



THE
INDIA CEMENTS
LIMITED

ANNUAL REPORT

2012



DR. B.S.ADITYAN, DIRECTOR, UNVEILING THE PORTRAIT OF SRI T.S.NARAYANASWAMI, FOUNDER

66th Annual General Meeting

Date : 13th August, 2012
Time : 10.00 A.M
Venue : Sathguru Gnanananda Hall
 (Narada Gana Sabha)
 No.314, T.T.K. Road
 Alwarpet
 Chennai 600 018

A REQUEST

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

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THE INDIA CEMENTS LIMITED



BOARD OF DIRECTORS

Sri N.Srinivasan	Vice Chairman & Managing Director
Mrs Chitra Srinivasan	
Ms Rupa Gurunath	Wholetime Director
Dr. B.S.Adityan	
Sri Arun Datta	
Sri R.K.Das	
Sri N.R.Krishnan	
Sri V.Manickam	(Nominee of Life Insurance Corporation of India)
Sri K.P.Nair	(Nominee of IDBI Bank Limited)
Sri A.Sankarakrishnan	
Sri N.Srinivasan	

Auditors

Messrs Brahmayya & Co. and
Messrs P.S. Subramania Iyer & Co.,
Chartered Accountants
Chennai.

Registered Office

“Dhun Building”
827, Anna Salai
Chennai - 600 002.

Corporate Office

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

Cement Factories

TAMIL NADU
Sankarnagar,
Tirunelveli District.
Sankari,
Salem District.
Dalavoi,
Ariyalur District.

ANDHRA PRADESH
Chilamakur & Yerraguntla,
Kadapa District.
Vishnupuram,
Nalgonda District.
Malkapur,
Ranga Reddy District.

Grinding Units

TAMIL NADU
Vallur Village,
Tiruvallur District.

MAHARASHTRA
Parli Vaijnath,
Beed District.



THE INDIA CEMENTS LIMITED

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

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

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixtysixth Annual General Meeting of The India Cements Limited will be held at 10.00 A.M. on Monday, the 13th August 2012, at Sathguru Gnanananda Hall, (Narada Gana Sabha), No. 314, T.T.K. Road, Alwarpet, Chennai 600018, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, the accounts of the Company for the year ended 31st March 2012 and the Auditors' Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Sri N.Srinivasan (Retd. M/s.Fraser & Ross) who retires by rotation and is eligible for reappointment.
4. To appoint a Director in the place of Sri V.Manickam who retires by rotation and is eligible for reappointment.
5. To appoint a Director in the place of Sri A.Sankarakrishnan who retires by rotation and is eligible for reappointment.
6. To appoint Auditors and fix their remuneration:

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

"RESOLVED THAT M/s.Brahmayya & Co. (Registration No.000511S) and M/s.P.S.Subramania Iyer & Co., (Registration No.004104S) Chartered Accountants, Chennai, be and are hereby appointed Auditors of the Company including its branch offices to hold office from the conclusion of the sixtysixth Annual General Meeting until conclusion of the sixtyseventh Annual General Meeting and that their remuneration be and is hereby fixed at Rs.40,00,000/- each, exclusive of service tax and all travelling and out of pocket expenses which shall be reimbursed to them."

SPECIAL BUSINESS:

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

"RESOLVED THAT subject to the consent of the financial institutions and other approvals as may be required and pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval and consent for the reappointment of Sri N.Srinivasan as Managing Director of the Company for a period of five years with effect from 15th September, 2012 and for the payment of remuneration to him for his services as Managing Director as set out hereunder:

a) Salary: Rs.30,00,000/- per month.

b) Commission:

Such percentage of commission (in addition to salary, allowances, perquisites and benefits hereinafter stated) calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors which together with salary and monetary value of allowances, perquisites and benefits shall not exceed the ceiling laid down under Section 309 of the Companies Act, 1956.

c) Allowances and other Perquisites:

i) Housing:

Rent free accommodation will be provided to Sri N.Srinivasan for which 10% of his salary will be recovered. In case no accommodation is provided by the Company, house rent allowance at 30% of his salary, shall be paid. In addition, he shall be allowed free use of the Company owned furniture and other consumer durables, as required.

ii) Others:

In addition, Sri N.Srinivasan will be entitled to other allowances and perquisites together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel allowance for himself and his family, club fees, personal accident insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors with Sri N.Srinivasan, so however, that the value of such perquisites and allowances will be subject to a maximum of 45% of his annual salary.

Perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Provision for the use of Company's car for official duties and telephone, tele fax, audio / video conferencing and other communication facilities at residence will not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the rules of the Company applicable to senior management personnel and encashment of leave at the end of his tenure shall not be included in the computation of limits for the perquisites and allowances as aforesaid."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary from time to time, the percentage and quantum of the commission payable to the Managing Director, provided that the total remuneration payable whether by way of salary, perquisites, commission, allowances and benefits, shall not exceed the ceiling laid down under Section 309 of the Companies Act, 1956."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company will pay remuneration by way of salary, allowances, perquisites and benefits as specified above as minimum remuneration, subject to obtaining requisite approvals."

"RESOLVED FURTHER THAT the scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged or varied by the Board of Directors, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 1956 and / or the rules and regulations made thereunder and / or such guidelines as may be announced by the Government of India, from time to time."

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

"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and / or charging by the Board of Directors of the Company and / or conferring power to enter upon and to take possession of the assets of the Company in certain events to or in favour of Bank(s) / Security Trustee / Debenture Trustee for the debenture holders to secure the following loans / debentures, by way of a first mortgage/charge on all of the immovable and movable fixed assets of the Company, present and future:

(i) ICICI Bank Limited for its:

- (a) External Commercial Borrowing of USD 60 Million equivalent to Rs.2700 Million,
- (b) 11.25% - 4000 Secured Redeemable Non-Convertible Debentures of the face value of Rs.5 lakhs each, aggregating to Rs.200 crores and

(ii) Axis Bank Limited for its Term Loan of Rs.300 crores,

together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or redemption, remuneration payable to trustees, costs, charges, expenses and other monies payable by the Company to the aforesaid Banks / Security Trustee / Debenture Trustee for the debenture holders in terms of their heads of agreements / loan agreements / hypothecation agreements / debenture issue / subscription agreements / Trustee agreements / letters of sanction / memorandum of terms and conditions entered into / to be entered into by the Company in respect of the said loans / debentures."



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

NOTES:

1. Explanatory Statement is annexed to the Notice of the Sixtysixth Annual General Meeting of the Company as required by Section 173(2) of the Companies Act, 1956 in respect of items no.7 & 8.
2. Details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking reappointment at the Annual General Meeting are annexed hereto for items no. 3 to 5 & 7.
3. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 8th August, 2012 to 13th August, 2012 (both days inclusive).
5. The equity dividend, if declared, will be paid on or before 11th September, 2012 to those Members (or their mandatees) whose names will appear in the Company's Register of Members as on 13th August, 2012. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose.
6. Members are requested to contact the Registrar and Share Transfer Agent for all matters connected with the Company's shares at Integrated Enterprises (India) Limited, 2nd Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai 600017. Tel.: 044-28140801 to 28140803 & Fax : 044-28142479; Email: corpseiv@integratedindia.in.

Members holding shares in physical form are requested to notify change of address, if any, to the Registrar and Share Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates for consolidation of their holdings into one folio. In order to provide protection against fraudulent encashment of dividend warrants, members are requested to provide, if not already provided, their bank account number, name of the bank and address of the branch, quoting their folio numbers, to the Registered Office / Corporate Office of the Company or RTA.

7. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
8. Unclaimed dividends upto and including for the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants relating to financial year(s) upto 1994-95 may claim the same from the Registrar of Companies, Tamil Nadu-I, Chennai, No.26, Haddows Road, Chennai 600006, in the prescribed form which will be supplied by the Company / RTA on request.
9. Unclaimed dividends for the financial years from 1995-96 to 2000-01 have been transferred to Investor Education and Protection Fund. Dividend for the financial years ended 31st March 2007, 31st March 2008, 31st March 2009, 31st March 2010 and 31st March 2011 which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund established under Section 205C of the Companies Act, 1956. Shareholders who have not encashed the dividend warrant(s) so far for the financial years ended 31st March 2007, 31st March 2008, 31st March 2009, 31st March 2010 and 31st March 2011 are requested to make their claim forthwith to the Registered / Corporate Office of the Company / RTA. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, as above, no claim shall lie in respect thereof.

10. Under the provisions of Sections 109A and 109B of the Companies Act, 1956, shareholder(s) is/are entitled to nominate in the prescribed manner, a person to whom his/her/their shares in the Company, shall vest after his/her/their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company / RTA.
11. The Company has been providing ECS facility to all shareholders, holding shares in electronic and physical forms. As per RBI's notification, with effect from 1st October 2009, the remittance of money through ECS has been replaced by National Electronic Clearing Service (NECS). NECS operates on the new and unique bank account number allotted by banks post implementation of the Core Banking Solutions (CBS). Pursuant to implementation of CBS, your bank account number may have undergone a change, which is required to be communicated by you to your Depository Participant (in case of shareholders holding shares in dematerialized form) or to the Company's Share Transfer Agent (in case of shareholders holding shares in physical form).
12. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transfer / transmission / transposition, is now mandatory.
13. The Ministry of Corporate Affairs vide Circular No.17/2011 and 18/ 2011 dated 21.04.2011 and 29.04.2011 respectively, clarified that a company would have complied with Section 53 of the Companies Act, 1956, if the service of document has been made through electronic mode provided the Company has obtained e-mail addresses of its members for sending the notice/documents through e-mail. A recent amendment to the listing agreement with the stock exchanges permits companies to send soft copies of the annual reports to all those shareholders who have registered their e-mail address for the said purpose. Members are requested to register their e-mail address and changes therein from time to time, with their Depository Participant (in case of shares held in dematerialised form) or with the Company's Share Transfer Agent (in case of shares held in physical form) for receiving annual reports electronically.

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

Place: Chennai
Date : 25th April, 2012

G BALAKRISHNAN
President & Company Secretary

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE REAPPOINTED, VIDE ITEMS NO. 3 to 5 & 7 OF NOTICE DATED 25TH APRIL 2012.

(i) Name of the Director	:	Sri N.Srinivasan (Retd. M/s. Fraser & Ross)
Date of Birth	:	27 th July 1931
Date of appointment on the Board as Director	:	30 th September 2006
Date of last reappointment as Director	:	7 th August 2009
Expertise in specific functional areas	:	Finance, Accounts and Audit
Qualification	:	B.Com., C.A.
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	:	Nil
List of outside Directorships held in Public Companies	:	1. Ador Fontech Limited 2. Best & Crompton Engg. Limited 3. Essar Shipping Limited 4. GATI Limited 5. India Cements Capital Limited



<p>Chairman / Member of the Committees of Board of Directors of the Company</p> <p>Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director</p>	<p>6. McDowell Holdings Limited</p> <p>7. Redington (India) Limited</p> <p>8. TAFE Motors and Tractors Limited</p> <p>9. The United Nilgiri Tea Estates Company Limited</p> <p>10. Tractors and Farm Equipment Limited</p> <p>11. UB Engineering Limited</p> <p>12. United Breweries (Holdings) Limited</p> <p>13. Kartiken Logistics Limited</p> <p>: Audit Committee - Member</p> <p>: 1. Essar Shipping Limited - Audit Committee - Member</p> <p>2. GATI Limited - Audit Committee - Chairman</p> <p>3. India Cements Capital Limited - Audit Committee - Member</p> <p>4. TAFE Motors and Tractors Limited - Audit Committee - Chairman</p> <p>5. Tractors and Farm Equipment Limited - Audit Committee - Chairman</p> <p>6. UB Engineering Limited - Audit Committee - Chairman</p> <p>7. United Breweries (Holdings) Limited - Audit Committee - Chairman</p>
<p>Relationship with other Directors</p>	<p>: Nil</p>
<p>(ii) Name of the Director</p> <p>Date of Birth</p> <p>Date of appointment on the Board as Director</p> <p>Date of last reappointment as Director</p> <p>Expertise in specific functional areas</p> <p>Qualification</p> <p>Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis</p> <p>List of outside Directorships held in Public Companies</p> <p>Chairman / Member of the Committees of Board of Directors of the Company</p> <p>Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director</p> <p>Relationship with other Directors</p>	<p>: Sri V. Manickam</p> <p>: 1st April 1952</p> <p>: 31st October 2008</p> <p>: 2nd August 2010</p> <p>: Investment</p> <p>: B.Sc., C.A.</p> <p>: Nil</p> <p>: 1. EID Parry (India) Limited</p> <p>2. LIC Pension Fund Limited</p> <p>: Nil</p> <p>: Nil</p> <p>: Nil</p>
<p>(iii) Name of the Director</p> <p>Date of Birth</p> <p>Date of appointment on the Board as Director</p> <p>Date of last reappointment as Director</p> <p>Expertise in specific functional areas</p> <p>Qualification</p> <p>Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis</p> <p>List of outside Directorships held in Public Companies</p>	<p>: Sri A. Sankarakrishnan</p> <p>: 27th October 1942</p> <p>: 24th September 2007</p> <p>: 2nd August 2010</p> <p>: Industry</p> <p>: B.E. (Mechanical)</p> <p>: 1000</p> <p>: 1. Allsec Technologies Limited</p> <p>2. India Cements Capital Limited</p>

	3. India Cements Investment Services Limited 4. Trinetra Cement Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: 1. Allsec Technologies Limited - Audit Committee - Member : 2. India Cements Capital Limited - Audit Committee - Member Shareholders' / Investors' Grievance Committee - Member 3. Trinetra Cement Limited - Audit Committee - Chairman
Relationship with other Directors	: Nil
(iv) Name of the Director	: Sri N. Srinivasan
Date of Birth	: 3 rd January 1945
Date of appointment on the Board as Director	: 15 th September 1989
Date of last reappointment as Managing Director	: 15 th September 2007
Expertise in specific functional areas	: Industry
Qualification	: B.Sc (Tech.), M.S. (IIT) Chicago
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 427400
List of outside Directorships held in Public Companies	: 1. Andhra Pradesh Gas Power Corporation Ltd. 2. Coromandel Electric Company Limited 3. Coromandel Sugars Limited 4. Jhunjhunu Cement Limited 5. ICL Financial Services Limited 6. ICL International Limited 7. ICL Securities Limited 8. ICL Shipping Limited 9. India Cements Capital Limited 10. M M Forgings Limited 11. Raasi Cement Limited 12. Trinetra Cement Limited 13. Trishul Concrete Products Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Shareholders' / Investors' Grievance Committee - Member
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: 1. Coromandel Sugars Ltd. - Audit Committee - Chairman 2. Coromandel Electric Company Ltd. - Audit Committee - Chairman 3. India Cements Capital Ltd. - Audit Committee - Member Shareholders' / Investors' Grievance Committee - Chairman 4. M M Forgings Ltd. - Audit Committee - Member 5. Trinetra Cement Limited - Shareholders' / Investors' Grievance Committee - Chairman
Relationship with other Directors	: Spouse of Mrs.Chitra Srinivasan, Director & Father of Ms.Rupa Gurunath, Wholetime Director.



EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE SIXTYSIXTH ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEMS NO. 7 & 8 OF THE NOTICE DATED 25TH APRIL 2012.

Item No.7:

The period of appointment of Sri N.Srinivasan as Managing Director, approved by the shareholders at the Annual General Meeting of the Company held on 24th September 2007 will expire by the close of 14th September 2012. The Board of Directors of the Company at its meeting held on 25th April 2012 has reappointed Sri N.Srinivasan as Managing Director for a further period of 5 years with effect from 15th September 2012.

The terms of reappointment of the Managing Director have been finalised by the Remuneration Committee of the Board of Directors at its meeting held on 25th April 2012. The terms finalised by the Remuneration Committee and recommended for approval by the Board of Directors are specified in the resolutions. The reappointment of Sri N.Srinivasan as Managing Director and the terms of his appointment are proposed after considering the following:

Sri N.Srinivasan, Managing Director is a B.Sc. (Tech.) from Madras University and Post Graduate in Chemical Engineering from Illinois Institute of Technology, U.S.A. Sri N.Srinivasan was associated with the Company from 1968 to 1978 and from 1989 till date.

Sri N.Srinivasan is the Vice Chairman & Managing Director of our Company having more than 4 decades of experience in industry. He functions under the control, superintendence and direction of the Board of Directors. He is the Chief Executive Officer (CEO) of the Company. Apart from the day-to-day management of the Company, the Board of Directors has entrusted to him the responsibility of successful and timely execution of the Company's expansion projects like power plants, infrastructure, etc.

Our Company today is the largest cement Company in the South, with a turnover of more than Rs.4200 crores and one of the largest in India. We have 7 operating units in Tamil Nadu and Andhra Pradesh and our group as such (including Trinetra Cement Limited, Company's subsidiary) has 10 operating units with capacity of 15.5 million tonnes per annum. Sri N.Srinivasan strived hard to place our Company in a prominent position and his role since 1989-90 in turning our Company to one of the largest cement manufacturing companies in the country and the largest in the South cannot be overemphasized. From a two plant Company having a capacity of just 1.3 million tonnes in 1989 the Company today has 7 cement plants (besides a 1.5 million tonnes plant owned by Trinetra Cement Limited) having a total group capacity of 15.55 million tonnes per annum. This is apart from the 2 cement grinding plants - one at Chennai, Tamil Nadu and other at Parli, Maharashtra. The Managing Director brought about this transformation by not only acquisition of existing cement plants but also by setting up new capacity.

Over the last two decades, the spectacular growth and development of our Company can be directly traced to Sri N.Srinivasan's dynamic leadership, intuitive knowledge of the market and vision. Our Company today has not only attained the leadership position in the South but has established a Pan India presence.

Sri N.Srinivasan has been instrumental in laying down systems and processes resulting in huge cost savings and every strategic move initiated by him has contributed in no small measure to the enhancement of the Company's stature and reputation.

There is need for formulation of strategies on continuous basis and periodical review thereof for successful implementation and for sustained development of the Company in the light of highly competitive conditions prevailing in the industry necessitating increased managerial attention given to such matters. Hence the continued leadership of Sri N.Srinivasan in the years ahead will be in the best interests of the Company.

Sri N.Srinivasan is, inter alia, associated with the following bodies:

Sl. No.	Name of the Body/Club/Other Associations	Position
01	Federation of Indian Chambers of Commerce and Industry	Member - Executive Committee
02	The Madras Chamber of Commerce & Industry	Special Invitee - General Committee
03	The Board of Control for Cricket in India	President
04	Tamil Nadu Golf Federation	President
05	Tamil Nadu Cricket Association	President

Awards / recognitions:

Sl. No.	Particulars	Year
01	Lifetime Achievement Award was conferred on Sri N.Srinivasan, Vice Chairman & Managing Director, by TIECON.	2009
02	Degree of Doctor of Literature (Honoris Causa) was conferred on Sri N.Srinivasan, Vice Chairman & Managing Director, by the Tamil Nadu Physical Education & Sports University, Chennai.	2011

Sri N.Srinivasan was the Sheriff of Madras for two terms during the period 1989 to 1991. Over the last decade and a half, he has been the President of the Cement Manufacturers' Association for five terms during the periods 1991 to 1994 and 2004 to 2006

and Chairman of the Board of Governors of the National Council for Cement and Building Materials (NCCBM) for four terms during the periods 1991 to 1993 and 2004 to 2006. He was also the Chairman of Development Council for Cement Industry (DCCI) constituted by the Government of India for two terms during the period 1992 to 1996. Sri N.Srinivasan was the President of The Madras Chamber of Commerce and Industry (MCCI) for two terms during the period 1996 to 1998. During the year 2000 - 2001, Sri N.Srinivasan was the President of All India Organization of Employers. He was also an active Member of the Prime Minister's High Profile Council of Trade and Industry (1996 - 2001). Sri N.Srinivasan was also the President of All India Chess Federation.

Sri N.Srinivasan, Managing Director, will be in charge of the day-to-day management of the Company and perform his duties and exercise his powers subject to the superintendence, direction and control of the Board of Directors.

The Board of Directors recommends the resolutions to shareholders for approval.

Interest of Directors:

Sri N.Srinivasan, Managing Director, is interested in this resolution as it concerns his appointment. Mrs.Chitra Srinivasan, Director and Ms.Rupa Gurunath, Wholetime Director are interested in this resolution as Sri N.Srinivasan is related to them. No other Director is directly or indirectly concerned or interested in this resolution.

Item No.8:

- i) The Company has availed financial assistance in the form of External Commercial Borrowing (ECB) of USD 60 Million from ICICI Bank Limited for the purpose of setting up thermal power plant with a capacity of 50 MW and upgradation of Chilamakur cement plant. One of the terms and conditions set out by ICICI Bank Limited, is that the aforesaid financial assistance is required to be secured by a first mortgage and charge on all the immovable and movable fixed assets of the Company in favour of 3i Infotech Trusteeship Services Limited, the Security Trustee for ICICI Bank Limited on pari passu charge basis with other chargeholders.
- ii) The Company has issued and allotted 11.25% - 4000 Secured Redeemable Non-Convertible Debentures of the face value of Rs.5 lakhs each, aggregating to Rs.200 crores to ICICI Bank Limited for the purpose of redemption of Non-convertible debentures and repayment of existing bank debts including redemption of Foreign Currency Convertible Bonds (FCCBs) with redemption premium. One of the terms and conditions set out by ICICI Bank Limited is that the aforesaid debentures are required to be secured by a first mortgage and charge on all the immovable and movable fixed assets of the Company in favour of IDBI Trusteeship Services Limited, the Debenture Trustee for ICICI Bank Limited on pari passu charge basis with other charge holders.
- iii) The Company has availed Term Loan of Rs.300 crores from Axis Bank Limited for the purpose of prepayment of existing high cost debt and retirement of FCCBs. One of the terms and conditions set out by Axis Bank Limited is that the aforesaid assistance is required to be secured by first pari passu mortgage and charge on all the immovable and movable fixed assets of the Company.

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

Inspection of Documents:

Copies of Credit Arrangement Letter No.CBG/2010/IBGBAH/30695 dated December 30, 2010, Amendatory Credit Arrangement Letter No. CMOG No.01/IBGBAH/31784 dated February 17, 2011 and Amendatory Credit Arrangement Letter No. CMOG No.12/IBGBAH/36503 dated September 21, 2011 received from ICICI Bank Limited for USD 60 million, Credit Arrangement Letter CBG/2011/CMOG Letter No.12/CBGCHN/34553 dated June 27, 2011 and Amendatory Credit Arrangement Letter No. CMOG No.12/CBGCHN/36476 dated September 19, 2011 received from ICICI Bank Limited for NCDs Rs.200 crores and Sanction Letter No. AXISB/CO/LC/KSH/2010-11/100 dated 11.02.2011 from Axis Bank Limited for Rs.300 crores are available for inspection of the shareholders at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors:

No Director of the Company is directly or indirectly concerned or interested in this resolution.

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

Place : Chennai
Date : 25th April, 2012

G BALAKRISHNAN
President & Company Secretary



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

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Sales & Earnings											
1. Sales and other Income	Rs.Lakhs	103300	123688	140230	183669	262088	360561	395454	422169	401134	474181
2. Profit/(Loss) before tax	Rs.Lakhs	(30723)	(11273)	458	4998	49196	84464	64830	53132	8987	38098
3. Cash Generated (internally)	Rs.Lakhs	(22582)	(3122)	8335	12652	59459	96243	93097	72087	33158	63592
Assets[@]											
4. Fixed Assets (Net)	Rs.Lakhs	134458	233387	220485	211497	293858	403937	471229	462151	487431	427802
5. Capital Investments	Rs.Lakhs	405	1971	2212	4896	14870	91990	95426	29625	56896	85040
6. Current Assets	Rs.Lakhs	28415	30796	38791	49803	73889	108735	83010	100726	80523	119664
7. Loans and Advances	Rs.Lakhs	103167	100022	98054	101439	97862	106206	131343	186919	209863	191627
Capital & Reserves											
8. Share Capital	Rs.Lakhs	16359	16359	16359	21577	26037	28187	28243	30717	30718	30718
9. Reserves and Surplus *	Rs.Lakhs	23795	12105	12132	57567	108319	224427	262559	318019	319457	322934
10. Shareholders' Fund	Rs.Lakhs	40154	28464	28491	79144	134356	252614	290802	348736	350175	353652
Net worth, EPS & Dividend											
11. Net worth per equity share	(Rs.)	27.38	18.88	18.90	40.18	51.60	89.62	102.96	113.53	114.00	115.13
12. Earnings per equity share	(Rs.)	(14.74)	(7.13)	0.12	2.61	19.65	23.97	15.32	12.49	2.22	9.54
13. Equity Dividend Per Share	(Rs.)	-	-	-	-	1.00	2.00	2.00	2.00	1.50	2.00

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

[@] The figures shown in the year 2012 are as per the revised Schedule VI format and hence are not comparable to previous years' figures.



DIRECTORS' REPORT

Your Directors have pleasure in presenting their **Sixty-sixth Annual Report** together with audited accounts for the year ended 31st March 2012.

	Rs. in Crores	
	For the year ended 31 st March	
	2012	2011
FINANCIAL RESULTS		
Profit before Interest & Depreciation	922.64	473.30
Less : Interest & Other charges	286.73	141.72
Less : Depreciation / Amortization	251.29	244.03
Less : Forex Fluctuation Loss / (Gain)	3.64	(2.32)
Profit Before Tax	380.98	89.87
Deferred Tax	50.24	5.00
Provision for Taxation (net)	37.77	16.77
Profit after Tax for the year	292.97	68.10
Add : Balance brought forward from last year	954.48	986.11
Less : Proposed dividend on Equity Capital (including Dividend Distribution Tax)	71.40	53.73
Less : Transfer to General Reserve	40.00	10.00
Less : Transfer to Contingency Reserve	–	36.00
Less : Transfer to Debenture Redemption Reserve	47.58	–
Balance carried forward	1088.47	954.48

DIVIDEND

The Board of Directors has recommended a dividend of Rs.2/- on 30,71,76,747 equity shares of Rs.10/- each for the year ended 31st March, 2012 and proportionate dividend on shares having calls in arrears, as compared to Rs.1.50 per equity share for the year ended 31st March, 2011.

SHARE CAPITAL

The Company issued during the year 1,500 equity shares at a price of Rs.50/- per share (including premium of Rs.40/- per share) on exercise of options in terms of India Cements Employees Stock Option Scheme, 2006 (ESOS, 2006). Further, the Company has adjusted a dividend of Rs.1,055 towards calls in arrears. Consequently, the paidup equity share capital of the Company has increased to Rs.307,17,67,470 as on 31st March, 2012 comprising 30,71,76,747 equity shares of Rs.10/- each and 1,910 equity shares on which a sum of Rs.13,360 has been paidup. The balance amount of Rs.5,740 represents calls in arrears.

EMPLOYEES STOCK OPTION SCHEME

Details of options granted / exercised and other disclosures as required under Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in the Annexure 'G' to this Report.

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



DIRECTORS' RESPONSIBILITY STATEMENT

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

"We confirm

1. That in the preparation of the accounts for the year ended 31st March, 2012, the applicable accounting standards have been followed.
2. That such Accounting Policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31st March, 2012 have been prepared on a going concern basis."

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

A report on CSR activities is given in Annexure 'F'.

OPERATIONS

COMPANY PERFORMANCE

The details relating to the performance of the Company have been outlined in the Management Discussion and Analysis Section. As mentioned therein while there was a marginal growth of 6.6% for cement demand on an all India basis, the Southern region registered practically nil growth during the year and had a negative growth of 3% upto December 2011. With substantial increase in capacity in the region, the overall capacity utilization was lesser than that of all India at 63% only in the South. Given the back drop of the tight market conditions, the cement production of the Company was lower than that of previous year.

The overall clinker production was at 71.95 lakh tons (76.34 lakh tons) while the grinding was at 94.63 lakh tons (99.80 lakh tons). The sale of cement was at 94.51 lakh tons as opposed to 99.32 lakh tons with a clinker sale of 0.76 lakh tons as compared to 0.32 lakh tons in the previous year.

With better selling prices prevailing, the total sales and other income for the year was higher at Rs.4222.69 crores registering a growth of 19% over that of previous year. The cost of production was higher on account of the increase in the prices of materials, fuel, power, transport charges and consequently the EBIDTA was at Rs.922.64 crores as compared to Rs.473.30 crores in the previous year. Interest charges were higher at Rs.286.73 crores as compared to Rs.141.72 crores in the previous year due to loans taken for redemption of FCCB and higher utilization of cash credit. The depreciation / amortization charges were marginally higher at Rs.251.29 crores as compared to Rs.244.03 crores due to higher capitalization. The foreign currency translation difference resulted in an expenditure of Rs.3.64 crores as compared to a gain of Rs.2.32 crores in the previous year. The provision for current tax was at Rs.37.77 crores (Rs.16.77 crores) while the deferred tax provision as per AS 22 was at Rs.50.24 crores as compared to Rs.5 crores in the previous year. The resultant profit after tax was at Rs.292.97 crores as compared to Rs.68.10 crores in the previous year.

The performance could have been better but for the bout of cost increases as detailed below:

- a. Increase in wages due to All India Wage Settlement which along with the cost of living index by 356 points and this together with the increased provision for unavailed leave as per Accounting Standard 15.

- b. Increase in the price of diesel during the year which impacted the inward and outward freight cost and raw material prices.
- c. Increase in the price of coal by Singareni Collieries Ltd. from April 2011.
- d. Fuller impact of increase in price of fly-ash by the state owned thermal plants in Tamil Nadu and Andhra Pradesh.
- e. Fuller impact of power tariff increases by the State Electricity Boards in the previous year.
- f. Depreciation of rupee against dollar impacting the coal price.

The improvement in selling price together with cost reduction initiatives taken in improving the operating parameters and improvement in blending ratio have more than offset the above cost increases.

The Company's Sankari cement factory was granted Licence for Quality Management Systems in accordance with IS/ISO 9001:2008 by the Bureau of Indian Standards, Chennai and that the said Licence would be valid from 28th November, 2011 to 27th November, 2014.

FOUNDER'S CENTENARY

The Birth Centenary of Sri T.S.Narayanaswami, one of the Founders of the Company, was celebrated on Friday, the 11th November, 2011 and in commemoration of the Centenary, Dr.B.S.Adityan, Director, unveiled the Portrait of Sri T.S.Narayanaswami at the Corporate Office and released a Special Issue of the Company's In-house Magazine 'Compass'. A sum of Rs.30 lakhs was donated on the occasion to Jeevan Blood Bank and Research Centre for stem cell banking.

SUBSIDIARIES

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

TRINETRA CEMENT LIMITED

The Company's 1.5 million tonne per annum cement plant which commenced its operations in January 2011 stabilised in stages and has crossed one million tonne mark in its first full year of operation. The captive power plant of the Company of 20 MW has since been commissioned towards end of the last quarter of the financial year. By creating necessary infrastructure through completion of the enhanced capacity of stacker and reclaimer and installation of the fly-ash handling system at Wankbhor Thermal Power Plant in Gujarat during the year the unit could achieve gradual increase in the capacity utilization.

TRISHUL CONCRETE PRODUCTS LIMITED

A Scheme of Amalgamation of Jubilee Cements Limited (JCL) with Trishul Concrete Products Limited (TCPL) was sanctioned by Hon'ble High Court of Judicature at Madras on 15.02.2012. The said Scheme became effective on 19.03.2012 on filing of the Court Order with Registrar of Companies, Chennai, Tamil Nadu. Consequent to the said Scheme Of Amalgamation, the shareholders of erstwhile JCL were allotted 5 equity shares of Rs.10/- each of TCPL for every equity share of Rs.10/- each of erstwhile JCL.

COROMANDEL ELECTRIC COMPANY LIMITED

Coromandel Electric Company Limited became a subsidiary during the year.

With continued availability of adequate natural gas, the plant was able to generate (net) 198 Million kwh (205 Million kwh) which was wheeled and used by the cement plants of your Company in Tamil Nadu. The generation could have been better but for the stoppage of the engines for upgradation of instrumentation/process control systems for nearly 20 days. The total revenue earned by the unit was at Rs.71.08 crores (Rs.64.44 crores) while the net profit after tax was at Rs.12.48 crores as compared to Rs.10.87 crores in the previous year. The Company maintained its dividend pattern of 9% on equity shares besides declaring dividend at the respective coupon rates for the participating/non-participating preference share capital. During the year, the Company has redeemed the first / second annual instalments of redeemable cumulative participating/non-participating preference shares on the due dates.



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

The companies are in an advanced stage of commencing the mining in the coal concession acquired by the companies. The necessary infrastructure works - laying of roads and construction of bridges for facilitating the mining and transportation of coal are likely to be completed in the next two months. The mining contractor has already been appointed, who will commence the development of mines immediately after completion of the infrastructure work.

CONSOLIDATED FINANCIAL STATEMENTS

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

ASSOCIATE COMPANIES

COROMANDEL SUGARS LIMITED

Coromandel Sugars Limited has achieved a record crushing of 8.01 lakh mts of sugarcane (7.84 lakh mts) during the year under review. Improved cane price paid to growers in the earlier season has increased area under sugarcane plantation. Consequent to higher cane availability during the season, the crushing is continued beyond financial year and it is expected till end May 2012. With expanded plant capacity of 4000 tonnes crushing per day (tcd) in place, higher sugarcane availability with reasonable sugar recovery was ensured and the Company was able to maintain the better performance than achieved during the earlier years.

Though the Company could achieve higher crushing vis-a-vis last year, it could produce marginally lesser volume of 78693 tonnes of sugar, as against 79757 tonnes in the earlier year, consequent to lower sugar recovery of 9.82% (10.17%). Further, the Company could export power to the grid of 294 lakh kwhs during the year compared to 297 lakh kwhs.

Sales and Other income have grown by 10% to Rs.228 crores mainly on account of increase in volume of free sale sugar of 72552 tonnes as compared to 64268 tonnes in the previous year and also on account of marginal increase in average free sale price realization.

Based on unaudited financials, the Profit before Interest and Depreciation was Rs.37.53 crores (Rs.35.85 crores) and Net Profit during the year was Rs.19.16 crores (Rs.23.03 crores). The net profit during the year was lesser due to the higher provision of interest of Rs.11.87 crores as against Rs.6.55 crores in the previous year.

INDIA CEMENTS CAPITAL LIMITED (ICCL)

The main focus of the Company continues to be on various fee-based activities such as, Full Fledged Money Changing [FFMC], Travel & Tours and Forex Advisory Services. The wholly owned subsidiary viz. India Cements Investment Services Limited (ICISL) is in Stock Broking. The FFMC division operates out of 20 branches and Travels division operates at Chennai as an IATA accredited branch. The subsidiary ICISL has 22 branches. The Gross Income from operations of ICCL was Rs.416.11 lakhs and that of ICISL was Rs.176.66 lakhs for the year ended 31st March, 2012.

EXPANSION / MODERNISATION

The upgraded new capacities at Chilamakur and Malkapur stabilized during the year and have come upto their targeted levels of outputs. The 48 MW power plant at Sankarnagar was commissioned in January 2012 and after stabilization the commercial production started from the end of March 2012.

PUBLIC DEPOSITS

The total amount of fixed deposits including cumulative deposits, which had not become due but outstanding as at 31st March, 2012 stood at Rs.1346.02 Lakhs. Deposits totalling Rs.26.67 Lakhs that matured for repayment were neither claimed by the Depositors nor instructions for renewal were received by the Company. Reminders were issued to the deposit holders and since the close of the financial year ended 31st March, 2012, deposits aggregating to Rs.5.32 Lakhs out of the above have either been claimed and paid or have been renewed or transferred to Investor Education and Protection Fund.

CONSERVATION OF ENERGY ETC.

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

RESEARCH & DEVELOPMENT

During the year, your Company spent Rs.66.38 Lakhs towards revenue expenditure of the R&D department besides contributing a sum of Rs.70.97 Lakhs to National Council for Cement and Building Materials (NCCBM), which carries out research on behalf of the Industry.

PERSONNEL

Industrial relations continued to remain cordial during the year.

DIRECTORS

Housing and Urban Development Corporation Limited (HUDCO) vide its letter No.Co.Sec./Nominee Director/2011 dated 07.12.2011 withdrew the nomination of Sri K.Subramanian on the Board of our Company. The Board expresses its appreciation of the valuable contribution made by Sri K.Subramanian during the tenure of his Directorship.

Under Article 109 of the Articles of Association of the Company, Sri N.Srinivasan (F&R), Sri V.Manickam and Sri A.Sankarakrishnan retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for reappointment.

The Board has reappointed Sri N.Srinivasan as Managing Director for a period of 5 years from 15th September, 2012 and resolutions for approval of his reappointment and terms of reappointment have been included in the notice convening the Sixtysixth Annual General Meeting of the Company.

Brief particulars of Directors eligible for reappointment in terms of Clause 49 of the Listing Agreement are annexed to the Notice dated 25th April, 2012 convening the 66th Annual General Meeting.

AUDITORS

Messrs Brahmaya & Co. and P.S.Subramania Iyer & Co., Chennai, the Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for reappointment.

COST AUDITOR

Sri S.A.Murali Prasad, Cost Accountant, Chennai, has been appointed as Cost Auditor for the year 2012-13 subject to approval by the Government of India.

INTERNAL AUDITORS

Messrs Capri, Gopalaiyer & Subramanian, Kalyanasundaram & Associates and Bala & Co., Chennai, have been appointed as Internal Auditors for the year 2012-13.

ACKNOWLEDGEMENT

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

On behalf of the Board

N.Srinivasan
Vice Chairman & Managing Director

Rupa Gurunath
Wholetime Director

Place : Chennai
Date : 25th April, 2012

N.Srinivasan
Director



ANNEXURE 'A' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

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

A. Conservation of Energy:

- (a) Energy conservation measures undertaken:
- i. Dynamic separator in coal mill circuit improved the utilization of petcoke and resulted in reduced power consumption.
 - ii. Old Reciprocating type compressor & Rotary air compressors being phased out with energy efficiency screw compressors to reduce power consumption.
 - iii. Closed circuiting of cement mill at one of the plants ensured improvement in the mill output and reduction in power.
 - iv. Installation of classifying liners instead of conventional liners resulting in improved productivity and lower power consumption.
 - v. Additional power capacitors installed to improve the power factors at the Andhra Pradesh plants.
 - vi. Modification of the hot air ducts from pre-heaters to coal mill for increasing coal mill inlet temperature to utilise the low cost high moisture imported coal.
 - vii. Soft Starters provided for energy saving in the kiln feed bucket elevators and clinker deep bucket conveyors.
 - viii. Air volume optimization of compressors and cooler done to reduce power consumption.
 - ix. Mechanical conveying system for cement mills along with weigh feeders installed to reduce power.
 - x. Modification of outlet diaphragm in coal mill resulted in marginal saving in power consumption.
 - xi. Variable frequency drives for cooler fans introduced resulting in less power consumption.
 - xii. Replacement of MOCB with VCBS in phased manner at various plants.
 - xiii. Commissioned the 48 MW power plant in Tamil Nadu to ensure uninterrupted power at relatively cheaper cost.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
- i. Modification of pre-heaters top stage cyclones for higher efficiency and low pressure drop.
 - ii. Pre-Claciner M duct modification to increase the consumption of alternate fuels.
 - iii. Closed circuiting for 3 more cement mills at Andhra Pradesh plants to improve output and reduce the power consumption.
 - iv. Introduction of stepped liners for cement mills to optimize the output and reduce power.
 - v. Introduction of dynamic separators in the coal mill circuit for two of the Andhra Pradesh plants for improvement of output and for enabling low cost fuel usage.
 - vi. VFD for raw mill, coal mill and cooler drives at one of the plants to optimize power consumption.
 - vii. To improve the output of raw mill and to reduce power, tertiary crusher is to be introduced in one of the plants.
 - viii. Cooler mid air tapping for increasing the hot air temperature to circumvent the higher moisture in raw material and to ensure higher output from VRM.
 - ix. Installation of fly-ash drier (in the advanced stage of completion) to ensure optimum utilization of hot gas and to improve the higher availability of fly-ash.
 - x. Installation of electronic packers, wagon loading arrangements at three of the plants to improve packer output and reduce power and labour cost.
 - xi. Installation of one more power plant of 48 MW at Vishnupuram in Andhra Pradesh.
- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:
The measures that are proposed to be taken/under implementation are expected to reduce the power consumption by nearly 3 to 4 units/Tn of cement and overall heat consumption by around 10-15 k.cals per kg of clinker. However, during the year, the power was brought down by 1 unit despite lower capacity utilization while heat consumption was reduced by 4 k.cals per kg of clinker.
- (d) Total energy consumption and energy consumption per unit of production:
Given in Form 'A' annexed.

B. Technology Absorption:

Efforts made in technology absorption:
Particulars given in Form 'B' annexed.

C. Foreign exchange earnings and outgo:

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:
There was no significant export sales during the year under review.
- (b) Total foreign exchange used and earned:

	Current Year	Previous Year
Used Rs. lakhs	3516.36	2795.80
Earned Rs. lakhs	254.47	159.71

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Current Year	Previous Year
A. POWER & FUEL CONSUMPTION			
1. Electricity			
(a) Purchased			
Units - KWH - Lakhs		8027.06	8374.20
Total amount - Rs. Lakhs		32884.15	29616.56
Rate per unit - Rs.		4.10	3.54
(b) Own Generation			
(1) Through Diesel/Furnace Oil Genset *			
Units - KWH - Lakhs		697.66	907.14
Unit per Litre of Diesel/Furnace Oil-KWH		3.31	3.79
Cost per unit - Rs.		2.69	3.83
(2) Through Steam Turbine/Genset			
Units - KWH - Lakhs		-	-
Unit per Litre of Furnace Oil/Gas-KWH			
Cost per unit - Rs.			
2. Coal for Kilns (various grades incl. Lignite)			
Quantity	Tonnes	1165984	1209023
Total Cost	Rs.Lakhs	74367	68549
Average Rate	Rs./Tonne	6378	5670
3. HSD/Furnace Oil for Kilns			
Quantity	K.Litres	739.87	820.91
Total Cost	Rs.Lakhs	314.30	343.74
Average Rate	Rs./K.Litre	42480	41873
4. Consumption per unit of Production			
	Standards (if any)		
Electricity (KWH/Tn of Cement)	110	92.40	93.19
Coal Consumption Per Tn of Clinker (Depending on Quality of Coal)	20-25	16.21	15.84
Diesel Oil/Furnace Oil per Tn of Cement (Litres)		0.08	0.08
* Including Power from Waste Heat Recovery Plant.			



FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

Research and Development (R & D):

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

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

- | | | |
|---|---|---|
| (a) Capital | : | Nil |
| (b) Recurring | : | A sum of Rs.66.38 lakhs has been spent during the year for the functioning of R & D department. Besides this, a sum of Rs.70.97 lakhs is the contribution to National Council for Cement and Building Materials (NCCBM) which carries out Research on behalf of the Industry. |
| (c) Total | : | Rs.137.35 lakhs |
| (d) Total R&D expenditure as a percentage of total turnover | : | 0.03 |

Technology absorption, adaptation and innovation:

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

Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY – AN OVERVIEW

Against the backdrop of the Eurozone crisis, turmoil in West Asia and spike in crude prices, the fiscal year 2011-12 was a year of "recovery interrupted" for the Indian economy. India's GDP growth is estimated at 6.9% in 2011-12 - a sharp fall from 8.4% in the last year.

While the estimated growth of 6.9% in the fiscal year 2011-12 can be considered reasonably healthy in view of the adverse global developments mentioned above, it would be unwise to ignore the fact that domestic factors like high inflation, depressed investment climate and unaddressed manufacturing bottlenecks also slowed down industrial activity. India's slow down in 2011-12 can be attributed almost entirely to weak industrial growth with the good performance of the services and agricultural sectors. In 2011-12 the growth is estimated to be 2.5% in agriculture, 3.9% in industry and 9.4% in services.

INDUSTRIAL OUTPUT

Industrial growth however witnessed a sharp fall to 4.1% in February 2012 as against 6.7% growth in the corresponding month of the previous fiscal. The disappointing growth was mainly due to rather poor performance of the manufacturing sector especially consumer goods. As per the revised IIP data, the industrial production grew only by a marginal 1.1% during the year under review that too driven by the 4.1% growth in February 2012. The marginal uptrend in the growth towards the end of the year was witnessed due to increase in the consumption of processed foods in the food and beverages sector.

EXPORTS / IMPORTS

Owing to buoyant demand from diversified overseas markets, exports, according to provisional figures released by the Industry, Chemicals & Textiles Ministry, exceeded the targeted US\$ 300 billion for the fiscal year 2011-12. The sectors that posted impressive growth included engineering, gems & jewellery, textiles and pharmaceuticals.

Imports during 2011-12 clocked a high of US\$ 485 billion mainly on account of rising global oil prices with oil imports touching US\$ 150 billion. The trade deficit widened to US\$ 185 billion and the Government faces a stiff challenge to keep it under control in the current fiscal.

During the period April-December 2011, the Current Account Deficit (CAD) - an indication of the gap between foreign exchange inflows and outflows, surged to US\$ 53.7 billion (4% of the GDP) from 3.30% of GDP in the same period last year - reflecting higher trade deficit on account of imports of petrol, oil, lubricants, gold and silver.

INFLATION

Inflation which had raged at double digit levels over the last two years is now lower. The decline in inflation has provided some relief and the time is ripe therefore to boost investment in the economy. The Prime Minister's Economic Advisory Council has opined that inflation would drop further and hover around 5% to 6% in the current fiscal 2012-13.

INDUSTRY SCENARIO

Demand for cement in the country improved during the current year under review, registering a 6.60% growth better than 4.70% registered in the previous year. Given the long term nature of business and also since it takes, of late, 24-30 months to set up capacity, Industry created capacity much ahead of demand and this led to lower capacity utilization - more so in South, where substantial capacity came into play - Capacity utilization in South was 63% as against All India Capacity utilization of 75%. It is expected that capacity utilization will improve steadily in line with growth in demand in the coming years.

Demand growth was healthy in regions where Infrastructure and Housing activities were brisk on the back of progressive policy of State Government. Western region registered significant growth of 13.80% followed by North of 11%, Central of 9.30% and East of 2.90%. However, in Southern region, growth was flat primarily due to lack of infra and housing projects in Andhra Pradesh and Karnataka.



It is heartening to note that during January - March '12 quarter, demand has grown sharply at 10% as opposed to 5.60% in the preceding 9 months. South has shown a remarkable growth of 9.40% as compared to negative growth of 3% in the preceding three quarters.

Southern cement industry which has the highest capacity in the country, have been striving hard to access Northern & Eastern markets in the interest of improving the capacity utilization, but is constrained due to Rail Rakes availability.

Given that supply-demand imbalance in South is relatively higher, it is expected that demand will catch up with supply by 2014-15.

With a pronounced GDP growth of around 7.50% next year, the industry can expect a reasonable growth rate of 8% - 9% in the coming years which should enable the industry to operate at around 80% of its capacity.

In addition to the supply overhang, the industry had also to bear the substantial cost push in the form of increase in the price of coal, diesel price revision, increase in the Sales Tax on cement by 2% in Tamil Nadu, heavy depreciation of Rupee against Dollar of more than 13% from Rs.45 to Rs.51 impacting coal prices, revision in power tariff in Andhra Pradesh and continued power cut and load shedding in the States of Tamil Nadu and Andhra Pradesh necessitating usage of high cost DG and purchased power. In addition, the Union Budget 2012 proposes to increase the Excise Duty from 10% to 12% and steep increase in railway freight on inward and outward movement of materials ranging from 20% to 30% and a steep 35% increase in power tariff in Tamil Nadu from 1/4/2012. Given all these adverse factors your Company's main challenge during the year under review was to manage volumes and cost of production on the one hand and optimize selling prices on the other to improve the bottom line.

COMPANY PERFORMANCE

The performance of the Company in terms of production and sale was as under:-

		In Lakh Ts
	2011-12	2010-11
Clinker	71.95	76.34
Cement	94.63	99.80
Cement Sales	94.51	99.32
Clinker Sales	0.76	0.32
Overall sales including Clinker	95.27	99.64

The overall production was impacted due to the negative / practically nil growth in the markets served by the Company's plants. The Andhra Pradesh markets witnessed a further drop of around 8% in demand over and above the 17% negative growth recorded in the previous year and with the bunch of new capacities arising in that region, the severe competition for market space resulted in the lower capacity utilization of the Andhra Pradesh plants including that of your Company. Towards the end of the year the power scenario further worsened in both Tamil Nadu and Andhra Pradesh resulting in power holidays besides zero power during peak hours which curtailed the availability of clinker despite higher generation through captive power sets. The situation is likely to improve as the 48 MW power plant at Sankarnagar has since been commissioned and is expected to go on full stream during the financial year 2012-13. Towards the close of the financial year your Company has commissioned railway sidings at its two grinding units at Chennai and Parli and the consequent reduction in the transportation cost of clinker by rail (instead of road as hitherto) will have its full impact during FY 13. The depreciation in the value of Rupee and increase in the ocean freights coupled with the volatility in the FOB price of imported coal resulted in higher cost of fuel. The expanded capacity of Chilamakur Cement Plant and the second line at Malkapur has stabilized and it is expected that the overall operating efficiencies would improve further with the stabilized run of these plants.

ENERGY EFFICIENCY AND COST REDUCTION

Despite the lower capacity utilization caused by lower demand in the market, sustained efforts made by your company resulted in marginal reduction in power consumption per Tn of cement and maintaining the fuel consumption/Tn of clinker on par with the previous year. The ever increasing cost of fuel and increase in power tariff by State Electricity Boards imposed additional burden which could however be controlled through fuller utilization of the power from the Company's gas based power plant at Ramanathapuram and also from the low cost power availed from Andhra Pradesh Gas Power Corporation Limited (APGPCL) in Andhra Pradesh. The Company also utilized the wind power generated by its wind farms of a total of 279 Lakh Units (315 Lakh units) and power from its Waste Heat Recovery System at Vishnupuram which accounted for 539 Lakh units (475 Lakh units). Towards the end of the last quarter the Company's captive power plant of 48 MW at Sankarnagar has been commissioned.

DEVELOPMENT ACTIVITIES

During the year, your Company obtained ISO 9001 certification for quality assurance for its Sankari Plant in addition to its already certified plants at Sankarnagar, Dalavoi, Chilamakur and Vishnupuram. The ISO certification for its Yerraguntla Cement Plant is in progress.

Your Company has also implemented Total Productive Management (TPM) for productivity improvement in its plants at Sankarnagar, Dalavoi, Chilamakur, Yerraguntla, Vishnupuram and Malkapur.

CLEAN DEVELOPMENT MECHANISM (CDM)

Waste Heat Recovery System at Vishnupuram continues to earn certified emission reductions as a CDM project.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The demand supply mismatch arising out of burst of new capacity additions (and not majorly out of lack of normal demand growth) has constricted the capacity utilization levels of the industry for the last two years in particular. Given the resilient nature of the economy, India has been able to achieve reasonable GDP growth of 6.9% in FY 12 which is expected to increase to 7.5% to 8% in FY 13 is expected to translate into a demand growth of 8% to 10% over the next few years. While demand for cement grew by 6.6% in FY 12, there are already encouraging signs of a pick-up in demand with demand spurting by over 10% in the last quarter of FY 12. It is therefore expected capacity utilization to gradually increase over the next 3 years with parity between supply and demand being restored by then. While this being the overall scenario, there are still pockets of high demand growth in certain regions of the country and your Company is already moving significant quantities of cement to the Eastern markets as far as Assam & Nepal to optimize capacity utilization, given the overall surplus. Your Company's attempts in the short run will be towards striking an optimum balance between volumes and profitability and achieve best results.

The availability of power from the State Electricity Boards is another area of concern with acute shortages in power availability in Tamil Nadu and Andhra Pradesh. Your Company has already addressed this concern by putting a 48 MW thermal power plant at Sankarnagar to take care of the full requirements of power of all the cement plants and grinding unit in Tamil Nadu and this power plant has been commissioned towards the end of FY 12 and has started supplying power. Work has already been commenced on the installation of 48 MW thermal power plant at Vishnupuram which is expected to be commissioned towards the end of FY 13 and will thereafter fully meet the power requirements of the cement plants in Andhra Pradesh. With its share of power available from the gas based power plants of APGPCL and Coromandel Electric Company Limited, Company's own windmills, diesel generating sets, waste heat recovery system at Vishnupuram, the Company has ensured that it will be fully self-sufficient in meeting its power requirements.

Availability of indigenous coal from the nationalized coal companies and the quality of supplies is another area of concern. This problem has however been mitigated to a large extent due to the coal linkages obtained during the last two years to cater to the requirements of the recent capacity expansions in Andhra Pradesh. The Company imports coal to meet its cement plants' requirements thereby adequately addressing the quantity, quality and cost aspects. Mining rights obtained in Indonesia should fructify with infrastructure of roads and bridges under completion to ensure timely coal supplies.



The ever rising cost of energy in the form of petroleum products will also have its impact on the power and transportation costs, which it is hoped to be neutralized by increasing the selling prices.

OUTLOOK

The Prime Minister's Economic Advisory Council (PMEAC) has projected a 7.5% to 8% growth for the fiscal year 2012-13. Economic experts are banking on the domestic market to sustain growth through a Government led initiative to boost private sector infrastructure investments. With industrial growth exhibiting signs of a revival and given the Government's intention to boost agriculture development and give a fillip to infrastructural growth, the clocking of a GDP growth of 7.5% in 2012-13 could well be achievable.

Both the Central and State Governments have plans to boost investments in housing for the lower income groups which could help drive cement demand together with proposed investments on roads and other infrastructural projects. The recent proposals of the Reserve Bank of India in its Credit Policy to reduce Repo and Reverse Repo rates by 50 basis points is expected to soften housing loan interest rates thereby giving a fillip to demand for housing for the middle income sector.

Given all these positive factors, it is reasonably expected a 8% to 10% annual growth in cement demand over the next few years and an early restoration of parity between cement demand and supply which should augur well for the cement industry.

VALUE ENHANCING STRATEGIES

Through various upgrades / timely expansion at its locations, the Company has reached a capacity of 14.05 million tonnes from 8.81 million tonnes in 2002. The second strategy of securing uninterrupted supply of power and fuel is also being achieved through installation of power plants and also through acquisition of coal mining rights in Indonesia. The Company also secured additional linkages of domestic coal for two of its Andhra Pradesh plants and in order to circumvent the volatility in the ocean freight, the Company has also acquired two ships for transporting coal / other raw materials based on cost economics. The Company's strategy of optimizing the manpower strength has also been achieved through various voluntary retirement schemes over the years and is presently improving upon the skills of its workers for doing multi tasking. As North and West markets have been growing, the Company is on the lookout for further growth opportunities available in that region. The Company has put in place a Management Team for infrastructure projects. Based on the demand supply scenario in the next few years the Company also proposes to increase its presence in its dominant South market through further capacity creation at one of its existing location.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year at all the units. Training and multi task development skills are given prime importance. The overall number of employees at the end of the year under review was 3195 (3220).

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has a well defined internal control system to support efficient business operations and statutory compliance. A strong internal audit function carries out concurrent audit of all the plants and offices. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides for checks and balances at every stage. The Company has a strong system of budgetary control which covers all aspects of operations, finance, capital expenditure at a macro level on a monthly basis reporting directly to top management. All the physical performances and efficiency parameters are monitored on a daily basis and actions are taken then and there. The periodical operational review by top management at Head Office also includes internal audit and cost audit observations and action taken to resolve / rectify the irregularities and correct the procedures wherever necessary. The Company has an Audit Committee of Directors to review financial statements to shareholders. The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement with Stock Exchanges and Section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors from time to time.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

HIGHLIGHTS OF FINANCIAL PERFORMANCE

	Rs. Crores	
	2011-12	2010-11
Net Sales/Income from operations	4203.40	3500.72
Other Income	19.29	39.61
Total Income	4222.69	3540.33
Total Expenditure	3300.05	3067.03
Operating Profit	922.64	473.30
Operating Margin %	21.85	13.37
Interest & Finance Charges	286.73	141.72
Gross Profit after Interest but before Depreciation and Tax	635.91	331.58
Depreciation	251.29	244.03
Profit for the year	384.62	87.55
Foreign Exchange Fluctuation	(3.64)	2.32
Profit before Tax	380.98	89.87
Deferred Tax Liability	50.24	5.00
Taxation provision - net	37.77	16.77
Profit after tax	292.97	68.10
Return on Capital Employed (ROCE)*	15.30%	8.83%

* ROCE = Operating Profit/Capital Employed (excluding capital work-in-progress and revaluation)

Net Sales and Other Income from operations has improved by 19% primarily due to increase in selling price of cement by 24%. The total expenditure has gone up by 7.6% primarily on account of the increase in cost of production due to various factors detailed elsewhere in the report. Interest charges were higher on account of loans taken for redemption of FCCB while the depreciation charges are higher on account of higher capitalization including the power plant. The Deferred Taxation provision as per AS 22 has resulted in Rs.50.24 Crores (Rs.5 Crores) while the provision for current tax works out to Rs.37.77 Crores (Rs.16.77 Crores) and the resultant net profit after tax was Rs.292.97 Crores as compared to Rs.68.10 Crores during the previous year.

CAUTIONARY STATEMENT

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



ANNEXURE 'C' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012
CORPORATE GOVERNANCE

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

A. MANDATORY REQUIREMENTS

1] Company's Philosophy:

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

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

2] Board of Directors:

The Board consists of a Vice Chairman & Managing Director and Wholtime Director and 9 other non-executive directors including two directors nominated by IDBI Bank Limited and Life Insurance Corporation of India.

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

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

During the year 2011-2012, five Board Meetings were held on 30.05.2011, 12.08.2011, 24.08.2011, 14.11.2011 and 06.02.2012.

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

Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.11 to 31.03.12)	Attendance at last AGM	No. of other Directorships held in public companies	No. of Membership (M) / Chairmanship(C) in other Board Committee(s)*
						(As on 31/03/2012)
1.	Sri N.Srinivasan <i>Vice Chairman & Managing Director</i>	Promoter, Executive Director	5	Yes	13	2 (M) & 4 (C)
2.	Mrs Chitra Srinivasan	Promoter, Non-Executive Director	5	Yes	Nil	Nil
3.	Ms Rupa Gurunath <i>Wholtime Director</i>	Promoter, Executive Director	5	Yes	4	1 (M)
4.	Dr. B.S.Adityan	Independent, Non-Executive Director	5	Yes	4	1 (C)
5.	Sri Arun Datta	Independent, Non-Executive Director	5	Yes	3	2 (M)
6.	Sri R.K.Das	Independent, Non-Executive Director	5	Yes	8	Nil
7.	Sri N.R.Krishnan	Independent, Non-Executive Director	4	Yes	4	3 (M) & 1 (C)

Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.11 to 31.03.12)	Attendance at last AGM	No. of other Directorships held in public companies	No. of Membership (M) / Chairmanship(C) in other Board Committee(s)*
					(As on 31/03/2012)	
8.	Sri V.Manickam Nominee of Life Insurance Corporation of India in its capacity as Lender/Shareholder	Independent, Non-Executive Director	5	No	2	Nil
9.	Sri K.P.Nair Nominee of IDBI Bank Ltd., in its capacity as Lender	Independent, Non-Executive Director	3	No	1	Nil
10.	Sri A.Sankarakrishnan	Independent, Non-Executive Director	4	Yes	4	3 (M) & 1 (C)
11.	Sri N.Srinivasan (F&R)	Independent, Non-Executive Director	5	Yes	13	2 (M) & 5 (C)
12.	Sri K.Subramanian** Nominee of Housing and Urban Development Corporation Ltd in its capacity as Lender	Independent, Non-Executive Director	3	Yes	NA	NA

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

** Ceased to be a Director of the Board w.e.f. 24.11.2011.

3] Audit Committee:

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

The Audit Committee met four times during the year i.e., on 30.05.2011, 12.08.2011, 14.11.2011 and 06.02.2012.

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

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Dr. B.S.Adityan, Chairman	4	3
2.	Sri Arun Datta	4	4
3.	Sri R.K. Das	4	4
4.	Sri N.Srinivasan (F&R)	4	4

The Company Secretary is also Secretary to the Audit Committee.

4] Remuneration Committee & Policy:

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

During the year 2011-2012, Remuneration Committee met once i.e., on 30th May 2011 to recommend to the Board payment of commission to Sri N.Srinivasan, Managing Director and Ms.Rupa Gurunath, Wholetime Director, out of net profit of the Company for the year 2010-2011, pursuant to the resolutions passed by the Shareholders at their Annual General Meeting held on 24th September 2007 and 2nd August 2010 respectively.



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

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

The Remuneration including commission amounting to Rs.899.17 lakhs paid / payable to Sri N.Srinivasan, Managing Director, for the financial year 2010-11 exceeded the limit of 5% of the net profit under Section 309(3) of the Companies Act, 1956. Hence, an application seeking the approval of the Government of India (GOI), Ministry of Corporate Affairs, for payment of remuneration in excess of the prescribed limit amounting to Rs.530.09 lakhs was made and GOI vide its letter dated 29th September 2011 accorded its approval.

Sri N.Srinivasan, Managing Director and Ms.Rupa Gurunath, Wholetime Director have decided not to receive the commission of Rs.3.15 crores and Rs.1.29 crores respectively for the financial year 2010-11.

Details of remuneration paid/payable to the Directors for the year ended 31st March, 2012:

(i) Executive Directors:

(Rs. lakhs)

Name & Position	Salary	Commission	Perquisites & allowances	Provident Fund	Retirement Benefits	Others	Total
Sri N.Srinivasan Vice Chairman & Managing Director	360.00	902.00	108.00	43.20	69.00	4.14	1486.34
Ms Rupa Gurunath Wholetime Director	120.00	201.00	36.00	14.40	23.00	0.00	394.40
Total	480.00	1103.00	144.00	57.60	92.00	4.14	1880.74

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

(ii) Non-Executive Directors:

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

Particulars of sitting fees including for committee meetings paid to non-executive directors during the financial year 2011-2012 are as follows:

Name of the Director	Sitting Fees Paid (Rs.)
Mrs Chitra Srinivasan	100000
Dr. B.S.Adityan	320000
Sri Arun Datta	150000
Sri R.K.Das	140000
Sri N.R.Krishnan	80000
Sri V.Manickam (Paid to Life Insurance Corporation of India)	100000
Sri K.P.Nair (Paid to IDBI Bank Limited)	60000
Sri A.Sankarakrishnan	80000
Sri N.Srinivasan (F&R)	290000
Sri K.Subramanian* (Paid to Housing and Urban Development Corporation Ltd)	60000

* Ceased to be a Director of the Board w.e.f. 24.11.2011

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

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the year 2011-2012.

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

There are no convertible instruments issued to any of the Non-Executive Directors of the Company. The details of Equity Shares of the Company held by the Non-Executive Directors as on 31st March 2012, are as follows:

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

5] a) Share Transfer Committee:

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

During the year 2011-2012, 15,818 Equity Shares were transferred in physical mode in favour of transferees and despatched within a month's time from the date of receipt.

During the financial year 2011-2012, the Committee met 12 times.

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

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.Srinivasan, Chairman	12	12
2.	Dr. B.S.Adityan	12	12
3.	Sri N.Srinivasan (F&R)	12	12

b) Shareholders' / Investors' Grievance Committee:

During the year 2011-2012, 92 complaints were received from shareholders and investors. All the complaints have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts/Forums where they are pending.

During the financial year 2011-2012, the Shareholders' / Investors' Grievance Committee met 4 times i.e., on 25.04.2011, 16.07.2011, 03.10.2011 and 23.01.2012.

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

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Dr. B.S.Adityan, Chairman	4	4
2.	Sri N.Srinivasan*	4	4

* Vice Chairman & Managing Director of The India Cements Limited

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

c) Compensation Committee of Board of Directors:

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

During the year 2011-2012, the Committee met once i.e. on 17.11.2011 to allot 1,500 Equity Shares of Rs.10/- each to an employee who had exercised his options that vested on 1st September 2011.



The composition and attendance of the Compensation Committee of Board of Directors are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Sri N.Srinivasan, Chairman	1	1
2.	Dr. B.S.Adityan	1	1
3.	Sri N.Srinivasan (F&R)	1	1

6] a) Annual General Meetings:

The last three Annual General Meetings were held as under:

Year	Type	Location	Date	Time	Special Resolutions passed in the AGM by the Shareholders
2009	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	07.08.2009	10.00 A.M.	Yes
2010	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	02.08.2010	10.00 A.M.	Yes
2011	AGM	Sathguru Gnanananda Hall, (Narada Gana Sabha), 314, T.T.K. Road, Chennai 600 018.	24.08.2011	9.30 A.M.	No

b) Postal Ballot:

During the year, the Company had conducted voting by postal ballot seeking the consent of the members by way of special / ordinary resolutions for the following items of business as set out in the Notice dated 04.07.2011, sent to the members pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011. The Board appointed Ms P.R.Sudha, Practicing Company Secretary, as the Scrutinizer for conducting the voting through postal ballot in a fair and transparent manner. The Scrutinizer gave her Report and on the basis of the said Report, the results of the Postal Ballot in respect of each of the resolutions had been declared as passed with requisite majority on 22.08.2011.

Sl. No.	Particulars	Votes cast			
		In favour		Against	
		No. of Votes	%	No. of Votes	%
1.	Special Resolution for payment of remuneration to Sri N.Srinivasan, Managing Director, in excess of the ceiling laid down under Section 309 of the Companies Act, 1956, for the financial year 2010-11;	12,38,15,661	99.82	2,22,497	0.18
2.	Special Resolution for payment of remuneration to the two executive directors viz. Sri N.Srinivasan, Managing Director and Ms Rupa Gurunath, Wholtime Director, put together in excess of the ceiling laid down under Section 309 of the Companies Act, 1956 for the financial year 2010-11;	12,38,01,947	99.82	2,24,078	0.18
3.	Special Resolution under Section 17 and 149 (2A) of the Companies Act, 1956, for alteration of Objects Clause of the Memorandum of Association and Commencement of Business; and	12,38,75,923	99.93	89,767	0.07
4.	Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 for mortgaging and / or charging of immovable and movable properties of the Company.	12,38,58,961	99.92	1,04,951	0.08

No item of business requiring voting by postal ballot is included in the Notice convening the 66th Annual General Meeting of the Company.

7] Disclosures:

- a) There are no significant Related Party transactions during the year of material nature with the promoters, directors or the management or their subsidiaries or relatives, etc., potentially conflicting with Company's interests at large. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report.

- b) As per Clause 49(V) of the Listing Agreement, the Chief Executive Officer i.e. Managing Director and the Chief Financial Officer i.e. Joint President (Finance & Accounts) certified to the Board on their review of financial statements and cash flow statements for the financial year ended 31st March 2012 in the form prescribed by Clause 49 of the Listing Agreement which is annexed.
- c) There were no instances of non-compliance on any matter relating to the capital market, during the last three years.
- d) Presently, the Company does not have a Whistle Blower Policy.
- e) The Company has complied with all mandatory requirements of the Clause 49 of the listing agreement. As regards the non-mandatory requirements, the extent of compliance has been stated in Part B of this report.
- f) Details of information on re-appointment of directors:
A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or for other person on a beneficial basis, names of companies in which the person already holds directorship, membership of committees of the Board and relationship with other directors, forms part of the Notice convening the 66th Annual General Meeting.
- g) ICL Code of Conduct for Prevention of Insider Trading:
The Company has adopted and implemented ICL Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. The Code prohibits purchase/sale of securities of the Company by an 'insider' including Directors, Designated employees, etc., while in possession of unpublished price sensitive information.
- h) ICL Code of Conduct for Directors and Senior Management:
The Company has framed and implemented ICL Code of Conduct for its Directors and Senior Management. The Code of Conduct has also been posted on the Company's website "www.indiacements.co.in". Affirmation on compliance of Code of Conduct for the financial year 2011-12 has been received from all the Directors and Senior Management personnel of the Company.
- i) Transfer to Investor Education and Protection Fund:
During the year, there was no amount due to be transferred to Investor Education and Protection Fund established by the Central Government.
- j) Unclaimed Shares:
The Company does not have any share(s) remaining unclaimed, issued pursuant to public / other issues.
- k) Subsidiary Company:
The Company does not have a "material non-listed Indian subsidiary" as defined in clause 49(III) of the Listing Agreement.
- l) Cost Auditor and Cost Audit Report 2010-2011:
Name, Membership number & address of Cost Auditor : Sri S.A. Murali Prasad
Membership No.2730
4 (New), Brindavan Street
Chennai 600004.
- Filing of Cost Audit Report 2010-2011 with the Central : Due date of filing : 27th September 2011
Government : Actual Date of filing : 27th September 2011

8] Means of Communication:

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

9] General Information for Shareholders:

- (i) Date, Time and Venue of the Annual General Meeting : 13th August, 2012 at 10.00 A.M at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K. Road, Alwarpet, Chennai 600 018.
- (ii) Financial year 1st April to 31st March (Provisional) : Will be published on or before:
Results for Quarter ending June 30, 2012 : 14th August, 2012
Results for Quarter ending September 30, 2012 : 14th November, 2012
Results for Quarter ending December 31, 2012 : 14th February, 2013
Results for Quarter ending March 31, 2013 (audited) : 30th May, 2013



- (iii) Date of Book Closure : 8th August 2012 to 13th August 2012 (both days inclusive)
 (iv) Dividend payment date : 11th September 2012

(v) Listing on Stock Exchanges:

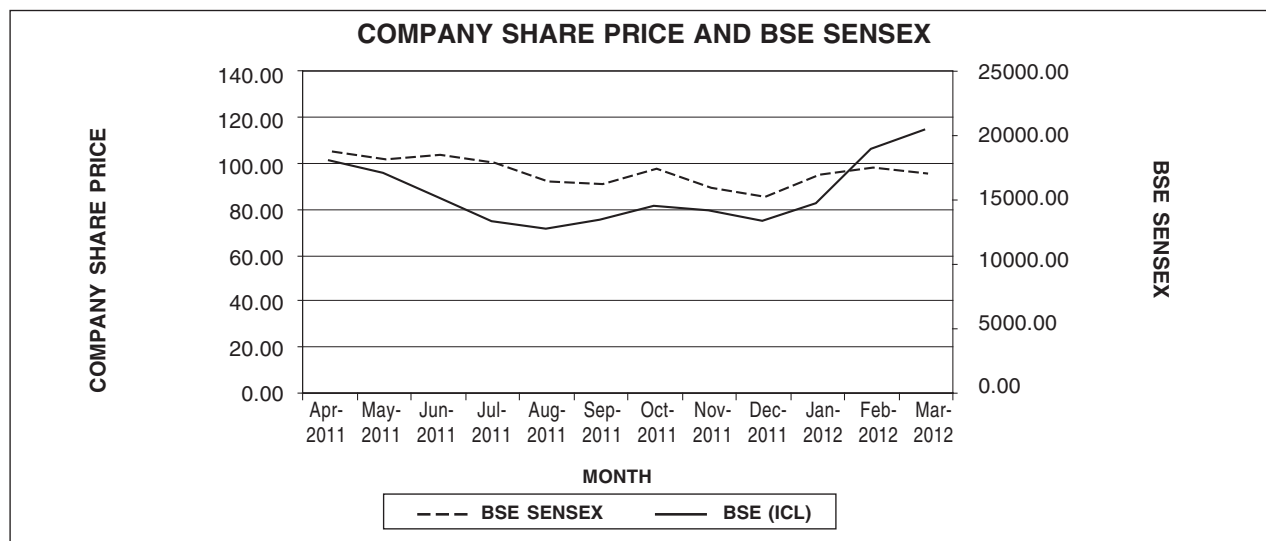
- I a) The Company's Equity Shares are listed on the following Stock Exchanges:
- i) Madras Stock Exchange Limited, Exchange Building, 11, Second Line Beach, Chennai - 600 001 (Stock Code: INDCEM).
 - ii) Bombay Stock Exchange Limited, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 (Stock Code : 530005).
 - iii) National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 (Stock Code EQ: INDIACEM).
- b) Company's Equity Shares are traded in Group "B" category in Bombay Stock Exchange Limited.
- c) The Company has paid the Listing Fees for the year 2012-13 to all Stock Exchanges where the Company's equity shares are listed.
- II The Company's Global Depository Receipts (GDRs) are listed in Luxembourg Stock Exchange, P.O. Box 165, L-2811 Luxembourg, Europe and Listing Fee for the year 2012 has been paid.
- III The Company's Global Depository Shares (GDSs) are listed in Luxembourg Stock Exchange, P.O. Box 165, L-2811 Luxembourg, Europe and Listing Fee for the year 2012 has been paid.
- IV The equity shares of the Company have been included in the list of equity shares on which derivatives are available for trading in futures and options segment by National Stock Exchange of India Limited.

(vi) Market Price Data:

(In Rupees)

Month	Madras Stock Exchange Limited		Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High	Low	High	Low	High	Low
April 2011	–	–	103.00	98.15	103.00	98.05
May 2011	–	–	96.90	81.85	96.80	81.60
June 2011	–	–	86.05	68.50	86.15	68.55
July 2011	–	–	75.10	69.75	75.25	69.70
August 2011	–	–	71.90	63.10	72.00	62.95
September 2011	–	–	76.20	66.70	76.35	66.55
October 2011	–	–	82.30	69.20	82.40	69.15
November 2011	–	–	80.25	67.60	80.20	67.65
December 2011	–	–	75.55	65.90	75.60	65.95
January 2012	–	–	83.30	66.45	83.55	66.50
February 2012	–	–	108.35	84.00	108.85	84.20
March 2012	–	–	117.45	95.45	117.50	95.95

(vii) **Stock price performance in comparison to BSE SENSEX:**



(viii) **Registrar and Share Transfer Agent:**

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

Integrated Enterprises (India) Limited

2nd Floor, "Kences Towers"

No.1, Ramakrishna Street

North Usman Road, T.Nagar

Chennai - 600017.

Phone : 044-28140801 to 28140803 Fax: 044-28142479

Email: corpseiv@integratedindia.in

(ix) **Share Transfer System:**

Shares lodged in physical form with the Company / RTA are processed and returned, duly transferred, within 30 days from the date of receipt, if the documents submitted are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

(x) a) **Distribution of Shareholding as on 31st March, 2012:**

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	92365	91.59	10809486	3.52
501 to 1000	4681	4.64	3701852	1.20
1001 to 2000	2039	2.02	3060961	1.00
2001 to 3000	547	0.54	1408121	0.46
3001 to 4000	282	0.28	1009172	0.33
4001 to 5000	221	0.22	1043424	0.34
5001 to 10000	287	0.29	2122729	0.69
10001 and above	420	0.42	284022912	92.46
TOTAL	100842	100.00	307178657	100.00



b) Pattern of Shareholding as on 31st March, 2012:

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV) * 100
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals / Hindu Undivided Family	3	20015896	20013956	6.81	6.52	—	—
(b)	Central Government / State Government(s)	—	—	—	—	—	—	—
(c)	Bodies Corporate	3	58568057	58568057	19.92	19.07	53500625	91.35
(d)	Financial Institutions / Banks	—	—	—	—	—	—	—
(e)	Any Other (specify): Directors & Relatives	5	568540	542420	0.19	0.18	—	—
	Sub-Total (A) (1)	11	79152493	79124433	26.92	25.77	53500625	67.59
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	—	—	—	—	—	—	—
(b)	Bodies Corporate	—	—	—	—	—	—	—
(c)	Institutions	—	—	—	—	—	—	—
(d)	Any Other (specify)	—	—	—	—	—	—	—
	Sub-Total (A)(2)	—	—	—	—	—	—	—
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	11	79152493	79124433	26.92	25.77	53500625	67.59
(B)	Public shareholding						N.A.	N.A.
(1)	Institutions						N.A.	N.A.
(a)	Mutual Funds / UTI	82	26296059	26281569	8.95	8.56	—	—
(b)	Financial Institutions / Banks	29	1876946	1869021	0.64	0.61	—	—
(c)	Central Government / State Government(s)	—	—	—	—	—	—	—
(d)	Venture Capital Funds	—	—	—	—	—	—	—
(e)	Insurance Companies	7	26545451	26545201	9.03	8.64	—	—
(f)	Foreign Institutional Investors	143	89533753	89492053	30.45	29.15	—	—
(g)	Foreign Venture Capital Investors	—	—	—	—	—	—	—
(h)	Any Other (specify)	—	—	—	—	—	—	—
	Sub-Total (B)(1)	261	144252209	144187844	49.07	46.96	—	—

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV) * 100
(2)	Non-institutions						N.A.	N.A.
(a)	Bodies Corporate	1344	32827710	32765813	11.17	10.69	—	—
(b)	Individuals							
	i. Individual shareholders holding nominal share capital upto Rs.1 lakh	95830	20215014	18800643	6.88	6.58	—	—
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	116	3818880	3725052	1.30	1.24	—	—
(c)	Any Other (specify)							
	i Directors & Relatives	4	22204	8000	0.01	0.01	—	—
	ii Foreign Corporate Body	3	8796848	8796848	2.99	2.86	—	—
	iii Overseas Corporate Bodies	2	2000	1500	0.00	0.00	—	—
	iv Non-Resident Individuals	1377	860074	854476	0.29	0.28	—	—
	v Custodian of enemy Property	37	11854	0	0.00	0.00	—	—
	vi Trust	19	453644	453644	0.15	0.15	—	—
	vii Hindu Undivided Families	1683	831668	831668	0.28	0.27	—	—
	viii Clearing Member	153	2758735	2758735	0.94	0.90	—	—
	Sub-Total (B)(2)	100568	70598631	68996379	24.01	22.98	—	—
	Total Public Shareholding (B)= (B)(1)+(B)(2)	100829	214850840	213184223	73.08	69.94	N.A.	N.A.
	TOTAL (A)+(B)	100840	294003333	292308656	100.00	95.71	53500625	18.20
(C)	Shares held by Custodians and against which Depository Receipts have been issued				N.A.		N.A.	N.A.
	(1) Promoter and Promoter Group	—	—	—	—	—	—	—
	(2) Public							
	i. Global Depository Receipts (GDRs)	1	3744506	3733069	—	1.22	—	—
	ii. Global Depository Shares (GDSs)	1	9430818	9430818	—	3.07	—	—
	TOTAL (C)	2	13175324	13163887	N.A.	4.29	N.A.	N.A.
	GRAND TOTAL (A)+(B)+(C)	100842	307178657	305472543		100.00	53500625	17.42



(xi) Dematerialisation of Equity Shares and Liquidity:

As on 31st March, 2012, 99.44% of the Company's Equity Shares have been dematerialized.

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

During the year 2011-2012, the Company had received 232 requests for dematerialisation of shares. The Company has acted upon all valid requests received for dematerialisation during the year 2011-2012.

(xii) Outstanding GDRs / ADRs / Warrants or any Convertible Debentures, conversion date and likely impact on equity shares as on 31st March, 2012.

37,44,506 GDRs are outstanding (1.22% of total paidup equity share capital). Each GDR represents one underlying equity share of Rs.10/- each.

47,15,409 GDSs are outstanding. Each GDS represents two underlying equity shares of Rs.10/- each (94,30,818 underlying shares represented by GDS constitutes 3.07% of total paidup equity share capital).

India Cements Employees Stock Option Scheme, 2006:

a) 14,79,000 options were issued to eligible employees under India Cements Employees Stock Option Scheme, 2006. In terms of the Scheme, 50% of the options allotted to an employee vested on 1st December 2007 and the balance 50% on 1st December 2008. Each option on such vesting can be exercised by applying for an equity share of Rs.10/- each fully paidup for a sum of Rs.50/- (inclusive of premium of Rs.40/-) on or before 1st December 2008 and 1st December 2009 respectively.

Out of the aforesaid options issued, 48,500 options expired.

- Out of 7,23,500 options vested on 01/12/2007, 7,19,000 options were exercised by the employees and equal number of shares were allotted to them and balance 4,500 options lapsed since the same were not exercised.
- Out of 7,07,000 options vested on 01/12/2008, 7,00,000 options were exercised by the employees and equal number of shares were allotted to them and balance 7,000 options lapsed since the same were not exercised.

b) 3000 options were issued to an eligible employee under India Cements Employees Stock Option Scheme, 2006 on 6th August 2009. In terms of the Scheme, 50% of the options allotted to an employee vested on 1st September 2010 and the balance 50% vested on 1st September 2011. Each option on such vesting can be exercised by applying for an equity share of Rs.10/- each fully paidup for a sum of Rs.50/- (inclusive of premium of Rs.40/-) on or before 1st September 2011 and 1st September 2012 respectively.

- 1,500 options vested on 01/09/2010 were exercised by an employee and equal number of shares were allotted to him on 2nd March 2011.
- 1,500 options vested on 01/09/2011 were exercised by an employee and equal number of shares were allotted to him on 17th November 2011.

(xiii) Plant Locations:

Sankarnagar, Tirunelveli District, Tamil Nadu Sankari, Salem District, Tamil Nadu Dalavoi, Ariyalur District, Tamil Nadu Vallur Village, Tiruvallur District, Tamil Nadu	Chilamakur, Kadapa District, Andhra Pradesh Yerraguntla, Kadapa District, Andhra Pradesh Vishnupuram, Nalgonda District, Andhra Pradesh Malkapur, Ranga Reddy District, Andhra Pradesh Parli Vaijnath, Beed District, Maharashtra
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(xiv) Address for Correspondence:

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

For Investor Complaints:

Contact Person : Sri G.Balakrishnan
President & Company Secretary
Email-Id : investor@indiacements.co.in

B. NON-MANDATORY REQUIREMENTS:

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

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

- The Company may ensure that the person who is being appointed as an independent director has the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an independent director. : This is ensured.

2. Remuneration Committee. : Please refer to Serial No. A - 4 of this Report.

3. Shareholders Rights - A half-yearly declaration of financial performance including summary of the significant events in last six months, may be sent to each household of Shareholders. : As the Company's half-yearly results are published in leading English newspapers having circulation all over India and in Tamil newspaper and also in the Company's website, the same are not sent to the Shareholders of the Company. There is no publication of second half-yearly results as the annual results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.

4. Audit qualifications - Company may move towards a regime of unqualified financial statements. : Nil

5. Training of Board Members - A Company may train its Board Members in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as directors and the best ways to discharge them. : At present, the Company does not have any such Training programme for Directors.

6. Mechanism for evaluating non-executive Board Members - The performance evaluation of non-executive directors could be done by a Peer Group comprising the entire Board of Directors, excluding the director being evaluated; and Peer Group evaluation could be the mechanism to determine whether to extend / continue the terms of appointment of non-executive directors. : At present, the Company does not have any such mechanism for evaluating the performance of non-executive Board Members.

7. Whistle Blower Policy. : The Company does not have a Whistle Blower Policy.

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



CEO AND CFO CERTIFICATION

To the Board of Directors of The India Cements Limited

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

- (a) We have reviewed financial statements and the cash flow statements for the year ended 31st March 2012 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations; and
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2011-2012, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have not observed any deficiencies in the design or operation of internal controls.
- (d) We have indicated to the Auditors and the Audit Committee that there are:
 - (i) no significant changes in the internal control during the year;
 - (ii) no significant changes in accounting policies during the year; and
 - (iii) no instances of significant fraud where the involvement of management or an employee having a significant role in the Company's internal control system have been observed.

Place : Chennai

Date : 25th April, 2012

N.Srinivasan

Vice Chairman & Managing Director

R.Srinivasan

Joint President (Finance & Accounts)



ANNEXURE 'D' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members, The India Cements Limited.

We have examined the compliance of conditions of Corporate Governance by **The India Cements Limited**, for the year ended March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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 explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

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

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

G. HARIHARAN
Partner
Membership No.15071

Place : Chennai
Date : 25th April, 2012

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

N. SRI KRISHNA
Partner
Membership No. 26575

ANNEXURE 'E' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

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

This is to certify that :

1. In pursuance of the provisions of Clause 49(I)(D) of the Listing Agreement with Stock exchanges, a Code of Conduct for the Board members and the Senior Management Personnel of the Company has been approved by the Board in its meeting held on 9th November 2005.
2. The said Code of Conduct has been uploaded on the website of the Company and has also been circulated to the Board Members and the Senior Management Personnel of the Company.
3. All Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct, for the period ended 31st March, 2012.

Place : Chennai
Date : 25th April, 2012

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



ANNEXURE 'F' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

CORPORATE SOCIAL RESPONSIBILITY

While the Company has been active in the sphere of Corporate Social Responsibility (CSR) right from inception, it has adopted a structured CSR policy from 2009. The Company has developed systems for planning, executing, monitoring and reporting on CSR activities. Rapport with local communities near cement plants has been established as integral part to Company's CSR activities.

The Company has established an unaided Arts and Science College at Navalur, near Chennai and unaided schools in Dalavoi Works, Chilamakur Works, Malkapur Works and Vishnupuram Works. Sankar Polytechnic College was started in 1958 and the Company has been financially supporting it. There are also aided Higher Secondary Schools and Bala Vidyalayas functioning at Sankarnagar and Sankaridurg Works with infrastructure and other support of the Company.

The major highlight of CSR during 2011-12 has been to move from onetime to long-term and sustainable activities. Creation of employment opportunities and increased incomes for the farmers, women and youth and enhancing the quality of education in the Rural Government Schools were the highlights. The geographical coverage by March 2012 was 108 villages in 14 Talukas of 11 Districts in Tamil Nadu, Andhra Pradesh, Rajasthan and Maharashtra.

In particular, the Company has been instrumental in:

- Construction of toilets in rural schools, classrooms, compound wall and provision of safe drinking water through RO systems.
- Provision of computers, notebooks, dictionaries, school books, facilities for library and provision of sports materials to schools.
- Training through Chennai Grinding Unit in the Abacus method for Government Adi Dravidar welfare high school leading to improvement in their learning abilities.
- Establishment of a tailoring unit and training 75 women in tailoring through Malkapur Works in Andhra Pradesh.
- Distribution of sewing machines to needy women through the Chennai and Parli Grinding units.
- Distribution of umbrellas for street vendors through Parli Grinding Unit.
- Organization of four-wheeler driving courses for rural youth through Sankarnagar, Sankaridurg and Dalavoi Plants.
- Organization of health camps through Chilamakur, Yerraguntla, Vishnupuram, Malkapur, Sankarnagar Plants and Parli Grinding Unit.
- Organization of veterinary camps through Parli Grinding Unit and Dalavoi Plant.
- Donation of medical equipment to Government Public Health Centres through Chilamakur Plant.
- Provision of bus shelters, drinking water facility, laying of cement concrete roads and construction of toilets in areas near cement plants.
- Tree planting and provision of tree guards through Parli and Vishnupuram Plants.
- Donation of sports materials to Government High Schools through Yerraguntla Plant.
- Support to construction of synthetic tennis court at Ariyalur through Dalavoi Plant.
- Support to a group of visually challenged persons to establish a fancy goods store in Chennai.
- Support to orphanage in Erode through Sankaridurg Plant and provision of uniforms to children in an orphanage through Parli Grinding Unit.
- Capacity Building and financially supporting farmers for implementing a Lift Irrigation Programme through Vishnupuram Plant.
- Organizing celebrations of important days like Independence Day, Children's Day, Environment Day and International Women's Day.
- Provision of Iftar dinner through Vishnupuram Plant and support to local temples, churches and mosques through all the cement plants.

ANNEXURE 'G' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

DISCLOSURE IN THE DIRECTORS' REPORT 2012 - INDIA CEMENTS ESOS 2006

(a) Options granted	:	14,79,000 options granted on 16.11.2006			
		3,000 options granted on 06.08.2009			
(b) The pricing formula	:	Rs.50 per equity share including a premium of Rs.40/-.			
(c) Options vested					
Options vested on	:	01/12/2007	01/12/2008	01/09/2010	01/09/2011
Options vested	:	7,23,500	7,07,000	1500	1500
(d) Options exercised	:	7,19,000	7,00,000	1500	1500
(e) The total number of shares arising as a result of exercise of option	:	7,19,000	7,00,000	1500	1500
(f) Options lapsed	:	4,500	7,000	Nil	Nil
(g) Variation of terms of options	:	Nil	Nil	Nil	Nil
(h) Money realized by exercise of options	:	Rs.359.50 lakhs	Rs.350 lakhs	Rs.0.75 lakhs	Rs.0.75 lakhs
(i) Total number of options in force	:	Nil	Nil	Nil	Nil
(j) Employee-wise details of options granted to -	:				
(i) Senior Managerial Personnel	:				
Name & Designation	:		No. of options granted		
Mr.T.S. Raghupathy, Executive President	:		18,000		
Mr. PL. Subramanian, Sr. President (Operations)	:		18,000		
(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	:		None		
(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	:		None		
(k) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20			EPS including ESOS 2006 (Rs.)	EPS excluding ESOS 2006 (Rs.)	
		Basic	9.54	9.58	
		Diluted	9.54	9.58	
(l) Where the company has calculated the employee compensation cost using intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	:	Being a listed Company, the market price quoted on National Stock Exchange of India Limited (NSE) was adopted (i.e. @ Rs.65.92 per share) for the year 2011-12.			
(m) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the Stock on the grant date	:	Exercise price - Rs.50/- per share (option) Fair value - Rs.65.92 per share (option)			
(n) A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information					
(1) Risk-free interest rate	:	-			
(2) Expected life	:	-			
(3) Expected volatility	:	-			
(4) Expected dividends and	:	-			
(5) The price of the underlying share in market at the time of option grant	:	Rs.65.92 per share			

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

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

AUDITORS' REPORT

Auditors' Report to the Members of The India Cements Limited.

1. We have audited the attached Balance Sheet of The India Cements Limited ('the Company') as at March 31, 2012 and also the relative Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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.
2. We have conducted our audit in accordance with 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 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.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Government of India in terms of Section 227 (4A) of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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, the Company has kept proper books of account as required by law so far, as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement read together with the notes thereon dealt with by this report have been prepared, in all material respects, in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act to the extent applicable;
 - (e) On the basis of explanations and information given to us and written representations received from directors, as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 having regard to the provisions of the scheme approved by CDR cell;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto and in particular note No. 35.19 regarding option excised by the Company for accounting foreign exchange fluctuation impact and note No. 35.18 regarding accounting for premium on redemption of Foreign Currency Convertible Bonds, give in the prescribed manner, the information required by the Act, and also give a true and fair view in conformity with the Accounting Principles Generally Accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - (ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

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

G.HARIHARAN
Partner
Membership No. 15071
Place : Chennai
Date : 25th April, 2012

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

N.SRI KRISHNA
Partner
Membership No. 26575

ANNEXURE TO AUDITORS' REPORT (REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE INDIA CEMENTS LIMITED)

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, the Fixed Assets are physically verified by the management, according to a phased programme designed to cover all the items over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, the management during the year has verified a portion of fixed assets and no material discrepancies between the book records and physical inventory have been noticed.
c) The fixed assets disposed off during the year, in our opinion, do not constitute substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) a) According to information and explanations given to us the inventories of the Company at all its locations have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) In our opinion and according to the explanations given to us and on the basis of our examination of the inventory records, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of accounts.
- (iii) a) According to the information and explanations given to us the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
b) According to the information and explanations given to us the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased/services awarded are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) a) To the best of our knowledge and belief and according to the information and explanations given to us, there were no transactions during the year pursuant to the contracts or arrangements referred to in Section 301 of the Act. Accordingly, sub-clause (b) is not applicable.
- (vi) The Company has during the year accepted deposits from public. In our opinion, the Company has complied with the provisions of Sections 58A, 58AA or any other relevant provisions of the Act and Companies (Acceptance of Deposit) Rules, 1975. To the best of our knowledge and according to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records and accounts relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete. To the best of our knowledge and according to information and explanations given to us the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for any other activity of the Company.
- (ix) a) According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employee State Insurance, Investor Education and Protection Fund, Income tax, Wealth tax, Customs duty, Excise duty, Cess, Sales tax and Service tax and any other statutory dues applicable to it with the appropriate authorities though there have been instances of delays in depositing Sales tax and Provident Fund.

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

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

- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Service tax, Sales tax, Customs duty, Excise duty and Cess were in arrears as at the year end for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, details of dues of Sales tax, Income tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess, which have not been deposited as on 31st March, 2012 on account of any dispute is as per Annexure.
- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during financial year covered by our audit and the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in the repayment of its dues to financial institutions, banks and debenture holders. For a certain portion the debt portfolio of the Company was restructured through Corporate Debt Restructuring Scheme (CDR); based on the said scheme the Company has not defaulted in repayments of its dues to financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of paragraph 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion and according to the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of paragraph 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company taking into consideration the overall realisable value of assets and current business plans.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination, the term loans have been applied for the purpose for which they were obtained.
- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Financial Statements of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of long-term and short-term usages of funds we are of the opinion that *Prime facie*, no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xix) According to the information and explanations given to us, the Company has created the securities or charges in respect of secured debentures issued and outstanding at the year-end as per original terms of issue notwithstanding modifications, reschedulement and other changes in the terms as agreed with CDR cell.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, we have not come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

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

G.HARIHARAN
Partner
Membership No. 15071

Place : Chennai
Date : 25th April, 2012

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

N.SRI KRISHNA
Partner
Membership No. 26575

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

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

Annexure to the Auditors' Report to the Members of The India Cements Limited for the year ended 31st March 2012

Category	Pending With	Financial Year	Amount Rs. lakhs
Cenvat	Addl. Commissioner Appellate Tribunal	2007-08, 2008-09, 2009-10, 2010-11	158.66
		1995-96, 1996-97, 1997-98, 1999-00, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11	2066.91
	Asst. Commissioner Commissioner	1998-99, 2004-05, 2010-11, 2011-12	27.73
		2002-03, 2003-04, 2004-05, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12	3892.60
	Commissioner (Appeals)	2000-01, 2005-06, 2008-09, 2010-11, 2011-12, 2006-11	91.77
	Dy. Commissioner	2010-11	5.15
	Jt. Commissioner	2011-12	23.36
	Superintendent	2011-12	0.31
	High Court	1994-95, 1995-96, 1996-97, 1997-98, 1998-99, 2000-01, 2006-07, 2007-08, 2008-09	164.48
	Supreme Court	1995-96, 1996-97, 2008-09	803.55
CST	Asst. Commissioner High Court	1973-74	4.17
		1991-92, 1992-93, 1993-94	76.17
Income Tax	Appellate Tribunal High Court Supreme Court	1991-92, 2008-09, 2009-10 (Pending Filing)	14632.70
		1982-83, 1983-84, 1984-85, 1985-86, 1986-87	363.83
		1996-97	810.65
Sales Tax	Asst. Commissioner Dy. Commissioner (Appeals) High Court	1970-71, 1971-72, 1975-76, 1976-77, 1977-78, 1978-79	109.30
		1997-98	3.84
		1969-70, 1970-71, 1985-86, 1987-88, 1988-89, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, 1994-95, 1995-96, 1996-97, 1998-99, 2002-03	1105.43
Service Tax	Addl. Commissioner Asst. Commissioner	1997-98, 2005-06, 2006-07	74.00
		2011-12	0.50
	Appellate Tribunal Commissioner	1998-99, 2005-06, 2007-08, 2008-09	702.65
		2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12	10609.30
	Commissioner (Appeals) High Court	2000-01, 2007-08, 2008-09, 2010-11 2005-06, 2006-07, 2007-08	170.33 178.12
VAT	Addl. Commissioner Appellate Tribunal	2006-07, 2008-09	268.74
		2005-06, 2005-11	52.81
	Dy. Commissioner (Appeals) High Court	2005-06, 2007-08	167.65
		2007-08, 2009-10	592.71

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

G.HARIHARAN
Partner
Membership No. 15071

Place : Chennai
Date : 25th April, 2012

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

N.SRI KRISHNA
Partner
Membership No. 26575



BALANCE SHEET AS AT 31ST MARCH 2012

	Note No.	Rs.Lakhs	2012 Rs.Lakhs	Rs.Lakhs	2011 Rs.Lakhs
EQUITY AND LIABILITIES :					
1. Shareholders' Funds :					
a. Share Capital	3	30717.81		30717.65	
b. Reserves and Surplus	4	<u>376043.68</u>	406761.49	<u>378258.40</u>	408976.05
2. Non-Current Liabilities :					
a. Long-term borrowings	5	149653.50		125483.65	
b. Deferred tax liabilities	6	32451.48		27427.00	
c. Other Long-term liabilities	7	16027.21		19502.43	
d. Long-term provisions	8	<u>6088.56</u>	204220.75	<u>5079.18</u>	177492.26
3. Current Liabilities :					
a. Short-term borrowings	9	77205.43		58183.77	
b. Trade Payables	10	63304.53		54253.05	
c. Other Current Liabilities	11	66373.27		87371.22	
d. Short-term provisions	12	<u>7155.51</u>	214038.74	<u>7571.48</u>	207379.52
			<u>825020.98</u>		<u>793847.83</u>
ASSETS :					
1. Non-Current Assets:					
a. Fixed Assets	13				
(i) Tangible Assets		387785.72		355625.37	
(ii) Intangible Assets		25506.40		27822.52	
(iii) Capital Work-in-Progress		<u>14510.31</u>		<u>28839.72</u>	
		427802.43		412287.61	
b. Non-current Investments	14	85040.35		14947.63	
c. Long-term loans and advances	15	191626.67		253681.01	
d. Other non-current assets	16	0.00		2042.47	
e. Foreign currency monetary item translation difference account	17	<u>887.94</u>	705357.39	<u>0.00</u>	682958.72
2. Current Assets:					
a. Current Investments	18	155.52		1083.34	
b. Inventories	19	52580.87		49730.90	
c. Trade Receivables	20	20982.20		25440.12	
d. Cash and cash equivalents	21	288.24		3309.06	
e. Short-term loans and advances	22	<u>45656.76</u>	119663.59	<u>31325.69</u>	110889.11
			<u>825020.98</u>		<u>793847.83</u>

Notes on Accounts 1 to 35

As per our Report of 25th April, 2012

For P.S.SUBRAMANIA IYER & CO., Chartered Accountants	For BRAHMAYYA & CO., Chartered Accountants	N.SRINIVASAN Vice Chairman & Managing Director	RUPA GURUNATH Wholetime Director
G.HARIHARAN Partner	N.SRI KRISHNA Partner	R. SRINIVASAN Joint President (Finance & Accounts)	N.SRINIVASAN Director
Membership No. 15071	Membership No. 26575		G.BALAKRISHNAN President & Company Secretary

Place : Chennai

Date : 25th April, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

	Note No.	Rs.Lakhs	2011-12 Rs.Lakhs	Rs.Lakhs	2010-11 Rs.Lakhs
Revenue from Operations	23		420340.21		350071.77
Other Income	24		1928.84		3961.26
Total Revenue			<u>422269.05</u>		<u>354033.03</u>
Expenses:					
Cost of materials consumed	25		54102.53		51621.89
Changes in Inventories of Finished goods / Work-in-Progress	26		315.94		(1139.92)
Employee benefits expense	27		30263.36		26543.97
Finance costs	28		28673.00		14171.66
Other Expenses:					
Manufacturing and Other Operating Expenses	29	122754.62		116071.32	
Administration and Other Charges	30	20237.21		16455.80	
Selling and Distribution Expenses	31	101570.84		96458.80	
Donations	32	759.76	245322.43	691.89	229677.81
Depreciation and amortisation expense		31057.09		30355.44	
Less : Transfer from Revaluation Reserve		5628.80		5653.87	
Less : Transfer from Deferred Income		298.80	25129.49	298.80	24402.77
Total Expenses			<u>383806.75</u>		<u>345278.18</u>
Profit before exceptional items and tax			38462.30		8754.85
Exceptional Items :					
Share / Bonds issue expenses	35.18	17792.48		0.00	
Less : Transfer from Share Premium		<u>(17792.48)</u>	0.00	<u>0.00</u>	0.00
Foreign currency translation difference on FCCBs			<u>(363.82)</u>		<u>232.50</u>
Profit before tax			38098.48		8987.35
Tax expense :					
Current tax		3777.06		1677.00	
Deferred tax		5024.48	8801.54	499.99	2176.99
Profit after tax			<u>29296.94</u>		<u>6810.36</u>
Earnings per Share:	33				
Basic (Rs.)			9.54		2.22
Diluted (Rs.)			9.54		2.09

Notes on Accounts 1 to 35
As per our Report of 25th April, 2012

For P.S.SUBRAMANIA IYER & CO., Chartered Accountants G.HARIHARAN Partner Membership No. 15071	For BRAHMAYYA & CO., Chartered Accountants N.SRI KRISHNA Partner Membership No. 26575	N.SRINIVASAN Vice Chairman & Managing Director R. SRINIVASAN Joint President (Finance & Accounts)	RUPA GURUNATH Wholetime Director G.BALAKRISHNAN President & Company Secretary
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Place : Chennai
Date : 25th April, 2012



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Rs.Lakhs	2011-12 Rs.Lakhs	Rs.Lakhs	2010-11 Rs.Lakhs
A. Cash flow from operating activities :				
Net profit before tax and extraordinary items		38098.48		8987.35
Adjusted for:				
Depreciation	25129.49		24402.77	
Provision for Doubtful Debts & Advances	48.12		162.18	
Foreign Exchange	325.28		-310.48	
Profit/Loss on sale of Investments	0.00		-2575.66	
Profit/Loss on sale of Assets	199.89		-32.37	
Interest Expense	31717.98		20568.38	
Interest Income	-4229.15		-7545.56	
Dividend Income	-305.57		-530.86	
Perquisite value of Employees' stock options	0.24		0.00	
Deferred revenue expenditure / income	-887.94	51998.34	0.00	34138.40
Operating profit before Working Capital changes		90096.82		43125.75
Trade and other receivables	-7571.39		-18388.32	
Inventories	-2849.97		-4954.37	
Trade payables	9770.18	-651.18	11584.88	-11757.81
Cash generated from operations		89445.64		31367.94
Direct Taxes		-6855.81		-3305.18
Cash flow before extraordinary items		82589.83		28062.76
Extraordinary items		0.00		0.00
Net cash from operating activities	(A)	82589.83		28062.76
B. Cash flow from Investing activities :				
Purchase of Fixed Assets		-9133.54		-56896.29
Sale of Fixed Assets		198.99		171.37
Sale of Investments		1416.09		21227.10
Purchase of Investments		-70581.00		-3281.75
Interest received		406.26		489.28
Dividend received		305.57		530.86
Refund by / advances to Subsidiaries, Associates and Others		22801.04		2312.44
Net cash from Investing activities	(B)	-54586.59		-35446.99

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	2011-12	2010-11
	Rs.Lakhs	Rs.Lakhs
C. Cash flow from financing activities :		
Proceeds from issue of share capital	0.78	0.87
Dividend paid	-5357.69	-7163.95
Proceeds from long-term borrowings	96976.45	63773.05
Repayment of borrowings	-72851.94	-31163.46
Interest paid (net)	-49791.66	-20134.56
Net Cash from financing activities	(C) -31024.06	5311.95
Increase / (Decrease) in cash and cash equivalent	(A+B+C) -3020.82	-2072.28
Cash and cash equivalent at the beginning of the year	3309.06	5381.34
Cash and cash equivalent at the close of the year	288.24	3309.06

As per our Report of 25th April, 2012

For P.S.SUBRAMANIA IYER & CO., Chartered Accountants G.HARIHARAN Partner Membership No. 15071	For BRAHMAYYA & CO., Chartered Accountants N.SRI KRISHNA Partner Membership No. 26575	N.SRINIVASAN Vice Chairman & Managing Director R. SRINIVASAN Joint President (Finance & Accounts)	RUPA GURUNATH Wholetime Director	N.SRINIVASAN Director G.BALAKRISHNAN President & Company Secretary
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Place : Chennai

Date : 25th April, 2012



NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2012

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), includes generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned. GAAP comprises of mandatory Accounting Standards issued by the National Advisory Committee on Accounting Standards (NACAS) and The Institute of Chartered Accountants of India (ICAI), the provisions of the Indian Companies Act, 1956 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use, read with Note No.35.19.

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

2. SIGNIFICANT ACCOUNTING POLICIES

1. Use of estimates

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

2. Inventories

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

3. Cash and Cash equivalents

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

4. Fixed Assets

Fixed Assets are valued and shown adopting the following basis:

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2012 (Contd.)

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



3. SHARE CAPITAL	No. of Shares	Par value per share (Rs.)	2012		2011	
			Rs.Lakhs	No. of Shares	Par value per share (Rs.)	Rs.Lakhs
AUTHORISED :						
Equity Shares	460000000	10	46000.00	460000000	10	46000.00
Redeemable Cumulative Preference Shares	7500000	100	7500.00	7500000	100	7500.00
			<u>53500.00</u>			<u>53500.00</u>
ISSUED :						
Equity Shares	307178723	10	30717.87	307177223	10	30717.72
			<u>30717.87</u>			<u>30717.72</u>
SUBSCRIBED AND PAIDUP :						
Equity Shares fully paidup:						
Opening balance	307174910	10	30717.50	307172165	10	30717.23
Add : Partly paidup shares, subscribed fully during the year	337	10	0.02	1245	10	0.12
Add : Subscribed during the year	1500	10	0.15	1500	10	0.15
Total issued, subscribed and fully paidup	<u>307176747</u>		<u>30717.67</u>	<u>307174910</u>		<u>30717.50</u>
Equity Shares - subscribed but not fully paid (other than Directors):						
Opening balance	2247	10	0.15	3492	10	0.23
Less: Partly paidup shares, subscribed fully during the year	337	10	0.01	1245	10	0.08
Total - Equity Shares subscribed but not fully paid	<u>1910</u>		<u>0.14</u>	<u>2247</u>		<u>0.15</u>
Total - Subscribed Equity Shares	<u>307178657</u>		<u>30717.81</u>	<u>307177157</u>		<u>30717.65</u>

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

Shareholder's Name	No. of shares held	% held	Total face value Rs. Lakhs	No. of shares held	% held	Total face value Rs. Lakhs
The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation And The Boston Company Asset Management LLC together with PAC	32115284	10.45	3211.53	38544974	12.55	3854.50
EWS Finance & Investments Pvt. Ltd	27643432	9.00	2764.34	27643432	9.00	2764.34
Life Insurance Corporation of India	20703547	6.74	2070.35	20628093	6.72	2062.81
Mrs. Vidya Subramanian	19954024	6.50	1995.40	19954024	6.50	1995.40
Prince Holdings (Madras) Private Ltd	17900000	5.83	1790.00	17900000	5.83	1790.00
Trishul Investments Private Limited	17525976	5.71	1752.60	17525976	5.71	1752.60

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

During the year 2007-08, the Company allotted 400,00,000 Equity Shares of Rs.10/- each fully paidup, to the shareholders of erstwhile Visaka Cement Industry Limited (VCIL) pursuant to the Order dated 25th July, 2007 of the Honourable High Court of Judicature at Madras sanctioning the Scheme of Amalgamation of VCIL with The India Cements Limited.

Terms / Rights / restrictions attached to shares:

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

3. SHARE CAPITAL (Contd.)

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

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

For the year 2011-12, the Board of Directors have recommended a dividend of Rs.2.00 per share, which is subject to the approval by shareholders. During the previous year 2010-11, the Company had declared and distributed a dividend of Rs.1.50 per share.

Shares reserved for issue under Employees Stock Option Scheme:

During the year 2009-10, 3000 options were granted under ESOS 2006. These Options were exercised in two equal instalments during the years 2010-11 and 2011-12. 1500 options were exercised during the year 2011-12. There are no shares reserved for issue under options as at March 31, 2012.

4. RESERVES AND SURPLUS

	2012 Rs.Lakhs	2011 Rs.Lakhs
Capital Reserve	<u>16.17</u>	<u>16.17</u>
Capital Redemption Reserve	<u>2500.00</u>	<u>2500.00</u>
Securities Premium *1		
Opening balance	165462.51	165460.98
Add : Additions on ESOS exercised	0.60	0.60
Add : Transfer from Stock Options Outstanding Account	0.24	0.86
Add : Calls in arrears received	0.02	0.07
Less: Premium on redemption of Bonds	17792.48	0.00
Closing balance	<u>147670.89</u>	<u>165462.51</u>
Debenture Redemption Reserve		
Opening balance	532.67	532.67
Add : Additions during the year	4757.33	0.00
Closing balance	<u>5290.00</u>	<u>532.67</u>
Contingency Reserve *2		
Opening balance	20000.00	16399.41
Add : Additions during the year	0.00	3600.59
Closing balance	<u>20000.00</u>	<u>20000.00</u>
Revaluation Reserve *3		
Opening balance	55010.13	60755.91
Less: Transfer to depreciation	5628.80	5653.87
Less: Withdrawals	652.23	91.91
Closing balance	<u>48729.10</u>	<u>55010.13</u>
Stock Options Outstanding Account *4		
Opening balance	0.00	65.19
Add : Additions during the year	0.24	0.00
Less: Transfer to Securities Premium	0.24	0.87
Less: Transfer to General Reserve	0.00	64.32
Closing balance	<u>0.00</u>	<u>0.00</u>
General Reserve		
Opening balance	35407.42	34343.10
Add : Additions during the year	4000.00	1064.32
Closing balance	<u>39407.42</u>	<u>35407.42</u>
Deferred Income *5		
Opening balance	3791.53	4090.33
Less: Transfer / withdrawals	298.80	298.80
Closing balance	<u>3492.73</u>	<u>3791.53</u>



4. RESERVES AND SURPLUS (Contd.)

	2012 Rs.Lakhs	2011 Rs.Lakhs
Shipping Tonnage Tax Reserve	90.00	90.00
Surplus in Profit & Loss Account		
Opening balance	95447.97	98611.19
Add : Profit after tax for the year	29296.94	6810.36
Sub-total	<u>124744.91</u>	<u>105421.55</u>
Appropriations:		
Proposed Dividend on Equity Capital	6143.57	4607.66
Dividend Distribution Tax	996.64	765.33
Transfer to Contingency Reserve	0.00	3600.59
Transfer to General Reserve	4000.00	1000.00
Transfer to Debenture Redemption Reserve	4757.33	0.00
Sub-total	<u>15897.54</u>	<u>9973.58</u>
Closing balance	<u>108847.37</u>	<u>95447.97</u>
Total - Reserves & Surplus	<u>376043.68</u>	<u>378258.40</u>

Notes:

- *1 Securities Premium:
Share Premium is net of calls in arrears of Rs.0.08 lakh (As on 31st March 2011: Rs.0.10 lakh). Premium on redemption of FCCB (including withholding tax), amounting to Rs.17792.48 lakhs (gross) has been directly charged against the Securities Premium Account, pursuant to provisions of Section 78 of the Companies Act, 1956.
- *2 Contingency Reserve:
For any possible erosion in the value of Investments / Advances / other contingencies.
- *3 Revaluation Reserve:
Amounts withdrawn include revaluation reserve on assets retired / sold.
- *4 Stock Options Outstanding Account:
During the year, an employee exercised 1,500 options. The total fringe benefit of Rs.0.24 lakh arising on this exercise, being the difference between market price and the option exercise price, has been accounted through Stock Options Outstanding Account.
- *5 Deferred Income:
Deferred Income represents the value of Waste Heat Recovery Project Assets provided to the Company free of cost by the Government of Japan through Government of India. The depreciation on the value of the assets capitalised, as above, is adjusted against Deferred Income.
- *6 Shipping Tonnage Tax Reserve:
During the financial year 2007-08, the Company opted for "Tonnage Tax" Scheme on the income generated by the ships and as required by Section 115VT of Income Tax Act, "Tonnage Tax Reserve" has been created. In view of the Company opting out of the scheme from the financial year 2008-09, no further Reserve has been created.

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

5. LONG-TERM BORROWINGS

	2012 Rs.Lakhs	2011 Rs.Lakhs
SECURED:		
1. Bonds / Debentures (Note No. 35.17)	191.42	1159.98
2. Term Loans:		
Banks	88949.86	59398.09
Others	3054.06	4946.71
Total Secured	<u>92195.34</u>	<u>65504.78</u>
UNSECURED:		
Others	57458.16	59978.87
Total Long-Term Borrowings (Refer Note No. 34 for Security clause)	<u>149653.50</u>	<u>125483.65</u>

6. DEFERRED TAX

Liability on account of Depreciation (Net of Unabsorbed Depreciation)	35148.42	29241.67
Asset arising on account of other timing differences	2696.94	1814.67
Net Deferred Tax liability	<u>32451.48</u>	<u>27427.00</u>

	2012 Rs.Lakhs	2011 Rs.Lakhs
7. OTHER LONG-TERM LIABILITIES		
Capital Expenditure - Payable towards franchisee rights (Refer Note No. 35.20)	14560.00	18200.00
Deposits	1467.21	1302.43
	<u>16027.21</u>	<u>19502.43</u>
8. LONG-TERM PROVISIONS		
Provision for employee benefits - Unavailed Leave (Refer Note 35.24(b))	<u>6088.56</u>	<u>5079.18</u>
CURRENT LIABILITIES (Note No.9 to 12)		
9. SHORT-TERM BORROWINGS		
1. Loans repayable on Demand (Secured): Cash Credit facilities from scheduled banks (The fund based and non-fund based working capital facilities are secured by a first charge on pari passu basis on all the current assets and second charge on the movable fixed assets and immovable properties of the company).	59215.37	27683.59
2. Other loans (Unsecured): Commercial Papers placed with Banks	0.00	4000.00
Short-Term Loans - Banks	17990.06	26500.18
	<u>77205.43</u>	<u>58183.77</u>
10. TRADE PAYABLES		
1. Creditors for Goods including Acceptances	32553.79	22763.26
2. Customer Credit balances	7367.31	9313.87
3. Other Trade Payables	16307.30	16152.25
4. Trade Deposits from Customers	7076.13	6023.67
	<u>63304.53</u>	<u>54253.05</u>
11. OTHER CURRENT LIABILITIES		
1. Current maturities of long-term debt		
SECURED:		
1. Bonds / Debentures (Refer Note No.35.17)	20968.56	462.78
2. Term Loans:		
Banks	15892.92	19283.84
Others	1892.65	4851.14
Total Secured	<u>38754.13</u>	<u>24597.76</u>
UNSECURED:		
Others (Refer Note No.35.18)	4482.01	37341.56
Total Current maturities of Long-Term Debt (Refer Note No. 34 for Security clause)	<u>43236.14</u>	<u>61939.32</u>
2. Interest accrued but not due on borrowings	1646.43	1927.63
3. Other payables:		
Creditors for Capital Expenditure (Refer Note No.35.20)	4605.59	8086.96
Other Liabilities (includes payable to Directors Rs.1103 lakhs)	16768.55	15307.73
4. Investor Education and Protection Fund: (Appropriate amounts shall be transferred to the fund as and when due)		
Unpaid dividends	77.16	60.46
Unpaid matured deposits and interest accrued thereon	39.40	49.12
	<u>66373.27</u>	<u>87371.22</u>
12. SHORT-TERM PROVISIONS		
Proposed Dividend (Including Dividend Distribution Tax)	7155.51	5372.99
Provision for Income Tax	0.00	2198.49
	<u>7155.51</u>	<u>7571.48</u>



NON-CURRENT ASSETS (Note No.13 to 17)

13. FIXED ASSETS

Rs.Lakhs

Particulars	GROSS BLOCK		DEPRECIATION BLOCK		NET BLOCK	
	As at 31st Mar-11	Additions Deductions	As at 31st Mar-11	For the Year	As at 31st Mar-12	As at 31st Mar-11
Tangible Assets:						
Land	47422.12	610.53 2.93	0.00	0.00	0.00	47422.12
Buildings	49111.58	10838.80 0.00	10234.69	1241.03	11475.72	38876.89
Railway siding	7883.22	4674.74 0.00	3281.33	392.66	3673.99	4601.89
Plant and Machinery including Electrical installations *	406417.71	42513.44 3114.98	164238.94	20648.31	182688.16	242178.77
Wind Electric Generators	7825.81	0.00 0.00	4213.19	413.20	4626.39	3612.62
Ships	24423.30	0.00 0.00	9804.14	3282.72	13086.86	14619.16
Furniture & Fixtures	1907.34	120.51 187.47	797.02	112.86	735.62	1110.32
Office Equipments and Computers	4821.77	311.88 933.66	2652.71	362.48	2118.92	2169.06
Vehicles	2714.46	954.57 289.07	1679.92	359.74	1832.29	1034.54
Total Tangible Assets	552527.31	60024.47 4528.11	196901.94	26813.00	220237.95	387785.72
Intangible Assets:						
Franchise Rights (Refer Note No.35.20)	36400.00	0.00 0.00	11229.15	3640.00	14869.15	25170.85
Computer software and Licences	3841.65	1927.97 0.00	1189.98	604.09	1794.07	2651.67
Total Intangible Assets	40241.65	1927.97 0.00	12419.13	4244.09	16663.22	27822.52
Total Tangible and Intangible Assets	592768.96	61952.44 4528.11	209321.07	31057.09	236901.17	383447.89
Capital Work-in-Progress						28839.72
Total						412287.61

* - Includes Rs.536.52 lakhs of equipments on "right to use" basis, which is depreciated over its useful life (As at March 2011: Rs. 536.52 lakhs).

- Foreign currency translation difference capitalised during the year: Rs.2622.18 lakhs (Previous year: Nil).

During the year finance cost amounting to Rs.800.17 lakhs has been capitalised (Previous year: Rs.1086.03 lakhs).

14. NON-CURRENT INVESTMENTS

	No. of shares/ debentures	Face Value Per share/ debenture (Rs.)	2012 Cost Rs.Lakhs	2011 Cost Rs.Lakhs
1. TRADE INVESTMENTS - (Unquoted) - In Subsidiaries:				
Fully paid Equity Shares:				
1. Coromandel Electric Company Limited	140000	10	14.00	14.00
Preference Shares of Coromandel Electric Company Limited (CECL):				
2. 13.25% Redeemable Cumulative Participating Preference Shares	508	10000	30.56	40.77
3. 18% Redeemable Cumulative Participating Preference Shares (5,000 shares have been given as security towards a loan obtained by CECL)	11600	10000	899.81	1226.18
4. 14% Redeemable Cumulative Preference Shares	4000000	10	303.39	455.08
			<u>1247.76</u>	<u>1736.03</u>
2. OTHER INVESTMENTS				
A. Fully paid Equity Shares of Companies (Quoted):				
5. Karur KCP Packagings Limited	996500	10	398.60	398.60
B. Shares of Companies - (Unquoted):				
(i) Subsidiaries:				
Fully paid Preference Shares:				
6. Industrial Chemicals and Monomers Limited	5000	100	0.20	0.20
7. 9% Non-Convertible Redeemable Preference Shares of Trinetra Cement Limited	61500000	100	61500.00	1000.00
Fully paid Equity Shares:				
8. Industrial Chemicals and Monomers Limited	2196691	10	35.58	35.58
9. ICL Financial Services Limited	50000	10	5.00	5.00
10. ICL Securities Limited	50000	10	5.00	5.00
11. ICL International Limited	50000	10	5.00	5.00
12. PT. Coromandel Minerals Resources, Indonesia	2940	4284	125.94	125.94
13. Coromandel Minerals Pte. Ltd., Singapore	7011500		2281.75	2281.75
Subsidiaries - Total			<u>63958.47</u>	<u>3458.47</u>
(ii) Associates:				
Fully paid Equity Shares:				
14. Coromandel Sugars Limited	100	10	0.01	0.01
15. Raasi Cement Limited (net of provision Rs.74,41,684)	79530	10	0.00	0.00
16. Coromandel Travels Limited	200000	10	20.00	20.00
Fully paid Debentures:				
17. Zero % Unsecured Convertible Debentures of Coromandel Travels Limited	6531000	100	6531.00	0.00
18. Zero % Unsecured Convertible Debentures of Coromandel Sugars Limited	3550000	100	3550.00	0.00
Associates - Total			<u>10101.01</u>	<u>20.01</u>
(iii) Other than Subsidiaries / Associates:				
19. Andhra Pradesh Gas Power Corporation Limited	5896000	10	4831.01	4831.01
20. Jagati Publications Private Limited	1111110	10	4000.00	4000.00
21. Carmel Asia Holdings Private Limited	190839	10	500.00	500.00
Other than Subsidiaries / Associates - Total			<u>9331.01</u>	<u>9331.01</u>



14. NON-CURRENT INVESTMENTS (Contd.)

	No. of shares/ debentures	Face Value Per share/ debenture (Rs.)	2012 Cost Rs.Lakhs	2011 Cost Rs.Lakhs
C. Government and Trustee Securities (Quoted):				
1. National Savings Certificates			1.20	1.21
2. Indira Vikas Patra Certificates			0.02	0.02
			<u>1.22</u>	<u>1.23</u>
D. Other Investments Fully paid Shares of Co-operative Societies - Long Term (Unquoted):				
1. The India Cements Employees Co-operative Stores Limited, Sankarnagar	2500	50	1.25	1.25
2. The India Cements Employees Co-operative Stores Limited, Sankari West	5000	10	0.50	0.50
3. The India Cements Mines Employees Co-operative Stores Limited, Sankari West	5300	10	0.53	0.53
			<u>2.28</u>	<u>2.28</u>
Grand Total (1 + 2)			<u>85040.35</u>	<u>14947.63</u>
Note:				
Aggregate of Quoted Investments:				
Cost			399.82	399.83
Market Value			250.35	250.36
Aggregate of Unquoted Investments:				
Cost			84640.53	14547.80
			Rs.Lakhs	Rs.Lakhs
15. LONG-TERM LOANS AND ADVANCES				
Unsecured and considered good:				
Capital Advances			31574.96	75143.34
Loans and Advances to related parties (Refer Note No.35.5)			92490.06	114986.32
Other Loans and Advances:				
Body Corporates (Refer Note No.35.5)			61772.86	58316.21
Deposits			4998.84	4611.47
Secured:				
Housing Loan and other Loans to Employees			789.95	623.67
			<u>191626.67</u>	<u>253681.01</u>
16. OTHER NON-CURRENT ASSETS				
Real Estate - Projects-in-Progress (Transferred to Capital Work-in-Progress during the year)			0.00	2042.47
17. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (Refer Note No. 35.19)				
Foreign Currency Monetary item translation loss during the year			1078.44	0.00
Less: Amortised during the year			190.50	0.00
Balance			<u>887.94</u>	<u>0.00</u>

CURRENT ASSETS (Note No.18 to 22)

18. CURRENT INVESTMENTS (QUOTED)

Fixed Income Interval Fund of Unit Trust of India			155.52	1083.34
Number of Units: 15256 (Previous year: 10830086)				
Face Value per Unit: Rs.10/-				
Market Value: Rs.155.52 lakhs (Previous Year: Rs.1083.34 lakhs)				

	2012 Rs.Lakhs		2011 Rs.Lakhs
19. INVENTORIES			
Stores / Spares (Including coal and packing material)	36923.16		32999.57
Raw Materials	3922.04		4679.72
Work-in-Process	633.66		682.32
Semi-finished Goods	6106.58		7170.63
Finished Goods	4995.43		4198.66
	<u>52580.87</u>		<u>49730.90</u>
20. TRADE RECEIVABLES			
Outstanding for more than six months	5125.28		4699.41
Less: Provision for doubtful debts	(473.38)		(544.38)
Sub-total	4651.90		4155.03
Others	16330.30		21285.09
Total Sundry Debtors, considered good	<u>20982.20</u>		<u>25440.12</u>
(Net of security deposit Rs.29487.79 lakhs (As at 31 st March 2011: Rs.29040.65 lakhs))			
21. CASH AND CASH EQUIVALENTS			
Cash, cheques and stamps on hand	78.59		97.93
Cash at Scheduled Banks in Current Accounts	138.62		3135.18
Fixed Deposits with Scheduled Banks (Towards Deposits from Public)	71.03		75.95
	<u>288.24</u>		<u>3309.06</u>
22. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)			
Advance for goods	20097.12		13643.78
Advance payment of Tax (Net of provision)	880.26		0.00
Prepaid Expenses	771.42		821.27
Other Advances (Net of provision Rs.220 lakhs (Previous Year Rs.220 lakhs))	23907.96		16860.64
	<u>45656.76</u>		<u>31325.69</u>
	2011-12		2010-11
	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs
23. REVENUE FROM OPERATIONS			
Sales including Excise Duty	453689.18		383415.89
Other Operating Revenues:			
Freight Earnings - Shipping	3741.62		4158.41
Value of Power Generated from Wind Farms	1092.79		1233.06
Income from Indian Premier League (Refer Note No.35.20)	13728.98	18563.39	8365.05
Revenue from Operations including Excise Duty	<u>472252.57</u>		<u>397172.41</u>
Less: Excise Duty	(51912.36)		(47100.64)
Revenue from Operations	<u>420340.21</u>		<u>350071.77</u>
24. OTHER INCOME			
Dividend Income [#]	305.57		530.86
Interest Income	367.72		411.30
Profit on Sale of Investments	0.00		2575.66
Other Non Operating Income:			
Rent Recovery	24.59		24.57
Profit on Sale of Assets	64.11		59.35
Foreign Exchange translation difference	38.54		77.98
Miscellaneous Income	1128.31	1255.55	281.54
	<u>1928.84</u>		<u>443.44</u>
			<u>3961.26</u>

[#] Includes dividend received from subsidiaries Rs.206.24 lakhs (Previous year Rs.260.59 lakhs)



25. COST OF MATERIALS CONSUMED

	Rs.Lakhs	2011-12 Rs.Lakhs	Rs.Lakhs	2010-11 Rs.Lakhs
Raw Materials Consumed:				
Opening Stock		4679.72		4905.16
Add: Purchases	37647.21		35707.59	
Add: Own Quarrying (Net) (Refer Note No. 35.6(a))	<u>15697.64</u>	<u>53344.85</u>	<u>15688.86</u>	<u>51396.45</u>
		58024.57		56301.61
Less: Closing Stock		<u>3922.04</u>		<u>4679.72</u>
Raw Materials Consumed		<u>54102.53</u>		<u>51621.89</u>

26. (INCREASE) / DECREASE IN STOCK

Opening Stock of:				
Work-in-Process	682.32		560.84	
Semi-finished Goods	7170.63		7855.52	
Finished Goods	4198.66		2495.33	
Real Estate - Projects-in-Progress (Rs.2042.47 lakhs Transferred to Capital Work-in-Progress during the year)	<u>0.00</u>		<u>2042.47</u>	
		12051.61		12954.16
Less: Closing Stock of:				
Work-in-Process	633.66		682.32	
Semi-finished Goods	6106.58		7170.63	
Finished Goods	4995.43		4198.66	
Real Estate - Projects-in-Progress (Transferred to Capital Work-in-Progress during the year)	<u>0.00</u>		<u>2042.47</u>	
		11735.67		14094.08
Total (Increase) / Decrease in stock		<u>315.94</u>		<u>(1139.92)</u>

27. EMPLOYEE BENEFITS EXPENSE

(a) Employees other than Directors:				
Salaries, Wages and Bonus		20053.61		18682.77
Contribution to Provident Fund		903.75		787.15
Gratuity		337.92		1019.76
Superannuation		946.75		781.27
Employees' Provident Fund Admn. Charges		73.97		56.07
Employees' State Insurance Scheme		21.80		48.80
Workmen and Staff Welfare Expenses		5035.44		3450.62
Unavailed leave (Refer Note No.35.24(b))		1009.38		495.96
Employees other than Directors - Total		<u>28382.62</u>		<u>25322.40</u>
(b) Directors:				
Directors' Remuneration:				
Managing Director :				
Salary	360.00		360.00	
HRA	108.00		108.00	
Contribution to Provident Fund	43.20		43.20	
Contribution to Gratuity and Superannuation Funds	69.00		69.00	
Commission	902.00		315.00	
Others	<u>4.14</u>	1486.34	<u>3.97</u>	899.17
Wholetime Director:				
Salary	120.00		120.00	
HRA	36.00		36.00	
Contribution to Provident Fund	14.40		14.40	
Contribution to Gratuity and Superannuation Funds	23.00		23.00	
Commission	201.00		129.00	
Others	<u>0.00</u>	394.40	<u>0.00</u>	322.40
Directors' Remuneration - Total		<u>1880.74</u>		<u>1221.57</u>
Total Employee benefits expense (a + b)		<u>30263.36</u>		<u>26543.97</u>

27. EMPLOYEE BENEFITS EXPENSE (Contd.)	Rs.Lakhs	2011-12 Rs.Lakhs	Rs.Lakhs	2010-11 Rs.Lakhs
Computation of Net Profit under Section 309(5) of the Companies Act, 1956:				
Profit before taxes		38098.48		8987.35
Add: Managerial Remuneration		1880.74		1221.57
Loss on sale of assets		264.00		26.98
Provision for doubtful debts		48.12		162.18
Less: Bad debts written-off		(119.12)		(381.40)
Profit on sale of assets / investments		(64.11)		(2635.01)
Net profit as per Section 309(5) of the Companies Act, 1956		<u>40108.11</u>		<u>7381.67</u>
Commission: Managing Director		902.00		315.00
Wholtime Director		201.00		129.00
Total		<u>1103.00</u>		<u>444.00</u> *
* Commission for the year 2010-11 aggregating to Rs.444 lakhs was unpaid, as the same was waived by above executive directors. The reversal of the commission is included under "Other Income" during the year 2011-12.				
28. FINANCE COSTS (NET)				
Interest Expense		16046.25		11904.37
Other Borrowing Costs		10108.86		2072.60
Loss on Foreign currency transactions / translations		2517.89		194.69
		<u>28673.00</u>		<u>14171.66</u>
29. MANUFACTURING AND OTHER OPERATING EXPENSES				
1. Stores Consumed (Refer Note No.35.6(b))		4583.34		4962.41
2. Power and Fuel		109469.43		102008.43
3. Repairs & Maintenance:				
Building	37.10		51.39	
Machinery	5538.89		5607.32	
Others	2910.86		2933.36	
Total Repairs & Maintenance		<u>8486.85</u>		8592.07
4. Agency and Port Charges - Shipping		49.43		130.74
5. Excise Duty on stock adjustment		165.57		377.67
		<u>122754.62</u>		<u>116071.32</u>
30. ADMINISTRATION AND OTHER CHARGES				
Insurance		564.68		506.89
Rent		387.63		354.58
Rates and Taxes		595.23		489.35
Printing and Stationery		218.90		206.40
Postage, Telephones and Telegrams		418.69		365.94
Other Administration Expenses		17286.35		13936.89
Legal Fees		128.04		271.87
Directors' Sitting Fees		13.80		14.10
Auditors' Expenses:				
Audit Fees	80.00		80.00	
Cost Audit Fees	10.00		10.00	
Certifications / Others	8.90		10.08	
Tax Audit / Other Services	16.00		16.00	
Travel / out of pocket expenses	6.37		4.54	120.62
Amortisation of Deferred Revenue Expenses (Refer Note No.35.19)		<u>190.50</u>		0.00
Loss on Sale of Assets		264.00		26.98
Provision for Doubtful Advances / Debtors		48.12		162.18
Provision for Doubtful Advances / Debtors - Opening balance	764.38		983.60	
Add: Additional provisions during the year	48.12		162.18	
	<u>812.50</u>		1145.78	
Less: Bad debts / advances written-off during the year	119.12		381.40	
Provision for Doubtful Advances / Debtors - Closing balance	<u>693.38</u>		764.38	
		<u>20237.21</u>		<u>16455.80</u>



31. SELLING AND DISTRIBUTION EXPENSES

	2011-12 Rs.Lakhs	2010-11 Rs.Lakhs
Packing Charges	16434.51	15895.99
Additional Sales Tax	82.68	83.36
Freight outwards	69333.31	64997.78
Advertisement	3730.95	3077.93
Others	11989.39	12403.74
	<u>101570.84</u>	<u>96458.80</u>

32. DONATIONS

The India Cements Educational Society	400.00	400.00
Cancer Institute	0.00	75.00
Others	359.76	216.89
	<u>759.76</u>	<u>691.89</u>

33. EARNINGS / LOSS PER SHARE (EPS)

Earnings:

Earnings available to Equity Shareholders - Basic	A	29296.94	6810.36
Income or expenses accounted in Financial Statements attributable to potential equity shareholders			
FCCB Forex Fluctuation (Gain) / Loss credited / debited to P & L during the period		0.00	(155.27)

Earnings - Diluted	B	<u>29296.94</u>	<u>6655.09</u>
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No. of Shares:

No. of Equity Shares		307178657	307177157
Weighted average No. of Equity Shares	C	<u>307178657</u>	<u>307177157</u>
No. of Potential Equity Shares		0	11067981
Weighted average No. of Potential Equity Shares		0	11067981
Total weighted average No. of Shares - Diluted	D	<u>307178657</u>	<u>318245138</u>

EPS:

Basic (Rs.)	A / C	9.54	2.22
Diluted (Rs.)	B / D	9.54	2.09

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

	Non-Current Portion		Current Maturities		Total		Last Instalment Due on	Principal Payable Frequency
	2012 Rs.Lakhs	2011 Rs.Lakhs	2012 Rs.Lakhs	2011 Rs.Lakhs	2012 Rs.Lakhs	2011 Rs.Lakhs		
SECURED:								
(a) Bonds / Debentures:								
Secured Privately placed Debentures redeemable / repayable on or before 31st March 2016								
(i) 2385 Debentures of Rs.375000/- each	43.63	241.01	197.38	98.31	241.01	339.32	31-Mar-16	Quarterly
(ii) 7630 Debentures of Rs.500000/- each	147.79	918.97	771.18	364.47	918.97	1283.44	31-Mar-16	Quarterly
(iii) 4000 -11.25% Non-Convertible Debentures of Rs.500000/- each, redeemable after one year from the date of allotment	0.00	0.00	20000.00	0.00	20000.00	0.00	29-Sep-12	Yearly
Total (i) to (iii)	191.42	1159.98	20968.56	462.78	21159.98	1622.76		
(b) Term Loans:								
From Banks								
(i) IDBI Bank Ltd.	3253.33	4207.46	954.13	857.11	4207.46	5064.57	31-Mar-16	Quarterly
(ii) IDBI Bank Ltd.	1591.87	1916.98	325.11	566.82	1916.98	2483.80	31-Mar-16	Quarterly
(iii) IDBI Bank Ltd.	177.65	232.58	54.94	54.94	232.59	287.52	31-Mar-16	Quarterly
(iv) IDBI Bank Ltd.	3057.25	6390.25	3333.00	3333.00	6390.25	9723.25	28-Feb-14	Monthly
(v) State Bank of India	0.00	1396.43	1396.43	985.59	1396.43	2382.02	31-Mar-13	Quarterly
(vi) Punjab National Bank	9226.39	13806.03	4579.64	4579.64	13806.03	18385.67	30-Nov-14	Monthly
(vii) Kotak Mahindra Bank	2555.56	3888.89	1333.33	1333.33	3888.89	5222.22	25-Feb-15	Monthly
(viii) Kotak Mahindra Bank	3916.67	0.00	1000.00	0.00	4916.67	0.00	4-Feb-17	Monthly
(ix) Axis Bank Ltd.	30000.00	20000.00	0.00	0.00	30000.00	20000.00	31-Mar-17	Qy from 2013
(x) Axis Bank Ltd.	4643.14	6964.71	2321.57	2321.57	6964.71	9286.28	7-Dec-14	Yearly
(xi) HDFC Bank Ltd.	0.00	0.00	0.00	5000.00	0.00	5000.00	Paid	
(xii) Working Capital Loans from Banks	0.00	594.76	594.77	251.84	594.77	846.60	31-Mar-13	Quarterly
(xiii) ICICI Bank (USD 60 Mn Foreign Currency Loan)	30528.00	0.00	0.00	0.00	30528.00	0.00	7-Nov-19	Half Yearly
Total Secured Loans from Banks	88949.86	59398.09	15892.92	19283.84	104842.78	78681.93		
From Others:								
(i) IFCI Ltd.	54.06	71.71	17.65	17.81	71.71	89.52	31-Mar-16	Quarterly
(ii) Housing Development Finance Corporation Ltd.	0.00	0.00	0.00	3333.33	0.00	3333.33	Paid	
(iii) Housing Development Finance Corporation Ltd.	3000.00	4875.00	1875.00	1500.00	4875.00	6375.00	15-Apr-15	Quarterly
Total Secured Loans from Others	3054.06	4946.71	1892.65	4851.14	4946.71	9797.85		
Total Secured Long-term borrowings	92195.34	65504.78	38754.13	24597.76	130949.47	90102.54		
UNSECURED:								
(i) Zero Coupon Foreign Currency Convertible Bonds (Refer Note No.35.18)	0.00	0.00	0.00	33450.00	0.00	33450.00	Paid	
(ii) Interest free Sales Tax Deferral Loans	56826.08	58891.42	3768.07	3475.07	60594.15	62366.49	12 to 14 Years	Monthly
(iii) Deposits from Public	632.08	1087.45	713.94	416.49	1346.02	1503.94	Various Dates	
Total Unsecured Long-term borrowings	57458.16	59978.87	4482.01	37341.56	61940.17	97320.43		
Total Long-term Liabilities & Current Maturities	149653.50	125483.65	43236.14	61939.32	192889.64	187422.97		

SECURITY CLAUSE

(a) Bonds / Debentures:

- Item (i) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.



34. SECURITY FOR SECURED BORROWINGS (Contd.)

2. Item (ii) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further secured by a joint first equitable mortgage on the immovable properties of the Company both present and future.
 3. Item (iii) is secured by a registered first mortgage on the Company's non-agricultural freehold land situate at Sathurayanpudur village, Tirunelveli Taluk, Tirunelveli and further secured by a joint first equitable mortgage / charge on the immovable and movable properties of the Company both present and future.
- (b) Term Loans:
- From Banks:
1. Items (i) and (ii) are secured by first equitable mortgage and charge on pari passu basis (with other Lenders / Debenture Trustees) on the immovable and movable assets (with exclusion of assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security), both present and future, subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
 2. Items (iii) and (iv) are secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
 3. Item (v) is secured by hypothecation of Fixed Assets of the Company at Sankarnagar, Dalavoi and Yerraguntla cement plants and further secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
 4. Item (vi) is secured by a first pari passu charge (with other Lenders / Debenture Trustees) on the movable and immovable fixed assets of the Company both present and future save and except book debts and subject to prior charges created / to be created in favour of the Company's bankers on its current assets for securing the borrowings for working capital requirements.
 5. Item (vii) and (viii) are secured by way of exclusive charge on the immovable properties of the Company being the land and building situated at 93, Santhome High Road, Chennai.
 6. Item (ix) is secured by first pari passu charge on the specific fixed assets of the Company's plant at Vishnupuram, Nalgonda District excluding the assets of the thermal power plant and the land on which it is proposed to be installed and further secured by a joint first equitable mortgage/ charge on the immovable and movable properties of the Company both present and future.
 7. Item (x) is secured by a pari passu charge on all the movable assets of the Company excluding the current assets and movable assets at Chennai and Parli grinding units excluding current assets and further secured by a joint first equitable mortgage / charge on the immovable properties of the Company both present and future.
 8. Item (xii) is secured by a first charge on pari passu basis on the movable fixed assets and immovable properties of the Company and a second charge on the current assets.
 9. Item (xiii) is secured by a first and exclusive charge on movable fixed assets of the Company's captive power plant at Vishnupuram and further secured by a joint first equitable mortgage / charge on the immovable and movable properties of the Company both present and future.
 10. The term loan from State Bank of India is additionally secured by a second charge on the current assets of the Company.
 11. Loans mentioned in (b) (i) carry an option for conversion into equity shares at par not exceeding 20% of the sanctioned loan / outstanding loan in the advent of certain events and subject to conditions.
- From Others:
1. Item (i) is secured by an exclusive first charge by way of hypothecation of the equipment purchased together with tools & accessories at Vishnupuram cement plant and further secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
 2. Item (iii) is secured by a first pari passu mortgage and charge on the movable and immovable properties and second pari passu charge on the current assets of the Company's Cement manufacturing facilities.

	2012 Rs.Lakhs	2011 Rs.Lakhs
35.1 Estimated amounts of Capital Expenditure Commitments	17443.67	14220.90
35.2 Monies for which the Company is contingently liable:		
a. Letter of Credit Opened by Bankers.	7089.56	438.22
b. Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates).	48317.61	42440.65
c. Sales Tax demand for various years under dispute.	1287.79	1306.72
d. Contingent Liability pertaining to Raasi Cement Limited (Residuary Company) for Sales Tax, Central Excise and Income Tax.	2272.81	2284.00
e. Contingent Liability on account of CENVAT Cases, Income Tax and Others.	34311.38	22363.14
35.3 Claims against the Company not acknowledged as debts.	14022.52	12353.29
35.4 Building includes purchase of flats on leasehold lands for which the documents of title are yet to be executed in favour of the Company.	11.13	11.13
35.5 Loans and Advances:		
a. Advances include advances to Subsidiaries, Associates and others representing strategic Long Term Investments in Cement, Sugar, Shipping and Financial Services, which in the opinion of management, having regard to intrinsic value of such investments held by them, will realise values stated in the long term. The Company, as a prudent measure has created a Contingency Reserve to the extent of Rs.200 Crores for any possible erosion in the value of the said advances.	154262.92	173302.53
b. Advances include Disputed CENVAT / Sales Tax claims pending in different stages of appeal. Management is of the opinion that these are recoverable at values stated.	670.90	581.17
35.6 (a) Raw Materials consumed:		
Own Quarrying includes:		
(i) Salaries & Wages	1487.28	1313.43
(ii) Stores Consumed	2370.46	2519.46
(iii) Royalty	6301.76	6525.81
(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	15711.96	16528.74
35.7 Repairs and Maintenance includes Stores & Spares.	5017.97	5213.64
35.8 Detailed quantitative information of goods manufactured during the Report Period:		
(a) Installed capacity in Tonnes (per annum)	14050000	14050000
(b) Production in Tonnes	9463119	9980300
(c) Sales – Quantity in Tonnes - Cement	9451340	9932210
Quantity in Tonnes - Clinker	76401	31581
Sales – Value of Cement (Gross)	451511.65	382697.98
Value of Clinker	2177.53	717.91
	453689.18	383415.89
(d) Opening Stock of Cement produced in Tonnes	146523	98433
Value	4198.66	2495.33
(e) Closing Stock of Cement produced in Tonnes	158301	146523
Value	4995.43	4198.66



	2012	2011
	Rs.Lakhs	Rs.Lakhs
35.9 Value of Import on CIF basis:		
(a) Raw Materials	1610.04	1662.88
(b) Fuel	48119.72	41956.83
(c) Spare Parts and Components	540.56	498.83
(d) Capital goods	1466.29	182.62
35.10 Earnings in Foreign Exchange (on accrual basis):		
Export (FOB)		
Cement – Quantity in Tonnes	8500	5734
– Value	254.47	159.71
35.11 Expenditure in Foreign Currency (on accrual basis):		
Legal & Consultancy Charges	Nil	Nil
Travel Expenses and others	191.86	200.26
Indian Premier League - payments to foreign players / others	3324.50	2595.54
35.12 Remittances in Foreign Currency:		
Final Dividend on account of GDS:		
No. of Shareholders	1	1
Amount remitted (Rs. Lakhs)	88.94	91.73
Year to which it pertains	2011	2010
Final Dividend on account of GDR:		
No. of Shareholders	1	1
Amount remitted (Rs. Lakhs)	137.51	6.27
Year to which it pertains	2011	2010
35.13 Details of imported and indigenous materials consumed during the year:		
Raw materials:		
Imported	4910.96	3157.52
Indigenous	49191.57	48464.37
Total	<u>54102.53</u>	<u>51621.89</u>
Percentage to Total Consumption:		
Raw materials:		
Imported	9.08%	6.12%
Indigenous	90.92%	93.88%
Total	<u>100.00%</u>	<u>100.00%</u>
Spare parts and Components:		
Imported	420.41	596.92
Indigenous	1571.49	1759.87
Total	<u>1991.90</u>	<u>2356.79</u>
Percentage to Total Consumption:		
Spare Parts and Components:		
Imported	21.11%	25.33%
Indigenous	78.89%	74.67%
Total	<u>100.00%</u>	<u>100.00%</u>
35.14 Details of Raw Materials consumed:		
Quantity in Tonnes:		
Limestone	10181668	10826280
Gypsum	491445	506274
Others	2213370	2276841
Value:		
Limestone	21092.34	20856.94
Gypsum	7606.45	7029.45
Others	16889.50	15232.25
Freight on Inter Unit Transfer of Clinker	8514.24	8503.25
Total	<u>54102.53</u>	<u>51621.89</u>

- 35.15 The Company had opted for the "Tonnage Tax Scheme" under the Income Tax Act, 1961 in the financial year 2007-08 and has opted out of the said Scheme with effect from the financial year 2008-09.
- 35.16 As at Balance Sheet date, amounts aggregating to Rs.14.63 Lakhs were due to Micro, Small and Medium Enterprises and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.
- 35.17 Note on Debt Restructuring:
- The Corporate Debt Restructuring (CDR) Cell formed by the Reserve Bank of India approved a Debt Restructuring proposal for all debts other than public deposits with effect from 01.01.2003.
 - The common documentation for creation of security between all the Lenders and the Company is yet to be executed. Pending execution of common documentation between the Lenders and the Company, the Security Clause under the loans has not been changed.
- 35.18 The Company had issued USD 75 Million Zero Coupon Foreign Currency Convertible Bonds (FCCB) which matured on 12th May 2011. The bonds will not bear any interest and are convertible by holders into shares, subject to certain conditions. The net proceeds were used by the Company for the purpose of Capital Expenditure and other purposes, including the repayment of existing debt, as permitted under the applicable law or regulations. Premium on redemption of FCCB (including withholding tax), amounting to Rs.177.93 Crores (gross) (current tax impact Rs.57.73 Crores) has been directly charged against the Securities Premium Account, pursuant to provisions of Section 78 of the Companies Act, 1956.
- The Company has redeemed the bonds on 12th May 2011 being the maturity date, at 147.70% of its principal value.
- 35.19 Recognition of Foreign Currency Fluctuations:
- Long Term Monetary Liability pursuant to the notification issued by the Ministry of Corporate Affairs dated 29th December 2011 on Accounting Standard 11, the Company has opted to:
 - capitalize the exchange gain / loss on the loans against purchase of fixed assets after the same has been put to use and depreciated over the balance life of the asset. Such gains / losses were hitherto credited / debited to the Profit & Loss Account. Accordingly, Rs.2622.18 Lakhs capitalised during the year, which otherwise, would have been charged to Profit & Loss Account;
 - exchange loss other than those attributable to capital assets amounting to Rs.1078.44 Lakhs, which were hitherto charged to Profit & Loss Account has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.190.50 Lakhs has been amortized during the year (included in Administration and Other Charges) and the balance of Rs.887.94 Lakhs will be amortized over the remaining period of the liability. In view of the above, the profit before tax for the year is higher by Rs.3510.12 Lakhs.
 - Short Term Monetary Liability:

Exchange gain / loss on short term monetary liability is continued to be credited / debited to the Profit & Loss Account.
- 35.20 The Company has as part of the initiatives to promote corporate image and its brands participated in the IPL T/20 tournaments with its team 'The Chennai Super Kings'. The right to operate the franchise provides a platform to build corporate and brand image especially in the context of the Company becoming a Pan India Player.
- The consideration to operate the franchise, aggregating to USD 91 Million is payable over a period of 10 years in equal installments commencing from 2008.
- As per the agreement, BCCI-IPL will share its income from the sale of media rights and sponsorship income with all the franchisees. In addition to the Central revenue as mentioned above the franchisee will also have local revenue like gate collections, team sponsorships, uniform sponsors etc. The revenue from operating the franchise is grouped under Miscellaneous Income. Currently, the company is following a policy of accounting for all the expenditure and revenue associated with IPL related operation upon commencement of the Season.
- The costs involved in operating the franchise like remuneration to the players, travelling and accommodation expenses, advertisements, promotions etc., are accounted in accordance with the Generally Accepted Accounting Principles. The expenses are grouped under the natural heads of accounts.
- The Company capitalized the entire franchisee fee payable to BCCI-IPL as a "Franchise Right" under Intangible Asset. Considering the revenue by operating the franchise and the potential cash flows arising therefrom the "Franchise Right" is being amortized over a period of 10 years. The amount payable to BCCI towards the same, in the next 12 months from the date of Balance Sheet is grouped under Sundry Creditors for Capital Expenditure under Current Liabilities and payable after 12 months from the date of Balance Sheet is grouped under Non-Current Liabilities.
- 35.21 Pending finalisation of ongoing negotiations with various Banks / Financial Institutions, the claims towards Interest / Penal interest claims by Banks / Financial Institutions are under negotiation for waiver, amount not determinable.



35.22 Related Party Disclosures:

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

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

	2012 Rs.Lakhs	2011 Rs.Lakhs
B. Transactions with Subsidiaries and Associate Companies:		
Subsidiaries:		
Sale of Goods	4190.06	5119.32
Purchase of Shares	Nil	1000.00
Purchase of Goods	11.49	39.96
Purchase of Assets	Nil	Nil
Rendering of Services	Nil	Nil
Receiving of Services	7459.77	4630.73
Interest on Advances	Nil	3033.41
Dividend received from Subsidiary Companies	206.24	260.59
Guarantees Outstanding at the year end	31500.00	31500.00
Outstanding balance included in current assets	87536.42	104362.75
Associates:		
Sale of Goods	21.33	2.10
Purchase of Shares	Nil	Nil
Rendering of Services	Nil	Nil
Receiving of Services	1266.98	677.03
Interest on Advances	104.80	398.16
Guarantees Outstanding at the year end	14201.00	8701.00
Outstanding balance included in current asset	4953.65	8475.63

	2012 Rs.Lakhs	2011 Rs.Lakhs
C. Transactions relating to persons mentioned in A. (iii) above:		
Remuneration	1880.74	1221.57*
Dividend paid during the year	6.96	3.68
Total	<u>1887.70</u>	<u>1225.25</u>

* Commission for the year 2010-11 aggregating to Rs.444 lakhs was unpaid, as the same was waived by the executive directors. The reversal of the commission is included under "Other Income" during the year 2011-12.

D. Transactions relating to persons mentioned in A. (iv) above:		
Directors' Sitting Fee	1.00	0.80
Dividend paid during the year	1.18	1.57
Total	<u>2.18</u>	<u>2.37</u>

35.23 Details of Loans and Advances given to Subsidiaries, Associates and Others:

A. Loans and Advances to Subsidiaries:

(i) Rate of Interest:		
Industrial Chemicals and Monomers Limited	Nil	Nil
ICL Financial Services Limited	Nil	Nil
ICL Securities Limited	Nil	Nil
ICL International Limited	Nil	Nil
PT. Coromandel Minerals Resources, Indonesia	Nil	Nil
Trishul Concrete Products Limited	Nil	Nil
Trinetra Cement Limited (Formerly Indo Zinc Limited)	Nil	8%
Coromandel Minerals Pte. Ltd, Singapore	Nil	Nil
Coromandel Electric Company Limited	Nil	Nil
(ii) Closing Balance for the Report Period:		
Industrial Chemicals and Monomers Limited	1372.06	1354.90
ICL Financial Services Limited	16709.28	16512.07
ICL Securities Limited	13969.03	13420.38
ICL International Limited	2470.74	2317.49
PT. Coromandel Minerals Resources, Indonesia	192.05	189.19
Trishul Concrete Products Limited (Advance for purchase of Land)	37344.46	Nil
Trinetra Cement Limited (Formerly Indo Zinc Limited) (Adv. For Equity)	14493.10	70586.50
Coromandel Minerals Pte. Ltd, Singapore	985.70	Nil
Coromandel Electric Company Limited	Nil	(17.78)
Total	<u>87536.42</u>	<u>104362.75</u>
(iii) Maximum Balance for the Report Period:		
Industrial Chemicals and Monomers Limited	1372.06	1354.90
ICL Financial Services Limited	16862.95	16690.50
ICL Securities Limited	14126.86	13595.75
ICL International Limited	2470.74	2317.49
PT. Coromandel Minerals Resources, Indonesia	192.05	189.19
Trishul Concrete Products Limited (Advance for purchase of Land)	37348.32	484.63
Trinetra Cement Limited (Formerly Indo Zinc Limited) (Adv. For Equity)	74921.04	70586.50
Coromandel Minerals Pte. Ltd, Singapore	985.70	Nil
Coromandel Electric Company Limited	Nil	(18.94)
Total	<u>148279.72</u>	<u>105200.02</u>

B. Loans and Advances to Associates:

(i) Rate of Interest:		
Coromandel Sugars Limited	8%	8%
India Cements Capital Limited	Nil	8%
Coromandel Travels Limited	Nil	Nil
Unique Receivable Management Pvt. Limited	Nil	Nil



	2012 Rs.Lakhs	2011 Rs.Lakhs
(ii) Closing Balance for the Report Period:		
Coromandel Sugars Limited	2970.61	6448.96
India Cements Capital Limited	1983.04	2026.67
Coromandel Travels Limited	0.00	0.00
Total	4953.65	8475.63
(iii) Maximum Balance for the Report Period:		
Coromandel Sugars Limited	8473.30	7223.79
India Cements Capital Limited	2031.88	2122.61
Coromandel Travels Limited	0.00	159.33
Total	10505.18	9505.73

Notes:-

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

35.24 Employee Benefits:

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

(a) Contribution to Pension Funds:

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

The estimated aggregate value of Pension liability, discounted @8% p.a., under the Defined Benefit Plans and Defined Contribution Plans as at 31st March 2012 are Rs.4,789.13 Lakhs (as at 31st March 2011 are Rs.4,427.95 Lakhs) and Rs.1,160.54 Lakhs (as at 31st March 2011 are Rs.1,054.37 Lakhs) respectively, as per the details given below:

Defined Benefit Scheme:

	2011-12 Rs. Lakhs	2010-11 Rs. Lakhs
Opening balance as per actuarial valuation	4427.95	4100.58
Add: Interest income / differential interest due to change in discount rate during the year	0.00	0.00
Less: Settlements during the year	325.93	237.64
Sub-total	4102.02	3862.94
Add: Provision created during the year	687.11	565.01
Closing Balance as on 31 st March	4789.13	4427.95
Assumptions:		
Discount rate	8.00%	8.00%
Salary escalation rate	2.00%	2.00%
Average age	48 yrs.	48 yrs.
Average accrued service	14 yrs.	14 yrs.
Annuity rates for pension computation	Rates applicable for 15 years certain and life thereafter, with return of corpus.	

Defined Contribution Scheme:

	2011-12 Rs. Lakhs	2010-11 Rs. Lakhs
Opening balance as per actuarial valuation	1054.37	1032.91
Less: Settlements / transfers during the year	290.00	266.80
Sub-total	764.37	766.11
Add: Provision created during the year	396.17	288.26
Closing Balance as on 31 st March	1160.54	1054.37

(b) Leave of absence and encashment:

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Accounting Standard 15. The total amount of provision available for the unavailed leave balances as at 31st March 2012 is Rs.6,088.56 Lakhs (as at 31st March 2011: Rs.5,079.18 Lakhs).

(c) Gratuity:

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

	2011-12 Rs. Lakhs	2010-11 Rs. Lakhs
Opening balance as per actuarial valuation	3423.69	2571.00
Add: Interest income during the year	150.00	50.62
Less: Settlements during the year	291.20	237.55
Sub-total	3282.49	2384.07
Add: Provision created during the year	377.85	1039.62
Closing Balance as on 31 st March	3660.34	3423.69
Assumptions:		
Discount rate	8.00% p.a.	8.00% p.a.
Salary escalation rate	2.00% p.a.	2.00% p.a.
Average age	52 years	52 years
Average accrued service	26 years	26 years

35.25 Note on Employees Stock Option Scheme, 2006:

During the year 2006-07, the Company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1st December 2006. As per the scheme, the eligible employees are entitled to apply for and be allotted to one equity share of Rs.10/- each, fully paid-up, on payment of the Exercise price of Rs.50/- per option, which shall vest with the option holders in 2 equal instalments on 1st December 2007 and 1st December 2008. The vested options shall be exercised by the option holders within 1 year from the date of vesting.

Under ESOS 2006, the maximum number of options to be granted in aggregate is not to exceed 15,00,000; of which the Company issued 14,79,000 options, to be vested with the option holders in two equal annual instalments. Out of the options vested on 1st December 2007 and 1st December 2008, the option holders exercised their options for and were allotted fully paid up equity shares aggregating to 7,19,000 (as at 31st March 2011:7,19,000 shares) and 7,00,000 (as at 31st March 2011:7,00,000 shares) respectively as at the Balance Sheet.

In terms of the Scheme, 3000 options were issued to an eligible employee on 6th August 2009. Each option on such vesting can be exercised by applying for an equity share of Rs.10/- each fully paid up for a sum of Rs.50/- (inclusive of premium of Rs.40/-) on or before 1st September 2011 and 1st September 2012 respectively. 1,500 options vested on 01/09/2010 were exercised by the employee and equal number of shares were allotted to him on 2nd March 2011. The 2nd Instalment of 1500 Shares were allotted on 17th November 2011.

Accounting of ESOS

The fair market price per equity share of the Company on the date of vesting, i.e. 1st December 2007, 1st December 2008, 1st September 2010 & 1st September 2011 was Rs.296.80, Rs.86.95, Rs.107.65 & Rs.65.92 respectively. On vesting, the excess of fair market price over the price paid by the employees, per Scheme, is charged to Profit and Loss Account by crediting Stock Options Outstanding Reserve Account and on allotment of shares, the corresponding amount is transferred from Stock Options Outstanding Reserve Account to Securities Premium, as per the Guidance Note issued by The Institute of Chartered Accountants of India.

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

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



STATEMENT ATTACHED TO THE BALANCE SHEET AS AT 31ST MARCH, 2012 PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956.

	Name of the Subsidiaries								
	Industrial Chemicals and Monomers Ltd.	ICL Securities Ltd.	ICL Financial Services Ltd.	ICL International Ltd.	Trishul Concrete Products Ltd.	Coromandel Electric Company Ltd.	Trinetra Cement Ltd. (Formerly Indo Zinc Ltd.)	Coromandel Minerals Pte. Ltd., Singapore	PT. Coromandel Minerals Resource, Indonesia
1. Financial year ending	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.12.2011	31.12.2011
2. Extent of Holding Company's interest at the end of the financial year of the subsidiary	98.59%	100.00%	100.00%	100.00%	88.47%	74.00%	61.22%	100.00%	100.00%
3. The net aggregate amount of the subsidiaries' profit less losses or vice versa so far it concerns the members of the holding company's accounts	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
(a) for the financial year mentioned against item 1 above	38.83 (Loss)	149.33 Profit	150.37 Profit	153.22 (Loss)	414.90 (Loss)	923.86 Profit	2559.64 (Loss)	129.14 (Loss)	0.00
(b) of the previous financial years of the subsidiaries since they became the holding company's subsidiaries	487.20 (Loss)	175.14 (Loss)	1769.44 (Loss)	2152.44 (Loss)	407.67 Profit	0.00	760.89 (Loss)	206.41 (Loss)	0.21 (Loss)
4. (a) The net aggregate amount of the subsidiaries' profits less losses, for the financial year against item 1 above so far as these profits are dealt within the holding company's accounts.	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts	Not dealt in the holding Company's Accounts
(b) The net aggregate amount of the subsidiaries' profits less losses, for the previous financial years of the subsidiaries since it became the holding company's subsidiaries, so far as these profits are dealt within the holding company's accounts.									
5. Changes in the holding company's interest in the subsidiaries between the end of the financial year of the subsidiary and the end of the holding company's financial year.								Nil	Nil
6. Material changes which have occurred between the end of the aforesaid financial year of the subsidiaries and the end of holding company's financial year in respect of :	As the financial year of all the subsidiaries other than PT. Coromandel Minerals Resources and Coromandel Minerals Pte. Ltd. coincides with the financial year of the holding company i.e., The India Cements Ltd., Sec. 212(5) of the Companies Act, 1956 is not applicable.								
(a) the subsidiaries' fixed assets.								Nil	Nil
(b) its investments.								Nil	Nil
(c) the money borrowed by it for any purpose other than that of meeting current liabilities.								Nil	Nil

N.SRINIVASAN
Vice Chairman & Managing Director

RUPA GURUNATH
Wholetime Director

N.SRINIVASAN
Director

R. SRINIVASAN
Joint President (Finance & Accounts)

G.BALAKRISHNAN
President & Company Secretary

Place : Chennai
Date : 25th April, 2012

INFORMATION IN AGGREGATE FOR EACH SUBSIDIARY AS AT 31ST MARCH, 2012

Subsidiaries:

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

	ICML	ICLSL	ICLFSL	ICLIntl	TCPL	CMR	TCL	CMPL	CECL
Capital: Paidup	227.82	5.00	5.00	5.00	218.73	128.54	61948.78	2281.75	1335.27
Advance towards equity	8.31	608.02	591.20	0.00	0.00	0.00	14493.10	0.00	0.00
Reserves	0.00	0.00	0.00	0.00	1173.92	28.91	0.00	464.81	3571.00
Accumulated Losses	1566.35	25.81	1619.07	2305.65	0.00	0.00	5109.34	335.55	0.00
Total Assets (including Investments)	50.60	13951.71	15097.58	199.03	42014.07	831.01	117083.93	3396.71	8700.22
Total Liabilities	1380.82	13364.50	16120.45	2499.68	40621.42	673.56	45751.39	985.70	3793.95
Details of Investments (including investments held thro' Trusts)	0.02	12855.00	14324.92	0.00	3180.05	0.00	0.00	0.00	0.00
Turnover	0.00	149.61	150.65	173.01	11712.99	0.00	35478.28	0.00	7109.63
Profit / (Loss) before Taxation	(39.39)	149.33	150.37	(153.22)	(469.90)	0.00	(4181.05)	(129.14)	1326.55
Provision for Taxation	0.00	0.00	0.00	0.00	(0.93)	0.00	0.00	0.00	78.09
Profit / (Loss) after Taxation	(39.39)	149.33	150.37	(153.22)	(468.97)	0.00	(4181.05)	(129.14)	1248.46
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	255.62

As per our Report of 25th April, 2012

For P.S.SUBRAMANIA IYER & CO., Chartered Accountants	For BRAHMAYYA & CO., Chartered Accountants	N.SRINIVASAN Vice Chairman & Managing Director	RUPA GURUNATH Wholetime Director	N.SRINIVASAN Director
G.HARIHARAN Partner Membership No. 15071	N.SRI KRISHNA Partner Membership No. 26575	R. SRINIVASAN Joint President (Finance & Accounts)		G.BALAKRISHNAN President & Company Secretary

Place : Chennai

Date : 25th April, 2012

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

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

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

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

1. We have audited the attached Consolidated Balance Sheet of The India Cements Limited and its subsidiaries (The India Cements Limited Group) as at 31st March 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended. These financial statements are the responsibility of The India Cements Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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 whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit also 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 statements. We believe that our audit provides a reasonable basis for our opinion.
3. (a) Brahmayya & Co., did not audit the financial statements and other financial information of four subsidiaries included in these consolidated financial statements, whose financial statements reflect total assets of Rs.29298.93 lakhs, net assets of Rs.5274.05 lakhs and net cash flows of Rs.22.93 lakhs as at March 31, 2012 total revenue of Rs.473.27 lakhs (including other income), net profit of Rs.107.09 lakhs for the year then ended that have been audited by P.S. Subramania Iyer & Co., on whose reports Brahmayya & Co., has placed reliance for the purpose of this report. Further, P.S. Subramania Iyer & Co., did not audit the financial statements and other financial information of two associates considered in the consolidated financial statements, whose financial statements reflect the Group's share of profits of Rs.1190.91 lakhs for the year ended on March 31, 2012 (after adjustments on consolidation) and two subsidiaries whose financial statements reflect total assets of Rs.50714.27 lakhs, net assets of Rs.6298.90 lakhs and net cash flows of Rs.306.18 lakhs, total revenue of Rs.18822.62 lakhs (including other income), net profit of Rs.779.36 lakhs for the year then ended that have been audited by Brahmayya & Co., on whose reports P.S. Subramania Iyer & Co., has placed reliance for the purpose of this report.
- (b) Brahmayya & Co. and P.S. Subramania Iyer & Co., did not audit the financial statements and other financial information of two subsidiaries included in the consolidated financial statements, whose financial statements together comprise, total assets of Rs.117914.94 lakhs and net assets of Rs.56996.88 lakhs as at March 31, 2012, net cash flows of Rs.560.92 lakhs, total revenue (including other income) of Rs. 35478.27 lakhs, net loss of Rs. 4181.06 lakhs for the year then ended. The financial statements and other financial information for these subsidiaries have been audited by other auditors whose reports have been furnished to us, and our audit opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the reports of such other auditors. In respect of a overseas subsidiary whose total assets of Rs.3396.71 lakhs and net assets of Rs.2411.01 lakhs, total revenue of Nil, net loss of Rs.129.14 lakhs as at 31st March 2012, net cash flows of Rs.621.38 lakhs for the year ending are based on management accounts.

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

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

4. We report that the Consolidated Financial Statements have been prepared by The India Cements Limited's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006.
5. In our opinion and to the best of our information and according to the explanation given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and also give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of Consolidated Balance Sheet, of the state of affairs of The India Cements Group as at March 31, 2012;
 - b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated results of operations of The India Cements Group for the year then ended; and
 - c) in the case of the Consolidated Cash Flow Statement, of the Consolidated Cash Flows of The India Cements Group for the year then ended.

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

Place : Chennai
Date : 25th April, 2012

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

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

	Note No.	Rs.Lakhs	2012 Rs.Lakhs	Rs.Lakhs	2011 Rs.Lakhs
EQUITY AND LIABILITIES:					
1 Shareholders' Funds:					
a. Share Capital	3	30717.81		30717.65	
b. Reserves and Surplus	4	<u>363956.09</u>	394673.90	<u>368442.62</u>	399160.27
2 Share Application money pending allotment			9.53		10.53
3 Minority Interest			1354.22		1.26
4. Non-Current Liabilities:					
a. Long-term borrowings	5	175189.71		151307.30	
b. Deferred tax liabilities	6	33113.55		27442.19	
c. Other Long-term liabilities	7	17407.31		20133.23	
d. Long-term provisions	8	<u>7180.24</u>	232890.81	<u>5228.92</u>	204111.64
5 Current Liabilities:					
a. Short-term borrowings	9	80248.05		58183.77	
b. Trade Payables	10	76207.37		62193.39	
c. Other Current Liabilities	11	75264.23		93222.00	
d. Short-term provisions	12	<u>7188.81</u>	238908.46	<u>7600.42</u>	221199.58
			<u>867836.92</u>		<u>824483.28</u>
ASSETS:					
1 Non-Current Assets:					
a. Fixed Assets:	13				
(i) Tangible Assets		492725.55		408899.36	
(ii) Intangible Assets		27948.69		28400.78	
(iii) Capital Work-in-Progress		<u>17041.08</u>		<u>44052.57</u>	
		537715.32		481352.71	
b. Non-current investments	14	42081.88		32633.80	
c. Long-term loans and advances	15	155202.10		187330.61	
d. Other non-current assets	16	860.90		2042.47	
e. Foreign currency monetary item translation difference account	17	<u>887.94</u>	736748.14	<u>0.00</u>	703359.59
2 Current Assets:					
a. Current Investments	18	155.52		1083.34	
b. Inventories	19	56266.15		53251.26	
c. Trade Receivables	20	24728.28		26331.95	
d. Cash and cash equivalents	21	1215.55		5088.60	
e. Short-term loans and advances	22	<u>48723.28</u>	131088.78	<u>35368.54</u>	121123.69
			<u>867836.92</u>		<u>824483.28</u>

Notes on Accounts

1 to 35

As per our Report of 25th April, 2012

For P.S.SUBRAMANIA IYER & CO., Chartered Accountants G.HARIHARAN Partner Membership No. 15071	For BRAHMAYYA & CO., Chartered Accountants N.SRI KRISHNA Partner Membership No. 26575	N.SRINIVASAN Vice Chairman & Managing Director R. SRINIVASAN Joint President (Finance & Accounts)	RUPA GURUNATH Wholetime Director G.BALAKRISHNAN President & Company Secretary
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Place : Chennai

Date : 25th April, 2012

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

	Note No.	Rs.Lakhs	2011-12 Rs.Lakhs	Rs.Lakhs	2010-11 Rs.Lakhs
Revenue from Operations	23		463086.02		362235.88
Other Income	24		2512.54		4480.34
Total Revenue			<u>465598.56</u>		<u>366716.22</u>
Expenses:					
Cost of materials consumed	25		67421.76		55908.28
Changes in Inventories of Finished goods / Work-in-Progress	26		506.62		(974.72)
Employee benefits expense	27		32486.89		27262.16
Finance costs	28		32963.37		15261.33
Depreciation and amortisation expense		34477.32		31052.14	
Less: Transfer from Revaluation Reserve		5628.80		5653.87	
Less: Transfer from Deferred Income		<u>298.80</u>	<u>28549.72</u>	<u>298.80</u>	<u>25099.47</u>
Other Expenses:					
Manufacturing and Other Operating Expenses	29	134134.84		120197.90	
Administration and Other Charges	30	21351.00		16962.00	
Selling and Distribution Expenses	31	112196.11		98540.10	
Donations	32	<u>759.76</u>	<u>268441.71</u>	<u>691.89</u>	<u>236391.89</u>
Total Expenses			<u>430370.07</u>		<u>358948.41</u>
Profit before Exceptional Items and Tax			35228.49		7767.81
Exceptional Items:					
Prior period expenses			0.00		(36.72)
Share / Bonds issue expenses	35.19	17792.48		200.50	
Less : Transfer from Share Premium		<u>(17792.48)</u>	0.00	<u>(200.50)</u>	0.00
Foreign currency translation difference on FCCBs			<u>(363.82)</u>		<u>232.50</u>
Profit before tax			34864.67		7963.59
Tax Expense:					
Current tax		4042.47		1791.40	
Current tax - MAT Credit		(265.41)		0.00	
Deferred tax		<u>5101.64</u>	<u>8878.70</u>	<u>475.84</u>	<u>2267.24</u>
Profit after tax			25985.97		5696.35
Proportionate Profit / (Loss) of Associate Companies					
Adjustments in value of Investments in associates in accordance with AS 23			1250.52		686.27
Minority Interest			(89.77)		309.45
Prior Year Adjustments			<u>0.00</u>		<u>(162.08)</u>
Profit for the Year			<u>27146.72</u>		<u>6529.99</u>
Earnings per Share:	33				
Basic (Rs.)			8.84		2.13
Diluted (Rs.)			8.84		2.00

Notes on Accounts

1 to 35

As per our Report of 25th April, 2012

For P.S.SUBRAMANIA IYER & CO., Chartered Accountants	For BRAHMAYYA & CO., Chartered Accountants	N.SRINIVASAN Vice Chairman & Managing Director	RUPA GURUNATH Wholetime Director
G.HARIHARAN Partner	N.SRI KRISHNA Partner	R. SRINIVASAN Joint President (Finance & Accounts)	N.SRINIVASAN Director
Membership No. 15071	Membership No. 26575		G.BALAKRISHNAN President & Company Secretary

Place : Chennai

Date : 25th April, 2012

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

		2011-12		2010-11
	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs	Rs.Lakhs
A. Cash flow from operating activities :				
Net profit before tax and extraordinary items		36025.42		8797.23
Adjusted for:				
Depreciation	28549.72		25099.45	
Provision for Doubtful Debts & Advances	167.78		162.18	
Foreign Exchange	276.82		-391.39	
Profit/Loss on sale of Investments	0.00		-2575.66	
Profit/Loss on sale of Assets	199.89		-37.21	
Interest Expense	36008.35		18386.77	
Interest Income	-4250.91		-4512.76	
Dividend Income	-605.83		-940.45	
Perquisite value of Employees' Stock Options	0.24		0.00	
Deferred Revenue Expenditure / Income	-887.94	59458.12	0.00	35190.93
Operating profit before Working Capital changes		95483.54		43988.16
Trade and other receivables	-11317.90		1424.98	
Inventories	-3014.88		-8230.80	
Trade payables	18034.24	3701.46	10339.29	3533.47
Cash generated from operations		99185.00		47521.63
Direct Taxes		-4995.96		-3382.36
Cash flow before extraordinary items		94189.04		44139.27
Extraordinary items		0.00		0.00
Net cash from operating activities	(A)	94189.04		44139.27
B. Cash flow from Investing activities :				
Purchase of Fixed Assets		-66309.15		-86393.73
Sale of Fixed Assets		199.20		625.09
Sale of Investments		2697.99		21227.13
Purchase of Investments		-11218.26		-1331.02
Interest received		802.25		738.75
Dividend received		605.83		940.45
Refund by / advances to Associates and others		3926.78		-938.18
Net cash from Investing activities	(B)	-69295.36		-65131.51

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	2011-12 Rs.Lakhs	2010-11 Rs.Lakhs
C. Cash flow from financing activities :		
Proceeds from issue of share capital	0.78	-198.41
Dividend paid	-5654.78	-7163.95
Proceeds from long-term borrowings	100755.15	90895.73
Repayment of borrowings	-69875.82	-47260.05
Interest paid (Net)	-53992.06	-17875.55
Net Cash from financing activities	(C) <u>-28766.73</u>	<u>18397.77</u>
Increase / (Decrease) in cash and cash equivalent	(A+B+C) -3873.05	-2594.47
Cash and cash equivalent at the beginning of the year	5088.60	7683.07
Cash and cash equivalent at the close of the year	1215.55	5088.60

As per our Report of 25th April, 2012

For P.S.SUBRAMANIA IYER & CO., Chartered Accountants	For BRAHMAYYA & CO., Chartered Accountants	N.SRINIVASAN Vice Chairman & Managing Director	RUPA GURUNATH Wholetime Director	N.SRINIVASAN Director
G.HARIHARAN Partner Membership No. 15071	N.SRI KRISHNA Partner Membership No. 26575	R. SRINIVASAN Joint President (Finance & Accounts)		G.BALAKRISHNAN President & Company Secretary
Place : Chennai				
Date : 25 th April, 2012				

CONSOLIDATED ACCOUNTS

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2012

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), includes generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned. GAAP comprises of mandatory Accounting Standards issued by the National Advisory Committee on Accounting Standards (NACAS) and The Institute of Chartered Accountants of India (ICAI), the provisions of the Indian Companies Act, 1956 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use, read with Note no.35.19.

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

2. SIGNIFICANT ACCOUNTING POLICIES

1. Use of estimates

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

2. Inventories

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

3. Cash and Cash equivalents

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

4. Fixed Assets

Fixed Assets are valued and shown adopting the following basis:

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

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

- (d)
 - (i) The Company provides depreciation on written down value method for Motor Vehicles and for assets acquired prior to 1.4.1982 at Head Office and at Sankarnagar.
 - (ii) Software development costs are capitalised and depreciated alongwith computers on Straight Line method as per Section 205(2)(b) of the Companies Act, 1956.
 - (iii) Ships are depreciated on Straight Line method, over its estimated useful life.
 - (iv) Long-term Franchisee Rights are capitalised and amortised over a period of ten years.
 - (v) For all other assets Straight Line method as per Section 205(2)(b) of the Companies Act, 1956 is adopted.
 - (vi) Depreciation on incremental value arising from the revaluation of fixed assets is charged to the Revaluation Reserve Account.
 - (vii) Fixed Assets are tested for impairment and impairment loss, if any, is recognised wherever the carrying amount of the asset / group of asset exceeds its estimated recoverable amount. Previously recognised impairment loss, if any, is reversed or further provided depending on changes in circumstances as above.
 5. (a) Foreign Currency Transactions
 - (i) Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011 the Company has exercised the option of adjusting the cost of the depreciable capital assets arising on the exchange differences, in respect of accounting periods commencing from 1st April 2011, on long term foreign currency monetary items, which were hitherto recognized as income or expenses in the period in which they arise. As a result, such exchange difference so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective assets.
 - (ii) In respect of other long-term foreign currency monetary items, such exchange differences are accumulated in foreign currency monetary items translation difference account and amortized over the balance period of such liability.
 - (b) Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Assets and Liabilities, other than those and for the purposes as mentioned in 5(a) above, in Foreign currencies are translated at values prevailing as at the year end. Gains / Losses, if any, arising therefrom are recognised in the Profit and Loss Account.
 - (c) Forward Exchange contracts used to hedge Foreign Currency Transactions are initially recognised at the spot rate on the date of contract. Forward Exchange contracts remaining unsettled at the end of the year are translated at the year end rates. The difference in translation of Forward exchange contracts are recognised in the Profit and Loss Account. The discount or premium is amortised over the tenure of the contract.
6. (a) Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability and is net of rebates, discounts and incentives.
 - (b) Revenue from construction projects under Real Estate and Property Development Division is recognised on percentage of completion method.
 - (c) Revenue on time charter of ships is recognized on a proportionate basis.

CONSOLIDATED ACCOUNTS

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2012 (Contd.)

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

3. SHARE CAPITAL	No. of Shares	Par value per share (Rs.)	2012 Rs.Lakhs	No. of Shares	Par value per share (Rs.)	2011 Rs.Lakhs
AUTHORISED:						
Equity Shares	460000000	10	46000.00	460000000	10	46000.00
Redeemable Cumulative Preference Shares	7500000	100	7500.00	7500000	100	7500.00
			<u>53500.00</u>			<u>53500.00</u>
ISSUED:						
Equity Shares	307178723	10	30717.87	307177223	10	30717.72
			<u>30717.87</u>			<u>30717.72</u>
SUBSCRIBED AND PAIDUP:						
Equity Shares fully paidup						
Opening balance	307174910	10	30717.50	307172165	10	30717.23
Add : Partly paidup shares, subscribed fully during the year	337	10	0.02	1245	10	0.12
Add : Subscribed during the year	1500	10	0.15	1500	10	0.15
Total issued, subscribed and fully paidup	<u>307176747</u>		<u>30717.67</u>	<u>307174910</u>		<u>30717.50</u>
Equity Shares - subscribed but not fully paid (other than Directors):						
Opening balance	2247	10	0.15	3492	10	0.23
Less: Partly paidup shares, subscribed fully during the year	337	10	0.01	1245	10	0.08
Total - Equity Shares subscribed but not fully paid	<u>1910</u>		<u>0.14</u>	<u>2247</u>		<u>0.15</u>
Total - Subscribed Equity Shares	<u>307178657</u>		<u>30717.81</u>	<u>307177157</u>		<u>30717.65</u>

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

Shareholder's Name	No. of shares held	% held	Total face value Rs. Lakhs	No. of shares held	% held	Total face value Rs. Lakhs
The Bank of New York Mellon Corporation on Behalf of Mellon Capital Management Corporation And The Boston Company Asset Management LLC together with PAC	32115284	10.45	3211.53	38544974	12.55	3854.50
EWS Finance & Investments Pvt. Ltd	27643432	9.00	2764.34	27643432	9.00	2764.34
Life Insurance Corporation of India	20703547	6.74	2070.35	20628093	6.72	2062.81
Mrs. Vidya Subramanian	19954024	6.50	1995.40	19954024	6.50	1995.40
Prince Holdings (Madras) Private Ltd	17900000	5.83	1790.00	17900000	5.83	1790.00
Trishul Investments Private Limited	17525976	5.71	1752.60	17525976	5.71	1752.60

CONSOLIDATED ACCOUNTS

3. SHARE CAPITAL (Contd.)

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

During the year 2007-08, the Company allotted 400,00,000 Equity Shares of Rs.10/- each fully paidup, to the shareholders of erstwhile Visaka Cement Industry Limited (VCIL) pursuant to the Order dated 25th July, 2007 of the Honourable High Court of Judicature at Madras sanctioning the Scheme of Amalgamation of VCIL with The India Cements Limited.

Terms / Rights / restrictions attached to shares:

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

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

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

For the year 2011-12, the Board of Directors have recommended a dividend of Rs.2.00 per share, which is subject to the approval by shareholders. During the previous year 2010-11, the Company had declared and distributed a dividend of Rs.1.50 per share.

Shares reserved for issue under Employees Stock Option Scheme:

During the year 2009-10, 3000 options were granted under ESOS 2006. These Options were exercised in two equal instalments during the years 2010-11 and 2011-12. 1500 options were exercised during the year 2011-12. There are no shares reserved for issue under options as at March 31, 2012.

4. RESERVES AND SURPLUS

	2012 Rs.Lakhs	2011 Rs.Lakhs
Capital Reserve		
Opening Balance	16.17	16.17
Additions	0.00	0.00
Withdrawals	0.00	0.00
Closing Balance	16.17	16.17
Capital Redemption Reserve		
Opening Balance	2500.00	2500.00
Additions	745.73	0.00
Withdrawals	575.70	0.00
Closing Balance	2670.03	2500.00
Securities Premium Account *1		
Opening Balance	165339.77	165926.55
Add : Additions on ESOS exercised	0.60	0.60
Transfer from Stock Options		
Outstanding Account	0.24	0.86
Calls in arrears received	0.02	0.07
Less : Premium on redemption of Bonds	17792.48	0.00
Other Withdrawals	0.00	588.31
Closing Balance	147548.15	165339.77
Debenture Redemption Reserve		
Opening Balance	532.67	532.67
Additions (net) during the year	4757.33	0.00
Withdrawals	0.00	0.00
Closing Balance	5290.00	532.67

	2012 Rs.Lakhs	2011 Rs.Lakhs
Contingency Reserve *2		
Opening Balance	20000.00	16399.41
Additions	0.00	3600.59
Withdrawals	0.00	0.00
Closing Balance	20000.00	20000.00
Investment Allowance Reserve		
Opening Balance	0.00	0.00
Additions	0.00	0.00
Withdrawals	0.00	0.00
Closing Balance	0.00	0.00
Revaluation Reserve *3		
Opening Balance	55010.13	60755.91
Additions	0.00	0.00
Less : Transfer to depreciation	5628.80	5653.87
Withdrawals	652.23	91.91
Closing Balance	48729.10	55010.13
Stock Options Outstanding Account *4		
Opening Balance	0.00	65.19
Additions	0.24	0.00
Less : Transfer to Securities Premium	0.24	0.87
Transfer to General Reserve	0.00	64.32
Closing Balance	0.00	0.00
General Reserve		
Opening Balance	35466.38	34260.39
Additions	4768.51	1205.99
Withdrawals	690.00	0.00
Closing Balance	39544.89	35466.38
Deferred Income *5		
Opening Balance	3791.53	4090.33
Additions	0.00	0.00
Withdrawals	298.80	298.80
Closing Balance	3492.73	3791.53
Shipping Tonnage Tax Reserve *6		
Opening Balance	90.00	90.00
Additions	0.00	0.00
Withdrawals	0.00	0.00
Closing Balance	90.00	90.00
Surplus in Profit & Loss Account		
Opening Balance	85528.02	89001.61
Add : Transfer from Reserves/Additions	1814.79	0.00
Profit after tax for the year	27146.72	6529.99
Sub-total	114489.53	95531.60
Less : Proposed Dividend on		
Equity Capital	6399.19	4607.66
Dividend Distribution Tax	1038.11	765.33
Transfer to Contingency Reserve	0.00	3600.59
Transfer to General Reserve	4709.22	1030.00
Transfer to Debenture Redemption Reserve	4757.33	0.00
Withdrawals	2216.55	0.00
Closing Balance	95369.13	85528.02

CONSOLIDATED ACCOUNTS

4. RESERVES AND SURPLUS (Contd.)

	2012	2011
	Rs.Lakhs	Rs.Lakhs
Capital Investment Subsidy		
Opening Balance	0.00	15.00
Additions	0.00	0.00
Withdrawals	0.00	15.00
Closing Balance	<u>0.00</u>	<u>0.00</u>
Amalgamation Reserve		
Opening Balance	0.00	153.60
Additions	805.03	0.00
Withdrawals	92.86	153.60
Closing Balance	<u>712.17</u>	<u>0.00</u>
Foreign Currency Translation Reserve		
Opening Balance	167.95	0.00
Additions	325.77	167.95
Withdrawals	0.00	0.00
Closing Balance	<u>493.72</u>	<u>167.95</u>
Total - Reserves & surplus	<u>363956.09</u>	<u>368442.62</u>

Notes:

*1 Securities Premium:

Share Premium is net of calls in arrears of Rs.0.08 lakh (As on 31st March 2011: Rs.0.10 lakh). Premium on redemption of FCCB (including withholding tax), amounting to Rs.17792.48 lakhs (gross) has been directly charged against the Securities Premium Account, pursuant to provisions of Section 78 of the Companies Act, 1956.

*2 Contingency Reserve:

For any possible erosion in the value of Investments / Advances / other contingencies.

*3 Revaluation Reserve:

Amounts withdrawn include revaluation reserve on assets retired / sold.

*4 Stock Options Outstanding Account:

During the year, an employee exercised 1,500 options. The total fringe benefit of Rs.0.24 lakh arising on this exercise, being the difference between market price and the option exercise price, has been accounted through Stock Options Outstanding Account.

*5 Deferred Income:

Deferred Income represents the value of Waste Heat Recovery Project Assets provided to the Company free of cost by the Government of Japan through Government of India. The depreciation on the value of the assets capitalised as above is adjusted against deferred income.

*6 Shipping Tonnage Tax Reserve:

During the financial year 2007-08, the Company opted for "Tonnage Tax" Scheme on the income generated by the ships and as required by Section 115VT of Income Tax Act, "Tonnage Tax Reserve" has been created. In view of the Company opting out of the Scheme from the financial year 2008-09, no further Reserve has been created.

	2012	2011
	Rs.Lakhs	Rs.Lakhs

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

5. LONG-TERM BORROWINGS

SECURED:

1. Bonds / Debentures (Refer Note No.35.18)	191.42	1159.98
2. Term Loans:		
Banks	106449.68	76763.92
Others	9361.20	12375.28
Total Secured	<u>116002.30</u>	<u>90299.18</u>

UNSECURED:

Others	59187.41	61008.12
Total Unsecured	<u>59187.41</u>	<u>61008.12</u>
Total Long-term Borrowings (Refer Note No. 34 for Security clause)	<u>175189.71</u>	<u>151307.30</u>

6. DEFERRED TAX

Liability on account of Depreciation (Net of Unabsorbed Depreciation)	35810.49	29256.86
Asset arising on account of other timing differences	2696.94	1814.67
Net Deferred tax liability	<u>33113.55</u>	<u>27442.19</u>

7. OTHER LONG-TERM LIABILITIES

Capital Expenditure-Payable towards franchisee rights (Refer Note No. 35.21)	14560.00	18200.00
Deposits	2174.14	1927.64
Others	673.17	5.59
Total	<u>17407.31</u>	<u>20133.23</u>

8. LONG-TERM PROVISIONS

(a) Provision for employee benefits		
Unavailed Leave (Refer Note No.35.25(b))	6305.79	5217.92
Gratuity - Unfunded	14.18	11.00
(b) Provision for Income Tax	860.27	0.00
Total	<u>7180.24</u>	<u>5228.92</u>

CURRENT LIABILITIES (Note No. 9 to 12)

9. SHORT-TERM BORROWINGS

1. Loans repayable on Demand (Secured):		
Cash Credit facilities from scheduled banks	62257.99	27683.59
(The fund based and non-fund based working capital facilities are secured by a first charge on pari passu basis on all the current assets and second charge on the movable fixed assets and immovable properties of the company).		
2. Other loans (Unsecured):		
Commercial Papers placed with Banks	0.00	4000.00
Short-term Loans-Banks	17990.06	26500.18
	<u>80248.05</u>	<u>58183.77</u>

CONSOLIDATED ACCOUNTS

	2012	2011		2012	2011
	Rs.Lakhs	Rs.Lakhs		Rs.Lakhs	Rs.Lakhs
10. TRADE PAYABLES					
1. Creditors for Goods including Acceptances	37695.10	26194.63	2. Interest accrued but not due on borrowings	1813.79	2005.03
2. Customer Credit balances	8097.82	9991.13	3. Other payables:		
3. Other Trade Payables	23338.32	19983.96	Creditors for Capital Expenditure (Refer Note No.35.21)	6549.20	10977.36
4. Trade Deposits from Customers	7076.13	6023.67	Other Liabilities	18759.01	16040.00
	<u>76207.37</u>	<u>62193.39</u>	4. Investor Education and Protection Fund: (Appropriate amounts shall be transferred to the fund as and when due)		
11. OTHER CURRENT LIABILITIES			Unpaid dividends	77.16	60.46
1. Current maturities of long-term debt			Unpaid matured deposits and interest accrued thereon	39.40	49.12
SECURED:				<u>75264.23</u>	<u>93222.00</u>
1. Bonds/Debentures (Refer Note No. 35.18)	20968.56	462.78	12. SHORT-TERM PROVISIONS		
2. Terms Loans:			Provision for Employee Benefits	32.91	28.94
Banks	19331.61	20855.26	Proposed Dividend (Including Dividend Distribution Tax)	7155.51	5372.99
Others	3240.99	5427.72	Provision for Income Tax	0.39	2198.49
Total Secured	<u>43541.16</u>	<u>26745.76</u>		<u>7188.81</u>	<u>7600.42</u>
UNSECURED:					
Others (Refer Note No. 35.19)	4484.51	37344.27			
Total Current maturities of Long-Term Debt (Refer Note No. 34 for Security clause)	<u>48025.67</u>	<u>64090.03</u>			

NON-CURRENT ASSETS - (Note No.13 to 17)

13. FIXED ASSETS										Rs.Lakhs
Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at 31st Mar-11	Additions	Deductions	As at 31st Mar-12	As at 31st Mar-11	For the Year	Deductions	As at 31st Mar-12	As at 31st Mar-12	As at 31st Mar-11
Tangible Assets:										
Land	47570.57	35514.39	2.93	83082.03	0.00	0.00	0.00	0.00	83082.03	47570.57
Buildings	51170.71	12391.91	0.00	63562.62	10563.18	1443.81	0.00	12006.99	51555.63	40607.53
Railway Siding	7883.22	4674.74	0.00	12557.96	3281.33	392.66	0.00	3673.99	8883.97	4601.89
Plant and Machinery including Electrical installations *	458692.41	63431.49	3114.98	519008.92	165287.73	26204.40	2199.09	189293.04	329715.88	293404.68
Wind Electric Generators	7825.81	0.00	0.00	7825.81	4213.19	413.20	0.00	4626.39	3199.42	3612.62
Ships	24423.30	0.00	0.00	24423.30	9804.14	3282.72	0.00	13086.86	11336.44	14619.16
Furniture & Fixtures	2002.27	139.20	187.47	1954.00	833.42	122.09	174.26	781.25	1172.75	1168.85
Office Equipments and Computers	4987.18	363.10	933.66	4416.62	2732.94	382.63	896.27	2219.30	2197.32	2254.24
Vehicles	2790.55	973.69	289.07	3475.17	1730.73	369.70	207.37	1893.06	1582.11	1059.82
Total Tangible Assets	607346.02	117488.52	4528.11	720306.43	198446.66	32611.21	3476.99	227580.88	492725.55	408899.36
Intangible Assets:										
Franchise Rights (Refer Note No. 35.21)	36400.00	0.70	0.00	36400.70	11229.15	3640.23	0.00	14869.38	21531.32	25170.85
Computer Software and Licences	4290.10	1977.97	0.00	6268.07	1300.70	703.74	0.00	2004.44	4263.63	2989.40
Goodwill	240.53	1913.21	0.00	2153.74	0.00	0.00	0.00	0.00	2153.74	240.53
Total Intangible Assets	40930.63	3891.88	0.00	44822.51	12529.85	4343.97	0.00	16873.82	27948.69	28400.78
Total Tangible and Intangible Assets	648276.65	121380.40	4528.11	765128.94	210976.51	36955.18	3476.99	244454.70	520674.24	437300.14
Capital Work-in-Progress									17041.08	44052.57
Total									537715.32	481352.71

* - Includes Rs.536.52 lakhs of equipments on "right to use" basis, which is depreciated over its useful life (As at March 2011: Rs.620.19 lakhs).

- Foreign currency translation difference capitalised during the year: Rs.2622.18 lakhs (Previous year: Nil).

During the year finance cost amounting to Rs.800.17 lakhs has been capitalised (Previous year: Rs.1086.03 lakhs).

Gross block additions include (1) Rs. 8020.47 lakhs of subsidiaries opening gross block assets (consequent to an Associate Company becoming subsidiary during the year). Corresponding depreciation block Rs. 2477.86 lakh is included in additions to depreciation block for the year and (2) Rs.34827 lakhs on account of Business combinations.

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14. NON-CURRENT INVESTMENTS	No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2012	2011	No. of shares/ debentures	Face Value per share/ debenture (Rs.)	2012	2011
			Cost Rs. Lakhs	Cost Rs. Lakhs			Cost Rs. Lakhs	Cost Rs. Lakhs
1. TRADE INVESTMENTS - (Unquoted)- In Subsidiaries:								
Fully paid Equity Shares:								
Coromandel Electric Company Limited (CECL)*			0.00	24.60				
Preference Shares of CECL:								
13.25% Redeemable Cumulative Participating Preference Shares			0.00	40.77				
18% Redeemable Cumulative Participating Preference Shares (5,000 shares have been given as security towards a loan obtained by CECL)			0.00	1226.18				
14% Redeemable Cumulative Preference Shares			0.00	455.08				
			<u>0.00</u>	<u>1746.63</u>				
* CECL became subsidiary during the year.								
2. OTHER INVESTMENTS:								
(A) Fully paid Equity Shares of Companies (Quoted):								
Karur KCP Packagings Ltd.	996500	10	398.60	398.60				
India Cements Capital Ltd.	10400000	10	2544.98	2544.98				
The India Cements Ltd. (Held in Trust on behalf of subsidiaries)	19954024	10	16730.84	16730.84				
Servalakshmi Paper Limited	1693793	10	491.20	0.00				
			<u>20165.62</u>	<u>19674.42</u>				
(B) Shares of Companies - (Unquoted):								
(i) Associates:								
Fully paid Equity Shares:								
Coromandel Sugars Ltd.	7000100	10	994.80	994.80				
Raasi Cement Limited	239427	10	673.08	673.09				
Coromandel Travels Ltd.	990000	10	99.00	99.00				
ICL Shipping Ltd.	5000	10	0.50	0.50				
Unique Receivable Management Private Ltd.	24600	10	2.46	2.46				
Coromandel Packaging Pvt. Ltd. (formerly Pulivendula Polymers Pvt. Ltd.)	460000	10	46.00	46.00				
Senka Carbon Private Limited	6450	100	39.38	39.38				
TCP Limited	729752	10	556.02	0.00				
Sun Paper Mill Ltd.	325200	10	32.52	32.52				
Fully paid Debentures:								
Zero% Unsecured Convertible Debentures of Coromandel Travels Ltd.	6531000	100	6531.00	0.00				
Zero% Unsecured Convertible Debentures of Coromandel Sugars Ltd.	3550000	100	3550.00	0.00				
Associates - Total			<u>12524.76</u>	<u>1887.75</u>				
(ii) Other than associates:								
Andhra Pradesh Gas Power Corporation Ltd.	5896000	10	4831.01	4831.01				
Jagati Publications Private Limited	1111110	10	4000.00	4000.00				
Carmel Asia Holdings Private Limited	190839	10	500.00	500.00				
Other than associates - Total			<u>9331.01</u>	<u>9331.01</u>				
(C) Government and Trustee Securities (Quoted):								
National Savings Certificates			1.25	1.21				
Indira Vikas Patra Certificates			0.02	0.02				
			<u>1.27</u>	<u>1.23</u>				
(D) Other Investments Fully paid Shares of Co-operative Societies - Long-Term (Unquoted):								
The India Cements Employees Co-operative Stores Limited, Sankarnagar	2530	50	1.27	1.27				
The India Cements Employees Co-operative Stores Limited, Sankari West	5000	10	0.50	0.50				
The India Cements Mines Employees Co-operative Stores Limited, Sankari West	5300	10	0.53	0.53				
			<u>2.30</u>	<u>2.30</u>				
(E) Investments in Mutual Funds (Unquoted):								
Fearing Capital India Evolving Fund			240.00	150.00				
Grand Total (1+2)			<u>42264.96</u>	<u>32793.34</u>				
Less: Provision for diminution in value of Investments			673.09	673.09				
			<u>41591.87</u>	<u>32120.25</u>				
Adjustment as per Accounting Standard 23								
1. Increase/(Decrease) in Value Post Investment:								
Raasi Cement Limited			(5.98)	(80.70)				
Coromandel Sugars Limited			2423.34	1354.81				
India Cements Capital Limited			(1393.77)	(1378.66)				
Coromandel Travels Limited			(99.00)	(99.00)				
Coromandel Electric Company Limited			0.00	1151.68				
			<u>924.59</u>	<u>948.13</u>				
2. Goodwill arising on Investment:								
Raasi Cement Limited			(666.81)	(666.81)				
India Cements Capital Limited			234.69	234.69				
Unique Receivable Management Private Limited			(2.46)	(2.46)				
			<u>(434.58)</u>	<u>(434.58)</u>				
Grand Total			<u>42081.88</u>	<u>32633.80</u>				
Note:								
Aggregate of Quoted Investments:								
Cost			20166.89	19675.65				
Market Value			23108.81	20286.32				
Aggregate of Unquoted Investments:								
Cost			22098.07	13117.69				

CONSOLIDATED ACCOUNTS

	2012	2011		2012	2011
	Rs.Lakhs	Rs.Lakhs		Rs.Lakhs	Rs.Lakhs
15. LONG-TERM LOANS AND ADVANCES			21. CASH AND CASH EQUIVALENTS		
Unsecured and considered good:			Cash, cheques and stamps on hand	91.00	106.99
Capital Advances	77607.12	111369.40	Cash at Scheduled Banks in		
Loans and Advances to related parties (Refer Note No.35.5)	5146.04	10626.72	Current Accounts	942.51	4802.43
Other Loans and Advances:			Fixed Deposits with Scheduled Banks	182.04	179.18
Body Corporates (Refer Note No.35.5)	61772.86	58316.21		<u>1215.55</u>	<u>5088.60</u>
Deposits	5180.98	4701.37	22. SHORT-TERM LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)		
Other recoverable in cash or in kind or for value to be received	3307.61	1394.79	Advance for goods	20302.72	13919.57
Secured:			Advance payment of Tax (net of provision)	1017.85	-39.40
Electricity Board Deposit	529.98	298.24	Prepaid Expenses	851.00	846.11
Advance Tax & TDS Receivables	822.14	0.00	Other Advances (Net of provision Rs.220 lakhs (Previous Year Rs.220 lakhs))	26526.08	20606.23
Housing Loan and other Loans to Employees	835.37	623.88	Deposits	25.63	36.03
	<u>155202.10</u>	<u>187330.61</u>		<u>48723.28</u>	<u>35368.54</u>
16. OTHER NON-CURRENT ASSETS				2011-12	2010-11
Other (MAT Credit Entitlement)	860.90	0.00		Rs. lakhs	Rs. lakhs
Real Estate - Projects in progress (Transferred to Capital work-in-progress during the year)	0.00	2042.47	23. REVENUE FROM OPERATIONS		
	<u>860.90</u>	<u>2042.47</u>	Sales Including Excise Duty	501323.23	396529.71
17. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (Refer Note No. 35.20)			Sale of Energy & Recovery	0.00	0.00
Foreign Currency Monetary item translation loss during the year	1078.44	0.00	Sale of Services	195.00	0.00
Less: Amortised during the year	190.50	0.00	Other Operating Revenues:		
Balance	<u>887.94</u>	<u>0.00</u>	Freight Earnings - Shipping	3741.62	4158.41
CURRENT ASSETS (Note No.18 to 22)			Value of Power Generated from Wind Farms	1092.79	1233.06
18. CURRENT INVESTMENTS (QUOTED)			Income from Indian Premier League (Refer Note No.35.21)	13728.98	18563.39
Fixed Income Interval fund of Unit Trust of India	155.52	1083.34	Revenue from Operations including Excise Duty	520081.62	410286.23
Number of Units: 15256 (Previous year: 10830086)			Less: Excise Duty	(56995.60)	(48050.35)
Face Value per Unit : Rs.10			Revenue from Operations	463086.02	362235.88
Market Value: Rs.155.52 lakhs (Previous Year: Rs.1083.34 lakhs)			24. OTHER INCOME		
19. INVENTORIES			Dividend Income	605.83	934.12
Stores / Spares (including coal and packing material)	39671.10	35575.17	Interest Income	389.48	418.24
Raw Materials	4465.36	5039.78	Profit on Sale of Investments	0.00	2575.66
Work-in-Process	746.68	749.96	Other Non Operating Income:		
Semi-finished Goods	6190.12	7367.41	Rent Recovery	24.97	24.67
Finished Goods	5192.89	4518.94	Profit on Sale of Assets	64.11	64.19
	<u>56266.15</u>	<u>53251.26</u>	Foreign Exchange translation difference	87.00	158.89
20. TRADE RECEIVABLES			Miscellaneous Income	1341.15	1517.23
Outstanding for more than six months	5355.79	5301.17		<u>2512.54</u>	<u>4480.34</u>
Less: Provision for doubtful debts	(504.85)	(596.49)	25. COST OF MATERIALS CONSUMED		
Sub-total	4850.94	4704.68	Raw Materials Consumed:		
Others	19877.34	21627.27	Opening Stock	5039.78	5080.20
Total - Sundry Debtors, considered good (Net of security deposit Rs.29487.79 lakhs (As at 31 st March 2011: Rs.29040.65 lakhs)).	<u>24728.28</u>	<u>26331.95</u>	Add: Purchases	49571.50	39891.92
			Add: Own Quarrying (Net) (Refer Note No. 35.6(a))	17275.84	66847.34
				<u>71887.12</u>	<u>60948.06</u>
			Less: Closing Stock	4465.36	5039.78
			Raw Materials Consumed	<u>67421.76</u>	<u>55908.28</u>

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	2011-12		2010-11			2011-12		2010-11	
	Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs		Rs. lakhs	Rs. lakhs	Rs. lakhs	Rs. lakhs
26. (INCREASE) / DECREASE IN STOCK					28. FINANCE COSTS (NET)				
Opening Stock of:					Interest Expense	19116.87			12666.62
Work-in-Process	749.96		577.47		Other Borrowing Costs	10830.42			2585.70
Semi-finished Goods	7367.41		8365.35		Loss on Foreign currency transactions / translations	3016.08			9.01
Finished Goods	4518.94		2718.77			<u>32963.37</u>			<u>15261.33</u>
Real Estate - Projects in Progress (Rs.2042.47 lakhs Transferred to Capital Work-in-Progress during the year)	0.00	12636.31	2042.47	13704.06	29. MANUFACTURING AND OTHER OPERATING EXPENSES				
Less: Closing Stock of:					1. Stores Consumed (Refer Note No. 35.6(b))	5529.02			5150.90
Work-in-Process	746.68		749.96		2. Transit Mixer Expenses	1974.84			1443.93
Semi-finished Goods	6190.12		7367.41		3. Power and Fuel	116776.13			104211.23
Finished Goods	5192.89		4518.94		4. Purchase of Concrete	135.99			65.15
Real Estate - Projects in Progress (Transferred to Capital Work-in-Progress during the year)	0.00	12129.69	2042.47	14678.78	5. Repairs & Maintenance:				
Total (Increase) / Decrease in stock		<u>506.62</u>		<u>(974.72)</u>	Building	29.43		9.98	
					Machinery	5812.20		5657.29	
					Others	3683.21		3149.73	
					Total Repairs & Maintenance	9524.84			8817.00
27. EMPLOYEE BENEFITS EXPENSE					6. Agency and Port Charges - Shipping	49.43			130.73
(a) Employees Other than Directors:					7. Excise Duty on stock adjustment	144.59			378.96
Salaries, Wages and Bonus	21846.42		19241.78			<u>134134.84</u>			<u>120197.90</u>
Contribution to Provident Fund	972.06		806.49		30. ADMINISTRATION AND OTHER CHARGES				
Gratuity	347.55		1030.35		Insurance	617.23			516.50
Superannuation	991.29		801.27		Rent	503.94			441.04
Employees' Provident Fund Admn. Charges	79.10		56.72		Rates and Taxes	650.96			520.73
Employees' State Insurance Scheme	21.80		48.80		Printing and Stationery	244.35			222.08
Workmen and Staff Welfare Expenses	5221.56		3474.14		Postage, Telephones and Telegrams	449.46			376.75
Unavailed leave (Refer Note No.35.25(b))	1121.65		576.32		Other Administration Expenses	17889.38			14225.36
Employees Other than Directors - Total	<u>30601.43</u>		<u>26035.87</u>		Legal Fees	222.46			313.44
(b) Directors:					Directors' Sitting Fees	13.80			14.10
Directors' Remuneration:					Auditors' Expenses:				
Managing Director:					Audit Fees	85.82		83.36	
Salary	360.00		360.00		Cost Audit Fees	12.12		10.00	
HRA	108.00		108.00		Certifications / Others	11.23		11.55	
Contribution to Provident Fund	43.20		43.20		Tax Audit / Other Services	19.84		17.73	
Contribution to Gratuity and Superannuation funds	69.00		69.00		Travel / out of pocket expenses	8.13	137.14	4.84	127.48
Commission	902.00		315.00		Amortisation of Deferred Revenue Expenses (Refer Note No.35.20)	190.50			0.00
Others	4.14	1486.34	3.97	899.17	Loss on sale of Assets	264.00			26.98
Wholetime Director:					Provision for Doubtful Advances / Debtors		167.78		177.54
Salary	124.72		124.72		Provision for Doubtful Advances / Debtors - Opening balance	764.38		983.60	
HRA	36.00		36.00		Add: Additional provisions during the year	48.12		162.18	
Contribution to Provident Fund	14.40		14.40			<u>812.50</u>		1145.78	
Contribution to Gratuity and Superannuation funds	23.00		23.00		Less: Bad debts / advances written-off during the year	119.12		381.40	
Commission	201.00		129.00		Provision for Doubtful Advances / Debtors - Closing balance	693.38		764.38	
Others	0.00	399.12	0.00	327.12		<u>21351.00</u>		<u>16962.00</u>	
Directors' Remuneration - Total	<u>1885.46</u>		<u>1226.29</u>						
Total Employee benefits expense (a + b)	<u>32486.89</u>		<u>27262.16</u>						

CONSOLIDATED ACCOUNTS

	2011-12 Rs.Lakhs	2010-11 Rs.Lakhs		2011-12 Rs.Lakhs	2010-11 Rs.Lakhs
31. SELLING AND DISTRIBUTION EXPENSES					
Packing Charges	18019.75	16189.91	FCCB Forex Fluctuation (Gain) / Loss credited / debited to P & L during the period	0.00	(155.27)
Additional Sales Tax	142.10	105.97			
Freight outwards	76680.86	66246.78	Earnings - Diluted	B	6374.72
Advertisement	3891.44	3202.20			
Others	13461.96	12795.24	No. of Shares:		
	112196.11	98540.10	No. of Equity Shares	307178657	307177157
32. DONATIONS			Weighted average No. of equity shares	C	307177157
The India Cements Educational Society	400.00	400.00	No. of Potential Equity Shares		11067981
Cancer Institute	0.00	75.00	Weighted average No. of Potential Equity Shares		11067981
Others	359.76	216.89	Total weighted average No. of shares - Diluted	D	318245138
	759.76	691.89			
33. EARNINGS / LOSS PER SHARE (EPS)			EPS:		
Earnings:			Basic (Rs.)	A / C	8.84
Earnings available to Equity Shareholders - Basic	A	27146.72	6529.99	B / D	8.84
Income or expenses accounted in Financial Statements attributable to potential equity shareholders					2.13
					2.00

34. SECURITY FOR SECURED BORROWINGS Break up of Debentures and Term Loans	Non-Current Portion		Current Maturities		Total		Last Instalment Due on	Principal Payable Frequency	
	2012 Rs.Lakhs	2011 Rs.Lakhs	2012 Rs.Lakhs	2011 Rs.Lakhs	2012 Rs.Lakhs	2011 Rs.Lakhs			
SECURED:									
(a) Bonds / Debentures:									
Secured Privately placed Debentures redeemable / repayable on or before 31st March 2016									
(i)	2385 Debentures of Rs. 375000/- each	43.63	241.01	197.38	98.31	241.01	339.32	31-Mar-16	Quarterly
(ii)	7630 Debentures of Rs.500000/- each	147.79	918.97	771.18	364.47	918.97	1283.44	31-Mar-16	Quarterly
(iii)	4000 -11.25% Non-Convertible Debentures of Rs.500000/- each, redeemable after one year from the date of allotment	0.00	0.00	20000.00	0.00	20000.00	0.00	29-Sep-12	Yearly
	Total (i) to (iii)	191.42	1159.98	20968.56	462.78	21159.98	1622.76		
(b) Term Loans:									
From Banks:									
(i)	IDBI Bank Ltd.	3253.33	4207.46	954.13	857.11	4207.46	5064.57	31-Mar-16	Quarterly
(ii)	IDBI Bank Ltd.	1591.87	1916.98	325.11	566.82	1916.98	2483.80	31-Mar-16	Quarterly
(iii)	IDBI Bank Ltd.	177.65	232.58	54.94	54.94	232.59	287.52	31-Mar-16	Quarterly
(iv)	IDBI Bank Ltd.	3057.25	6390.25	3333.00	3333.00	6390.25	9723.25	28-Feb-14	Monthly
(v)	State Bank of India	0.00	1396.43	1396.43	985.59	1396.43	2382.02	31-Mar-13	Quarterly
(vi)	Punjab National Bank	9226.39	13806.03	4579.64	4579.64	13806.03	18385.67	30-Nov-14	Monthly
(vii)	Kotak Mahindra Bank	2555.56	3888.89	1333.33	1333.33	3888.89	5222.22	25-Feb-15	Monthly
(viii)	Kotak Mahindra Bank	3916.67	0.00	1000.00	0.00	4916.67	0.00	4-Feb-17	Monthly
(ix)	Axis Bank Ltd.	30000.00	20000.00	0.00	0.00	30000.00	20000.00	31-Mar-17	Qy from 2013
(x)	Axis Bank Ltd.	4643.14	6964.71	2321.57	2321.57	6964.71	9286.28	7-Dec-14	Yearly
(xi)	HDFC Bank Ltd.	0.00	0.00	0.00	5000.00	0.00	5000.00	Paid	

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34. SECURITY FOR SECURED BORROWINGS (Contd.)

	Non-Current Portion		Current Maturities		Total		Last Instalment Due on	Principal Payable Frequency
	2012 Rs.Lakhs	2011 Rs.Lakhs	2012 Rs.Lakhs	2011 Rs.Lakhs	2012 Rs.Lakhs	2011 Rs.Lakhs		
(xii) Working Capital Loans from Banks	0.00	594.76	594.77	251.84	594.77	846.60	31-Mar-13	Quarterly
(xiii) ICICI Bank (USD 60 Mn Foreign Currency Loan)	30528.00	0.00	0.00	0.00	30528.00	0.00	7-Nov-19	Half Yearly
(xiv) Axis Bank Ltd.	5888.14	3877.17	1071.43	535.71	6959.57	4412.88	1-Jul-18	Quarterly
(xv) UCO Bank	4714.29	5571.43	857.14	428.57	5571.43	6000.00	1-Jul-18	Quarterly
(xvi) Yes Bank Ltd	6678.57	7892.86	1214.29	607.14	7892.86	8500.00	1-Jul-18	Quarterly
(xvii) IDBI Bank Ltd	218.82	0.00	176.35	0.00	395.17	0.00	31-Mar-16	Quarterly
(xviii) State Bank of India	0.00	0.00	119.48	0.00	119.48	0.00	30-Sep-12	Quarterly
(xix) Bank of Baroda	0.00	24.38	0.00	0.00	0.00	24.38	Paid	
Total Secured Loans from Banks	106449.68	76763.93	19331.61	20855.26	125781.29	97619.19		
From Others:								
(i) IFCI Ltd.	54.06	71.71	17.65	17.81	71.71	89.52	31-Mar-16	Quarterly
(ii) Housing Development Finance Corporation Ltd.	0.00	0.00	0.00	3333.33	0.00	3333.33	Paid	
(iii) Housing Development Finance Corporation Ltd.	3000.00	4875.00	1875.00	1500.00	4875.00	6375.00	15-Apr-15	Quarterly
(iv) IDFC Ltd.	6285.71	7428.57	1142.86	571.43	7428.57	8000.00	1-Jul-18	Quarterly
(v) IDFC Ltd.	21.43	0.00	200.00	0.00	221.43	0.00	1-Jun-13	Quarterly
(vi) Others	0.00	0.00	5.48	5.15	5.48	5.15		
Total Secured Loans from Others	9361.20	12375.28	3240.99	5427.72	12602.19	17803.00		
Total Secured Long-term borrowings	116002.30	90299.19	43541.16	26745.76	159543.46	117044.95		
UNSECURED:								
(i) Zero Coupon Foreign Currency Convertible Bonds (Refer Note No.35.19)	0.00	0.00	0.00	33450.00	0.00	33450.00	Paid	
(ii) Interest free Sales Tax Deferral Loans	56828.18	58893.52	3768.07	3475.07	60596.25	62368.59	12 to 14 Years	Monthly
(iii) Deposits from Public	632.08	1087.45	713.94	416.49	1346.02	1503.94	Various Dates	
(iv) Others	1727.15	1027.14	2.50	2.71	1729.65	1029.85	Various Dates	
Total Unsecured Long-term borrowings	59187.41	61008.11	4484.51	37344.27	63671.92	98352.38		
Total Long-term Liabilities & Current Maturities	175189.71	151307.30	48025.67	64090.03	223215.38	215397.33		

SECURITY CLAUSE

(a) Bonds / Debentures:

- Item (i) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
- Item (ii) is secured by a registered first mortgage on the Company's properties in the State of Gujarat and further secured by a joint first equitable mortgage on the immovable properties of the Company both present and future.
- Item (iii) is secured by a registered first mortgage on the Company's non-agricultural freehold land situate at Sethurayanpudur Village, Tirunelveli Taluk, Tirunelveli and further secured by a joint first equitable mortgage / charge on the immovable and movable properties of the Company both present and future.

(b) Term Loans:

From Banks:

- Item (i) and (ii) are secured by first equitable mortgage and charge on pari passu basis (with other Lenders / Debenture Trustees) on the immovable and movable assets (with exclusion of assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security), both present and future, subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.

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34. SECURITY FOR SECURED BORROWINGS (Contd.)

2. Item (iii) and (iv) are secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
3. Item (v) is secured by hypothecation of Fixed Assets of the Company at Sankarnagar, Dalavoi and Yerraguntla cement plants and further secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
4. Item (vi) is secured by a first pari passu charge (with other Lenders / Debenture Trustees) on the movable and immovable fixed assets of the Company both present and future save and except book debts and subject to prior charges created / to be created in favour of the Company's bankers on its current assets for securing the borrowings for working capital requirements.
5. Item (vii) and (viii) are secured by way of exclusive charge on the immovable properties of the Company being the land and building situated at 93, Santhome High Road, Chennai.
6. Item (ix) is secured by first pari passu charge on the specific fixed assets of the Company's plant at Vishnupuram, Nalgonda District excluding the assets of the thermal power plant and the land on which it is proposed to be installed and further secured by a joint first equitable mortgage / charge on the immovable and movable properties of the Company both present and future.
7. Item (x) is secured by a pari passu charge on all the movable assets of the Company excluding the current assets and movable assets at Chennai and Parli grinding units excluding current assets and further secured by a joint first equitable mortgage / charge on the immovable properties of the Company both present and future.
8. Item (xii) is secured by a first charge on pari passu basis on the movable fixed assets and immovable properties of the Company and a second charge on the current assets.
9. Item (xiii) is secured by a first and exclusive charge on movable fixed assets of the Company's captive power plant at Vishnupuram and further secured by a joint first equitable mortgage / charge on the immovable and movable properties of the Company both present and future.
10. The term loan from State Bank of India is additionally secured by a second charge on the current assets of the Company.
11. Loans mentioned in (b) (i) carry an option for conversion into equity shares at par not exceeding 20% of the sanctioned loan / outstanding loan in the advent of certain events and subject to conditions.
12. Term loans from Banks (xiv) to (xvi) and term loan from others (iv) are secured in favour of Axis Trustee Services Limited, the Security Trustee for the lenders, namely Yes Bank Limited, UCO Bank, Axis Bank Limited and Infrastructure Development Finance Company Limited by hypothecation of Company's movable properties, both present and future, including current assets, movable machinery, machinery spares, tools and accessories, tangible and intangible assets of the Company, subject to prior charges on current assets created / to be created in favour of Company's bankers for securing the working capital facilities and further secured by a first pari passu charge on all the fixed assets of the Cement plant at Banswara, Rajasthan, pledge of shares held by Promoters and Corporate Guarantee from The India Cements Limited.
13. Term Loans from Banks (xvii) & (xviii) and term loan from others (v) are secured by first equitable mortgage on pari passu basis of the immovable properties of the Company situated at Valanthuravai, Ramanathapuram Taluk & District, Tamil Nadu. They are also secured by first charge by way of hypothecation of the movable properties of the Company, present and future, subject to prior charge created / to be created in favour of the Company's Bankers for working capital facilities.

From Others:

1. Item (i) is secured by an exclusive first charge by way of hypothecation of the equipment purchased together with tools & accessories at Vishnupuram cement plant and further secured by a joint first equitable mortgage / charge on the immovable and movable assets (excluding assets purchased under Asset Credit Scheme and certain other assets specifically excluded from the purview of the security) present and future subject to prior charge on the movable assets in favour of the Company's bankers for working capital requirements.
2. Item (iii) is secured by a first pari passu mortgage and charge on the movable and immovable properties and second pari passu charge on the current assets of the Company's Cement manufacturing facilities.

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	2012 Rs.Lakhs	2011 Rs.Lakhs		2012 Rs.Lakhs	2011 Rs.Lakhs
35.1 Estimated amounts of Capital Expenditure Commitments	17443.67	19611.89	(c) Sales – Quantity in Tonnes - Cement	10459607	10107357
35.2 Monies for which the Company is contingently liable:			Quantity in Tonnes - Clinker	77105	33712
a. Letter of Credit Opened by Bankers.	7089.56	2941.10	Sales – Value of Cement (Gross)	486728.69	389595.66
b. Counter Guarantees to Bankers (including guarantees given on behalf of Subsidiaries and Associates).	48485.52	42440.65	Value of Clinker	2193.21	750.30
c. Sales Tax demand for various years under dispute.	1430.98	1308.81		<u>488921.90</u>	<u>390345.96</u>
d. Contingent Liability pertaining to Raasi Cement Limited (Residuary Company) for Sales Tax, Central Excise and Income Tax.	2272.81	2284.00	(d) Opening Stock of Cement produced in Tonnes	154360	98433
e. Contingent Liability on account of CENVAT Cases, Income tax and Others.	34313.47	22363.14	Value	4446.63	2495.33
35.3 Claims against the Company not acknowledged as debts.	14142.34	12353.29	(e) Closing Stock of Cement produced in Tonnes	164758	154360
35.4 Building includes purchase of flats on leasehold lands for which the documents of title are yet to be executed in favour of the Company.	11.13	11.13	Value	5192.89	4446.63
35.5 Loans and Advances:			2. CALCIUM CARBIDE:		
a. Advances include advances to Associates representing strategic Long Term Investments in Cement, Sugar, Shipping and Financial Services, which represent strategic long-term investments, which in the opinion of management, having regard to intrinsic value of such investments held by them, will realise values stated in the long term. The Company, as a prudent measure has created a Contingency Reserve to the extent of Rs.200 Crores for any possible erosion in the value of the said advances.	66726.50	66791.85	(a) Licenced Capacity (Tonnes)	10000	10000
b. Advances include disputed CENVAT / Sales Tax claims pending in different stages of appeal. Management is of the opinion that these are recoverable at values stated.	670.90	581.17	(b) Installed Capacity (Tonnes)	12500	12500
35.6 (a) Raw Materials consumed:			(c) Production	-	-
Own Quarrying includes:			(d) Opening Stock of Finished Goods (Tonnes)	36	36
(i) Salaries & Wages	1559.30	1325.03	Value (Rs.Lakhs)	7.88	7.88
(ii) Stores Consumed	2439.76	2555.08	(e) Closing Stock of Finished Goods (Tonnes)	36	36
(iii) Royalty	7035.50	6648.71	Value (Rs.Lakhs)	7.88	7.88
(b) Total Consumption of Stores and Spares during the year, including used in own quarrying; Captive Power generation and Repairs & Maintenance.	17437.66	16528.74	3. READY MIX CONCRETE:		
35.7 Repairs and Maintenance includes Stores & Spares.	5365.08	5223.94	(a) Installed Capacity (Cu.m)	990000	990000
35.8 Detailed quantitative information of goods manufactured during the Report Period:			(b) Production (Cu.m)	327055	299652
1. CEMENT:			(c) Purchase (Cu.m)	5272	2918
(a) Installed capacity in Tonnes	15550000	15550000	(d) Sale (Cu.m)	332327	303668
(b) Production in Tonnes	10470006	10155808	(e) Opening Stock of Finished Goods (Cu.m)	-	-
			Value (Rs.Lakhs)	-	-
			(f) Closing Stock of Finished Goods (Cu.m)	-	-
			Value (Rs.Lakhs)	-	-
			4. TEXTILES:		
			(a) Opening Stock of Home Textiles Produced (Pieces)	16601	17674
			Value (Rs.Lakhs)	70.76	71.08
			(b) Closing Stock of Home Textiles Produced (Pieces)	16579	16601
			Value (Rs.Lakhs)	76.39	70.76
			(c) Opening Stock of Fabrics (Pieces)	3753	3567
			Value (Rs.Lakhs)	6.30	5.23
			(d) Closing Stock of Fabrics (Pieces)	4109	3753
			Value (Rs.Lakhs)	5.50	6.30
			(e) Sales Quantity Home Textiles (Pieces)	2596	2894
			Value (Rs.Lakhs)	6.21	7.09
			(f) Sales Quantity Yarn (Kgs)	-	-
			Value (Rs.Lakhs)	-	-
			(g) Sales Quantity Fabrics (Meters)	-	5
			Value (Rs.Lakhs)	-	0.005
			(h) Non Textiles (Nos.)	3148	3516
			Value (Rs.Lakhs)	40.07	28.22

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	2012 Rs.Lakhs	2011 Rs.Lakhs		2012 Rs.Lakhs	2011 Rs.Lakhs
5. ELECTRICITY:			Percentage to Total Consumption:		
(a) Installed Capacity (M.W)	26.19	26.19	Spare Parts and Components:		
(b) Generation - Units in Lakhs KWH	2011.21	2079.73	Imported	18.00%	25.33%
(c) Opening Stock of Finished Goods			Indigenous	82.00%	74.67%
(Units in Lakhs KWH)	-	-	Total	<u>100.00%</u>	<u>100.00%</u>
Value (Rs.Lakhs)	-	-	35.14 Details of Raw Materials consumed:		
(d) Closing Stock of Finished Goods			Quantity in Tonnes:		
(Units in Lakhs KWH)	-	-	Limestone	11281539	11010692
Value (Rs.Lakhs)	-	-	Gypsum	563248	517771
(e) Sales - Units in Lakhs KWH	1982.90	2049.90	Others	2437010	2308014
Value (Rs.Lakhs)	7104.83	6441.73	Value:		
35.9 Value of Import on CIF basis:			Limestone	22670.54	21168.06
(a) Raw Materials	1610.04	1662.88	Gypsum	8681.24	7189.33
(b) Fuel	50818.51	45466.02	Others	19055.64	15476.85
(c) Spare Parts and Components	1077.02	498.83	Freight on Inter Unit Transfer of Clinker	8514.24	8505.28
(d) Capital goods	1721.73	205.31	Total	<u>58921.66</u>	<u>52339.52</u>
(e) Textiles	24.95	13.26	35.15 The Company had opted for the "Tonnage Tax Scheme" under the Income Tax Act, 1961 in the financial year 2007-08 and has opted out of the said Scheme with effect from the financial year 2008-09.		
35.10 Earnings in Foreign Exchange:			35.16 As at Balance Sheet date, amounts aggregating to Rs.14.63 Lakhs were due to Micro, Small and Medium Enterprises and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.		
Export (FOB)			35.17 Scheme of Amalgamation of Jubilee Cements Ltd. with Trishul Concrete Products Ltd.		
Cement - Quantity in Tonnes	8500	5734	Pursuant to the Order passed by the Honourable High Court of Judicature at Madras on 15th February 2012, the entire undertaking and business of Jubilee Cements Limited (Transferor Company) was transferred and vested with Trishul Concrete Products Limited (Transferee Company) effective 1st October 2011, being the appointed date fixed in the Scheme of Amalgamation.		
- Value	254.47	159.71	In accordance with Para 7 of the Scheme, the Transferor Company's net assets are recorded at fair value under Purchase method of accounting as per the Accounting Standard 14 (Accounting for Amalgamations). Further, as envisaged in the Scheme, 500,000 fully paid up equity shares of Rs.10/- each of the Transferee Company were allotted to the shareholders of the Transferor Company.		
35.11 Expenditure in Foreign Currency:			After accounting for the assets and liabilities and the allotment of equity share capital, as above, the surplus arising on amalgamation amounting to Rs.805.03 lakhs has been credited to General Reserve.		
Legal & Consultancy Charges	-	-	The Financial Statements of the Company for the year include the transactions of the Transferor Company for the period from 1st October 2011.		
Travel Expenses and others	195.32	201.12	35.18 Note on Debt Restructuring:		
Indian Premier League - payments to foreign players	3324.50	2595.54	a. The Corporate Debt Restructuring (CDR) Cell formed by the Reserve Bank of India approved a Debt Restructuring proposal for all debts other than public deposits with effect from 01.01.2003.		
35.12 Remittances in Foreign Currency:			b. The common documentation for creation of security between all the Lenders and the Company is yet to be executed. Pending execution of common documentation between the Lenders and the Company, the Security Clause under the loans has not been changed.		
Final Dividend on account of GDS:					
No. of Shareholders	1	1			
Amount remitted (Rs.Lakhs)	88.94	91.73			
Year to which it pertains	2011	2010			
Final Dividend on account of GDR:					
No. of Shareholders	1	1			
Amount remitted (Rs.Lakhs)	137.51	6.27			
Year to which it pertains	2011	2010			
35.13 Details of imported and indigenous materials consumed during the year:					
Raw materials:					
Imported	4969.09	3157.52			
Indigenous	53952.57	49182.00			
Total	<u>58921.66</u>	<u>52339.52</u>			
Percentage to Total Consumption:					
Raw materials:					
Imported	8.43%	6.03%			
Indigenous	91.57%	93.97%			
Total	<u>100.00%</u>	<u>100.00%</u>			
Spare parts and Components:					
Imported	424.29	596.92			
Indigenous	1932.50	1759.87			
Total	<u>2356.79</u>	<u>2356.79</u>			

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35.19 The Company had issued USD 75 Million Zero Coupon Foreign Currency Convertible Bonds (FCCB) which matured on 12th May, 2011. The bonds will not bear any interest and are convertible by holders into shares, subject to certain conditions. The net proceeds were used by the Company for the purpose of Capital Expenditure and other purposes, including the repayment of existing debt, as permitted under the applicable law or regulations. Premium on redemption of FCCB (including withholding tax), amounting to Rs.177.93 Crores (gross) (current tax impact Rs.57.73 Crores) has been directly charged against the Securities Premium Account, pursuant to provisions of Section 78 of the Companies Act, 1956.

The Company has redeemed the bonds on 12th May, 2011 being the maturity date, at 147.70% of its principal value.

35.20 Recognition of Foreign Currency Fluctuations:

a) Long Term Monetary Liability pursuant to the notification issued by the Ministry of Corporate Affairs dated 29th December 2011 on Accounting Standard 11, the Company has opted to:

- i) capitalize the exchange gain / loss on the loans against purchase of fixed assets after the same has been put to use and depreciated over the balance life of the asset. Such gains / losses were hitherto credited / debited to the Profit & Loss Account. Accordingly, Rs.2622.18 Lakhs capitalised during the year, which otherwise, would have been charged to Profit & Loss Account;
- ii) exchange loss other than those attributable to capital assets amounting to Rs.1078.44 Lakhs, which were hitherto charged to Profit & Loss Account has been accumulated in Foreign Currency Monetary Items Translation Difference Account. Out of which, Rs.190.50 Lakhs has been amortized during the year (included in Administration and Other Charges) and the balance of Rs.887.94 Lakhs will be amortized over the remaining period of the liability. In view of the above, the profit before tax for the year is higher by Rs.3510.12 Lakhs.

b) Short Term Monetary Liability:

Exchange gain / loss on short term monetary liability is continued to be credited / debited to the Profit & Loss Account.

35.21 The Company has as part of the initiatives to promote corporate image and its brands participated in the IPL T/20 tournaments with its team 'The Chennai Super Kings'. The right to operate the franchise provides a platform to build corporate and brand image especially in the context of the Company becoming a Pan India Player.

The consideration to operate the franchise, aggregating to USD 91 Million is payable over a period of 10 years in equal installments commencing from 2008.

As per the agreement, BCCI-IPL will share its income from the sale of media rights and sponsorship income with all the franchisees. In addition to the Central revenue as mentioned above the franchisee will also have local revenue like gate collections, team sponsorships, uniform sponsors etc. The revenue from operating the franchise is grouped under Miscellaneous Income. Currently, the company is following a policy of accounting for all the expenditure and revenue associated with IPL related operation upon commencement of the Season.

The costs involved in operating the franchise like remuneration to the players, travelling and accommodation expenses, advertisements, promotions etc., are accounted in accordance with the Generally Accepted Accounting Principles. The expenses are grouped under the natural heads of accounts.

The Company capitalized the entire franchisee fee payable to BCCI-IPL as a "Franchise Right" under Intangible Asset. Considering the revenue by operating the franchise and the potential cash flows arising therefrom the "Franchise Right" is being amortized over a period of 10 years. The amount payable to BCCI towards the same, in the next 12 months from the date of Balance Sheet is grouped under Sundry Creditors for Capital Expenditure under Current Liabilities and payable after 12 months from the date of Balance Sheet is grouped under Non-Current Liabilities.

35.22 Pending finalisation of ongoing negotiations with various Banks / Financial Institutions, the claims towards Interest / Penal interest claims by Banks / Financial Institutions are under negotiation for waiver, amount not determinable.

35.23 Related Party Disclosures:

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

- (i) Associate Companies:
 - Raasi Cement Limited
 - Coromandel Sugars Limited
 - India Cements Capital Limited
 - Coromandel Travels Limited
 - Unique Receivable Management Pvt. Limited
- (ii) Key Management Personnel (KMP):
 - Sri. N. Srinivasan – Vice Chairman & Managing Director
 - Ms. Rupa Gurunath – Wholetime Director
- (iii) Relative of KMP, having transactions with the Company:
 - Mrs. Chitra Srinivasan – Director

	2012 Rs.Lakhs	2011 Rs.Lakhs
B. Transactions with Associate Companies:		
Associates:		
Sale of Goods	21.33	2.10
Purchase of Shares	Nil	Nil
Purchase of Goods	Nil	Nil
Rendering of Services	Nil	Nil
Receiving of Services	1266.98	677.03
Interest receivable on Advances	104.80	398.16
Dividend received from Associate Co.	Nil	Nil
Guarantees Outstanding as at the year end	14201.00	8701.00
Outstanding balance included in current asset	4953.65	8475.63
C. Transactions relating to persons mentioned in A (ii) above:		
Remuneration	1880.74	1221.57
Dividend paid during the year	6.96	3.68
Total	<u>1887.70</u>	<u>1225.25</u>
D. Transactions relating to persons mentioned in A (iii) above:		
Directors' Sitting Fee	1.00	0.80
Dividend paid during the year	1.18	1.57
Total	<u>2.18</u>	<u>2.37</u>

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	2012 Rs.Lakhs	2011 Rs.Lakhs	2011-12 Rs.Lakhs	2010-11 Rs.Lakhs
35.24 Details of Loans and Advances given to Associates:				
A. Loans and Advances to Associates:				
(i) Rate of Interest:				
Coromandel Sugars Ltd.	8%	8%		
India Cements Capital Ltd.	Nil	8%		
Unique Receivable Management Pvt. Ltd.	Nil	Nil		
Coromandel Travels Ltd.	Nil	Nil		
(ii) Balance as at 31 st March:				
Coromandel Sugars Ltd.	2970.61	6448.96		
India Cements Capital Ltd.	1983.04	2026.67		
Coromandel Travels Ltd.	0.00	0.00		
Total	<u>4953.65</u>	<u>8475.63</u>		
(iii) Maximum Balance for the Report Period:				
Coromandel Sugars Ltd.	8473.30	7223.79		
India Cements Capital Ltd.	2031.88	2122.61		
Coromandel Travels Ltd.	0.00	159.33		
Total	<u>10505.18</u>	<u>9505.73</u>		
Notes:-				
1. Loans to Employees as per Company's policy are not considered.				
2. Pursuant to the Scheme of Amalgamation approved by the Honourable High Court of Judicature at Madras, the Company has issued equity shares to the Shareholders of Visaka Cement Industry Limited (Visaka). As per the said Order 199.54 lakh shares of the Company have been allotted in aggregate, to the subsidiaries in exchange for their shares of Visaka and the same are held in a Trust on their behalf.				
35.25 Employee Benefits:				
The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Accounting Standard 15 issued by ICAI, are as under:				
(a) Contribution to Pension Funds:				
The Company offers pension plans for managerial grade employees and wholetime Directors. While some of the employees are eligible for Defined Benefit Plan of Pension, others are eligible for Defined Contribution Plan of Pension. The Defined Benefit Plan of Pension are managed by Life Insurance Corporation of India and the provision has been made on the basis of actuarial valuation.				
The estimated aggregate value of Pension liability, discounted @8% p.a., under the Defined Benefit Plans and Defined Contribution Plans as at 31 st March 2012 are Rs.4,789.13 Lakhs (as at 31 st March 2011 are Rs.4,427.95 Lakhs) and Rs.1,160.54 Lakhs (as at 31 st March 2011 are Rs.1,054.37 Lakhs) respectively, as per the details given below:				
Defined Benefit Scheme:				
	2011-12 Rs.Lakhs	2010-11 Rs.Lakhs		
Opening balance as per actuarial valuation	4427.95	4100.58		
Add: Interest income / differential interest due to change in discount rate during the year	0.00	0.00		
Less: Settlements during the year	325.93	237.64		
Sub-total	<u>4102.02</u>	<u>3862.94</u>		
Add: Provision created during the year			687.11	565.01
Closing Balance as on 31 st March			<u>4789.13</u>	<u>4427.95</u>
Assumptions:				
Discount rate	8.00%	8.00%		
Salary escalation rate	2.00%	2.00%		
Average age	48 yrs.	48 yrs.		
Average accrued service	14 yrs.	14 yrs.		
Annuitiy rates for pension computation				Rates applicable for 15 years certain and life thereafter, with return of corpus.
Defined Contribution Scheme:				
	2011-12 Rs.Lakhs	2010-11 Rs.Lakhs		
Opening balance as per actuarial valuation	1054.37	1032.91		
Less: Settlements / transfers during the year	290.00	266.80		
Sub-total	<u>764.37</u>	<u>766.11</u>		
Add: Provision created during the year	396.17	288.26		
Closing Balance as on 31 st March	<u>1160.54</u>	<u>1054.37</u>		
(b) Leave of absence and encashment:				
The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Accounting Standard 15. The total amount of provision available for the unavailed leave balances as at 31 st March 2012 is Rs.6305.79 Lakhs (as at 31 st March 2011: Rs.5217.92 Lakhs).				
(c) Gratuity:				
The employees are eligible for Gratuity benefits as per the Payment of Gratuity Act, 1972. The Gratuity Scheme is governed by a Trust created for this purpose by the Company. The amount of contribution to be made is arrived at based on an actuarial valuation done at the Balance Sheet date, as given below and is accounted accordingly.				
	2011-12 Rs. Lakhs	2010-11 Rs. Lakhs		
Opening balance as per actuarial valuation	3423.69	2571.00		
Add: Interest income during the year	150.00	38.54		
Less: Settlements during the year	291.20	225.47		
Sub-total	<u>3282.49</u>	<u>2384.07</u>		
Add: Provisions created during the year	377.85	1039.62		
Closing Balance as per actuarial valuation	<u>3660.34</u>	<u>3423.69</u>		
Assumptions:				
Discount rate	8.00% p.a.	8.00% p.a.		
Salary escalation rate	2.00% p.a.	2.00% p.a.		
Average age	52 years	52 years		
Average accrued service	26 years	26 years		

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35.26 Note on Employees Stock Option Scheme, 2006:

During the year 2006-07, the Company announced Employees Stock Option Scheme, 2006 (ESOS 2006) to its employees, which came into force on 1st December 2006. As per the scheme, the eligible employees are entitled to apply for and be allotted to one equity share of Rs.10/- each, fully paid-up, on payment of the Exercise price of Rs.50/- per option, which shall vest with the option holders in 2 equal instalments on 1st December 2007 and 1st December 2008. The vested options shall be exercised by the option holders within 1 year from the date of vesting.

Under ESOS 2006, the maximum number of options to be granted in aggregate is not to exceed 15,00,000; of which the Company issued 14,79,000 options, to be vested with the option holders in two equal annual instalments. Out of the options vested on 1st December 2007 and 1st December 2008, the option holders exercised their options for and were allotted fully paid up equity shares aggregating to 7,19,000 (as at 31st March 2011:7,19,000 shares) and 7,00,000 (as at 31st March 2011:7,00,000 shares) respectively as at the Balance Sheet.

In terms of the Scheme, 3000 options were issued to an eligible employee on 6th August 2009. Each option on such vesting can be exercised by applying for an equity share of Rs.10/- each fully paid up for a sum of Rs.50/- (inclusive of premium of Rs.40/-) on or before 1st September 2011 and 1st September 2012 respectively. 1,500 options vested on 01/09/2010 were exercised by the employee and equal number of shares were allotted to him on 2nd March 2011. The 2nd Instalment of 1500 Shares were allotted on 17th November 2011.

Accounting of ESOS

The fair market price per equity share of the Company on the date of vesting, i.e. 1st December 2007, 1st December 2008, 1st September 2010 & 1st September 2011 was Rs.296.80, Rs.86.95, Rs.107.65 & Rs.65.92 respectively. On vesting, the excess of fair market price over the price paid by the employees, per Scheme, is charged to Profit and Loss Account by crediting Stock Options Outstanding Reserve Account and on allotment of shares, the corresponding amount is transferred from Stock Options Outstanding Reserve Account to Securities Premium, as per the Guidance Note issued by The Institute of Chartered Accountants of India.

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

Consolidation method adopted:

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

Name of the Subsidiary Company	2012 % of Ownership	2011 % of Ownership
ICL Securities Ltd.	100.00	100.00
ICL Financial Services Ltd.	100.00	100.00
ICL International Ltd.	100.00	100.00
Industrial Chemicals and Monomers Ltd.	98.59	98.59
Trishul Concrete Products Ltd.	88.47	99.88
PT. Coromandel Minerals Resources, Indonesia	100.00	100.00
Trinetra Cement Ltd. (Formerly Indo Zinc Ltd.)	61.22	61.22
Coromandel Minerals Pte. Ltd., Singapore	100.00	100.00
Coromandel Electric Company Ltd. (Associate Company in previous year)	74.00	49.20

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

Name of the Associate Company	2012 % of Ownership Directly or Through Subsidiaries	2011 % of Ownership Directly or Through Subsidiaries
Raasi Cement Ltd.	28.95	28.95
Coromandel Sugars Ltd.	49.99	49.99
India Cements Capital Ltd.	47.91	47.91
Coromandel Travels Ltd.	49.50	49.50
Unique Receivable Management Pvt. Ltd.	49.20	49.20

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

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

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

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

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



THE INDIA CEMENTS LIMITED

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

Corporate Office: 'Coromandel Towers', 93, Santhome High Road

Karpagam Avenue, R.A. Puram, Chennai - 600 028.

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Only members or their proxies are entitled to be present at the meeting.

Name and address of the Shareholder

Folio No :

Dp id. :

Client id. :

No of Shares held :

I hereby record my presence at the Sixtysixth Annual General Meeting of the Company at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K Road, Alwarpet, Chennai – 600 018 on Monday, the 13th August, 2012 at 10.00 A.M.

Signature of the Member/Proxy

Name :



THE INDIA CEMENTS LIMITED

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

Corporate Office: 'Coromandel Towers', 93, Santhome High Road

Karpagam Avenue, R.A. Puram, Chennai - 600 028.

PROXY FORM

I/WE
of

Folio No :

Dp id. :

Client id. :

No.of shares held :

being a member/members of THE INDIA CEMENTS LIMITED do hereby appoint _____

_____ of _____

(or failing him _____ of _____) as my/our proxy

and to vote for me/us on my/our behalf at the Sixtysixth Annual General Meeting of the Company to be held at 10.00 A.M on Monday, the 13th August, 2012 and at any adjournment thereof.

Signed thisday of2012.

N.B.

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member. This form duly completed should be deposited at the Registered Office of the Company at Chennai before 10.00 A.M. on Saturday, the 11th August 2012.

Affix
15 Paise
Revenue
Stamp

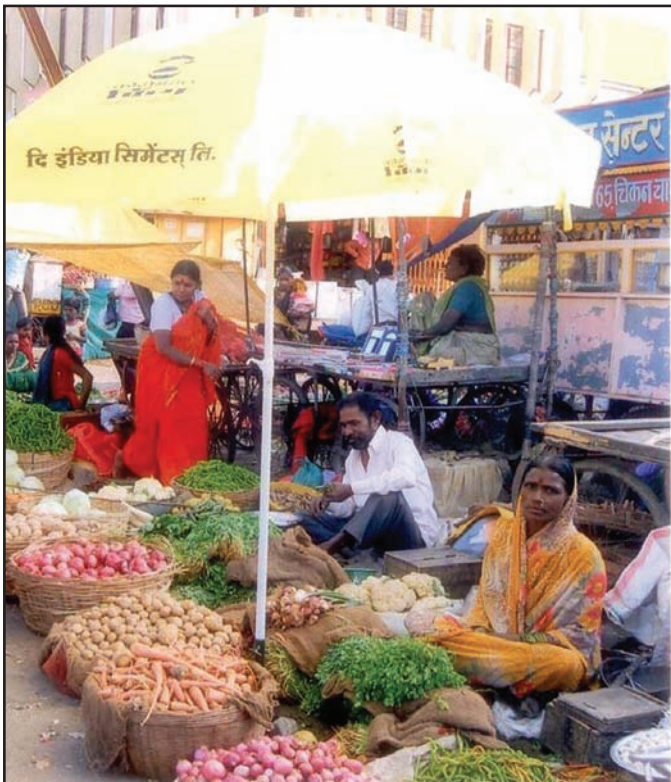
TOWARDS CORPORATE SOCIAL RESPONSIBILITY



DISTRIBUTION OF SEWING MACHINES TO NEEDY WOMEN,
CHENNAI



DONATION OF MEDICAL EQUIPMENT TO PRIMARY HEALTH
CENTRE, CHILAMAKUR



SHELTERING THE STREET VENDORS FROM
THE BLISTERING SUN, PARLI



DONATION OF FURNITURE TO GOVERNMENT SCHOOL,
MALKAPUR



UNIFORM DISTRIBUTION TO ORPHAN CHILDREN, PARLI

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