**345.00**		203.33	
	Repayment of Long-term borrowings	**(255.47)**		(117.22)	
	Short-term borrowings (net)	**(16.89)**		9.44	
	Interest paid	**(79.79)**		(60.16)	
	Dividend Paid (including dividend distribution tax)	**(17.56)**		(21.47)	
	Net Cash from / (used in) Financing Activities		**(24.76)**		13.92
D.	Increase / (Decrease) in Cash and Cash Equivalents		**(0.49)**		(129.05)
E.	Cash and Cash Equivalents as at the beginning of the year		**91.34**		220.39
F.	Cash and Cash Equivalents as at the close of the year		**90.85**		91.34

Notes :

1.	Cash and Cash Equivalents include :		
	– Cash, Cheques in hand and remittances in transit	**28.88**	24.52
	– Balances with Scheduled Banks	**61.97**	66.82
		90.85	91.34

2. Previous year's figures have been re-arranged and re-cast wherever necessary.

Notes to the Consolidated Financial Statements

1. The Accounts have been prepared to comply with the requirements of Accounting Standard – 21 to include all material items.
2. Consolidated Financial Statements (CFS) comprised the financial statements of JK Lakshmi Cement Limited and its subsidiary Hansdeep Industries & Trading Co Ltd. (Shareholding 100%, Incorporated in India) as on 31st March 2012.
3. The Consolidated Financial Statements have been prepared based on a line-by-line consolidation using uniform accounting policies for like transactions and other events in similar circumstances. The effects of intra group transactions are eliminated in consolidation.
4. In view of insignificant / negligible transactions of the Subsidiary Company, notes and schedules are not prepared.

As per our report of even date
For LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
Firm's Registration No. 301051E
Membership No. 85155
New Delhi, the 16th May, 2012

B.K. DAGA
Vice President & Company Secretary

H.S. SINGHANIA — *Chairman*
B.H. SINGHANIA — *Vice Chairman & Managing Director*
VINITA SINGHANIA — *Managing Director*

B. V. BHARGAVA, KASHI NATH MEMANI, N.G. KHAITAN, RAJ KUMAR BANSAL, RAVI JHUNJHUNWALA, Dr. R.P. SINGHANIA, S. CHOUKSEY, S.K. WALI — Directors

JK LAKSHMI CEMENT Ltd.

Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi -110 002

NOTICE

NOTICE is hereby given that the 72nd Annual General Meeting of the Members of **JK LAKSHMI CEMENT LIMITED** will be held at the Registered Office of the Company at Jaykaypuram-307 019, Basantgarh, Dist. Sirohi, Rajasthan, on Saturday, the **4th August 2012** at 2.00 P.M., to transact the following business:

1. To receive, consider and adopt the Audited Accounts of the Company for the financial year ended 31st March 2012 and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Dr. Raghupati Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Kashi Nath Memani, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Pradeep Dinodia, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration and in connection therewith to pass, with or without modification(s), the following as **Ordinary Resolution:**

   "RESOLVED that pursuant to the provisions of Section 224 of the Companies Act 1956, M/s. Lodha & Co., Chartered Accountants, New Delhi (Registration No. 301051E) be and are hereby appointed as Auditors of the Company from the conclusion of the 72nd Annual General Meeting upto the conclusion of the next Annual General Meeting on a remuneration of ₹ 8,00,000 (Rupees Eight Lacs only) excluding service tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit."

AS SPECIAL BUSINESS:

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

   "RESOLVED that Shri Ravi Jhunjhunwala, whose appointment as Additional Director on the Board determines on the date of the present Annual General Meeting, be and is hereby appointed as a Director liable to retire by rotation on the Board."
8. To consider and if thought fit to pass, with or without modification(s), the following as **Special Resolution:**

   "RESOLVED that pursuant to sub-sections (4) and (7) of Section 309 of the Companies Act 1956 and Article 105B of the Articles of Association of the Company (Articles), approval of the Company be and is hereby accorded and it shall always be deemed to have been accorded to the payment of commission not exceeding 1% of the annual net profits of the Company computed in the manner referred to in sub-section (1) of Section 198 read with Sections 349 and 350 and other applicable provisions of the said Act for a period of five financial years commencing 1st April 2012 in the manner provided by the Articles to the Directors other than the Managing Director(s) and Whole-time Director(s) of the Company (Non-executive Directors), who may in their discretion accept a lower amount in any year or years."

By Order of the Board

Regd. Office:
Jaykaypuram-307 019
Basantgarh, Dist. Sirohi (Rajasthan)
16th May 2012

B.K. Daga
Vice President &
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956 is annexed.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 1st August 2012 to 4th August 2012 (both days inclusive).
4. The Dividend @ ₹ 2 per Equity Share of ₹ 5 each (40%) as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to the Members whose names are borne on the Company's Register of Members on 4th August 2012 or to their mandatees. In respect of shares held by the Members in dematerialised form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.
5. Appointment of Directors

   Brief resumes of the Directors proposed to be re-appointed (item Nos. 3, 4 and 5) are given hereunder:

Name	**Dr. Raghupati Singhania**	**Shri K.N.Memani**	**Shri Pradeep Dinodia**
Age	65 Years	73 Years	58 Years
Qualification	B.Sc., Honorary Doctorate in Science	FCA	LLB, FCA
Expertise in Specific Functional Areas	Industrialist	Self Employed	Chartered Accountant in Whole Time Practice
Date of Appointment on the Board	04th June 1991	5th August 2008	16th March 2009
Name (s) of other Companies in which Directorships held (as per Section 275 and 278 of the Companies Act 1956)	Chairman : –Fenner (India) Ltd. Vice Chairman & Managing Director: –JK Tyre & Industries Ltd. Director: –JK Agri Genetics Ltd. –DCM Engineering Ltd. –Radico Khaitan Ltd. –Bengal & Assam Company Ltd.	Director : –Aegon Religare Life Insurance Company Ltd. –Chambal Fertilisers and Chemicals Ltd. –Great Eastern Energy Corporation Ltd. –Emami Ltd. –DLF Ltd. –HEG Ltd. –ICICI Venture Funds Management Company Ltd. –HT Media Ltd. –National Engineering Industries Ltd. –Spice Mobility Ltd. –Spice Digital Ltd. –Invest India	Chairman: Shriram Pistons & Rings Ltd. Director : –DCM Shriram Consolidated Ltd. –Hero MotoCorp Ltd. –Hero Corporate Services Ltd. –DFM Foods Ltd. –Micromatic Grinding Technologies Ltd. –SPR International Auto Exports Ltd. –Ultima Finvest Ltd.

Name	**Dr. Raghupati Singhania**	**Shri K.N.Memani**	**Shri Pradeep Dinodia**
Name (s) of Companies in which Committee Membership (s)/ Chairmanship (s) held (as per Clause 49 of the Listing Agreement)	Member- Audit Committee: –Radico Khaitan Ltd.	Chairman - Audit Committee: –Great Eastern Energy Corporation Ltd. –HT Media Ltd. –ICICI Venture Funds Management Company Ltd. –Spice Mobility Ltd. –DLF Limited. Member - Audit Committee: –Aegon Religare Life Insurance Company Ltd. –Chambal Fertilisers and Chemicals Ltd. –Spice Digital Ltd. –National Engineering Industries Ltd. Member-Shareholder/ Investor Grievance Committee : –Great Eastern Energy Corporation Ltd.	Chairman- Audit Committee: –Hero MotoCorp Ltd. –Hero Corporate Services Ltd. –DFM Foods Ltd. Member-Audit Committee: –DCM Shriram Consolidated Ltd. –Shriram Pistons & Rings Ltd. Chairman- Shareholders/ Investor Grievance Committee: –DCM Shriram Consolidated Ltd. Member- Shareholder/ Investor Grievance Committee: –Shriram Pistons & Rings Ltd. –Hero MotoCorp Ltd.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT 1956

Item No. 7

Shri Ravi Jhunjhunwala was appointed as Additional Director on the Board w.e.f. 26th March 2012 and holds office upto the date of the present Annual General Meeting, pursuant to Section 260 of the Companies Act 1956 (Act). Requisite Notice under Section 257 of the Act, has been received from a member of the Company, signifying his intention to propose the name of Shri Jhunjhunwala for appointment as Director liable to retire by rotation.

Information about the Appointee Director:

Shri Ravi Jhunjhunwala, aged 56 years, holds a Graduate degree in Commerce. He did his MBA from the Centre D'etudes Industrielles (CEI), Geneva (now IMI, Lausanne). Shri Ravi Jhunjhunwala is the Chairman & Managing Director of ₹ 4,739 crore(over $1b) LNJ Bhilwara Group. The group is a diversified conglomerate in Textiles, Graphite Electrodes, Power and IT enabled services. The group, under his leadership, has played a pioneering role in many contemporary businesses and today, has 14 Companies (six of them listed) with impeccable financial health. Shri Jhunjhunwala is the Managing Director of HEG Ltd. Due to his vision and management, HEG Ltd. now possesses the world's largest single location plant for Graphite Electrodes with an installed Capacity of approx. 85,000 mt.

In the mid-nineties, Shri Jhunjhunwala embarked on a strategic business diversification plan of entering into Hydro Power Generation. In 1996 he was handed over charge of the entire group and took over as Chairman of the LNJ Bhilwara Group. His vision has enabled the Group gain significant stature on the global platform with presence in more than 75 countries across continents.

Shri Ravi Jhunjhunwala is also active on number of National Management/Industry Forums and is associated with various Trade/Industry bodies including CII and FICCI. He is also an active member of World Presidents Organization (WPO).

Shri Jhunjhunwala is Chairman & Managing Director on the Boards of HEG Ltd. and Malana Power Company Ltd. and is a Director on the Boards of RSWM Ltd., Maral Overseas Ltd., Bhilwara Energy Ltd., AD Hydro Power Ltd., Cheslind Textiles Ltd., Indo Canadian Consultancy Services Ltd., BSL Ltd., Bhilwara Green Energy Ltd., NJC Hydro Power Ltd. and India Glycols Ltd. Shri Jhunjhunwala is also Chairman of the Audit Committee of Malana Power Company Ltd. and AD Hydro Power Ltd. and Member of the Shareholders'/Investors Grievance Committee of HEG Ltd. & BSL Ltd.

None of the Directors other than Shri Ravi Jhunjhunwala for himself may be deemed to be concerned or interested in the aforesaid resolution.

Item No. 8

Under Article 105B of the Articles of Association of the Company read with Section 309(4) of the Companies Act 1956, the Directors other than the Managing/Whole-time Directors of the Company are entitled to receive as remuneration a commission not exceeding 1% of the annual net profits of the Company, in addition to sitting fees for every meeting of the Board/ Committee of Directors attended by them. The Company had earlier, at its Annual General Meeting held on 12th July 2007, authorised payment of such commission for a period of five years w.e.f. 1st April 2007. It is considered desirable to take fresh approval of the Shareholders to pay to the Directors other than Managing/ Whole-time Directors remuneration by way of commission not exceeding 1% of annual net profits of the Company for a period of five financial years w.e.f. 1st April 2012. The proposed resolution is accordingly recommended for approval of the Shareholders by means of a Special Resolution.

Each of the Directors of the Company excepting the Managing Directors and the Whole-time Directors may be deemed to be concerned or interested in the resolution to the extent of the entitlement of their share of remuneration by way of commission.

By Order of the Board

Regd. Office:
Jaykaypuram-307 019
Basantgarh, Dist. Sirohi (Rajasthan)
16th May 2012

B.K. Daga
Vice President &
Company Secretary

FOR ATTENTION OF THE SHAREHOLDERS

1. Members/ Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
2. Please check the Pincode in the address slip and advise correction, if any, therein. Also please do indicate the Pincode Number of your delivery post office while notifying change in your address to the Company where shares are held in physical form.
3. Requests for transfer of Equity Shares and related correspondence should be addressed to the **Company's Registrar and Share Transfer Agents : MCS Limited**, F-65, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 (RTA). The Shareholders may approach their Depository Participant for getting their shares dematerialised and in respect of shares already held in dematerialised mode for registration of change in their addresses, bank mandates, nominations, etc.
4. Transferee(s) seeking transfer of shares in physical form should furnish copy of their PAN card to the Company / RTA for registration of transfer of shares.
5. Shareholders having multiple folios are requested to write to the RTA for consolidation of the Folios to save the administrative or servicing cost.
6. Investor Grievances can be lodged electronically online with the RTA. Please log on to **www.mcsdel.com** and click on Investors Services to register your queries/ grievances which will be promptly responded by the RTA. Please write to the Company Secretary at Gulab Bhawan (Rear Block), 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi- 110 002 or E-mail: bkdaga@jkmail.com in case their response is not received within a week's time. Shareholder can also write to the Company in this regard.
7. **Unclaimed Dividend**: Shareholders who have not claimed their dividend for the financial years 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 may send their unclaimed dividend warrants to the Company Secretary for revalidation at the address given at Point No.6 above.
8. **Nomination**: Pursuant to Section 109A of the Companies Act 1956, individual Shareholders holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the shares of the Company shall vest in the event of death of the sole/ all joint Shareholders.
9. **Dematerialisation of Shares and Liquidity**: Members may in their own interest consider dematerialisation of their shareholding in the Company held in physical form. Dematerialisation facility is available both on NSDL and CDSL. *Company's ISIN No. is INE786A01032*.
10. **Unclaimed Suspense Account**- Pursuant to Clause 5A of the Listing Agreement, the Company has through its RTA sent requisite Reminders to Shareholders whose share certificates were returned to the Company as undelivered mail or lying unclaimed and transferred the unclaimed equity shares to "Unclaimed Suspense Account".

    The "Unclaimed Suspense Account' shall be held by the Company purely on behalf of the allottees and the Shares held in such Suspense Account shall not be transferred except to the allottees as and when they approach the Company/its RTA along with documentary evidence to prove their identity, such as, passport, voter's ID card, PAN etc. Shareholders may opt either for credit of shares lying in the "Unclaimed Suspense Account" to their respective demat accounts or for obtaining the physical certificates.
11. Shareholders are requested to quote their Folio No./DPID Client ID and details of shares held in physical/demat mode, e-mail IDs and Telephone/Fax Nos. for prompt reply to their communications.

Green Initiative in Corporate Governance: Register E-mail Address

The Ministry of Corporate Affairs has permitted companies to send various notices/ documents under the Companies Act 1956, to its shareholders, through electronic mode. We request the Members to support this initiative and register their E-mail addresses in respect of shares held in : (1) dematerialised mode, with their Depository Participants; and (2) physical mode with MCS Ltd. (RTA). Please quote the following particulars in the E-mail Registration Request : Folio No./ DP ID- Client ID, PAN, Name(s) of Registered Holder(s), Address, Telephone and E-mail Address (to be registered for sending future communications through E-mail) and send the same under your signature(s).

JK LAKSHMI CEMENT Ltd.

Regd. Office: Jaykaypuram-307 019, Basantgarh, Distt. Sirohi, Rajasthan

ADMISSION SLIP

Folio No. / DP ID / Client ID #	
No. of Equity Shares held	

I hereby record my presence at the 72nd Annual General Meeting of the Company being held at Jaykaypuram-307 019, Basantgarh, Distt. Sirohi, Rajasthan on Saturday, the **4th August 2012** at 2.00 P.M.

Name of the Shareholder (in block letter)
Name of Proxy /Authorised Representative attending* (in block letter)

*Strike out whichever is not applicable

#Applicable for shareholders holding shares in dematerialised form.

Signature of the attending Shareholder/Proxy/Authorised Representative*

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

JK LAKSHMI CEMENT Ltd.

Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi -110 002

PROXY FORM

I / We -
of - being a member / members of JK Lakshmi Cement Ltd. hereby appoint
Shri/Smt./Km. - of -
or failing him Shri/Smt./Km./- of -
or failing him Shri/Smt./Km./- of -
as my / our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the 72nd Annual General Meeting of the Company to be held on Saturday, the 4th August 2012 at 2.00 P.M. and at any adjournment thereof.

Signed this - - - - - - - day of - - - - - - - - 2012.

Folio No./DPID - Client ID #	
No. of Equity Shares held	

Signature(s) . . . .

Affix Revenue Stamp

Applicable for Shareholders holding shares in dematerialised form.

Note : The proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company at Jaykaypuram-307019, Basantgarh, Dist. Sirohi, Rajasthan, at least 48 hours before the scheduled time.