

# **LOK CEMENTS LIMITED**

**Registered Office:  
Industry House, 159, Churchgate Reclamation  
Mumbai - 400 020**

## **DIRECTORS' REPORT**

### **To the Shareholders**

Your Directors have pleasure in presenting their Report together with the Audited Accounts of the Company for the year ended 31st March, 2012.

### **STATUS OF PROJECT**

As reported last year, Ministry of Mines, Government of India, New Delhi had cleared the Revision Petition in favour of the Company for grant of Mining Lease for an area of 5.75 sq. km. at District Kadapa, Andhra Pradesh by setting aside Andhra Pradesh Government's Order rejecting our application for the grant of Mining Lease. The Company is now following up with Government of Andhra Pradesh for the grant of Mining Lease.

Regarding grant of Mining Lease over the disputed area of 4.13 sq. km., the writ petition filed by the Company is still pending in the Hon'ble High Court of Andhra Pradesh and there is no significant development in the matter. The Company is following up the matter.

### **FINANCIAL RESULTS**

The Company has not yet commenced commercial production. As such, the total expenditure has been carried forward as 'Pre-operative expenses'. Hence, there is no Surplus/(Deficit) during the year.

### **DIRECTORS**

Shri V.K. Hamirwasia retires from the Board by rotation, and being eligible, offers himself for re-appointment.

### **AUDITORS**

M/s. Singhi & Co., Chartered Accountants retire as Auditors of the Company and being eligible, offer themselves for re-appointment.

### **COMPLIANCE CERTIFICATE UNDER THE COMPANIES ACT, 1956**

A certificate issued by Shri Mukesh Rathi, Practicing Company Secretary in terms of proviso to Section 383A(1) of the Companies Act, 1956 is attached to this report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information in accordance with the Provisions of Section 217 (1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption is not provided as the same is not applicable to the Company. There are no foreign exchange earnings and outgo during the year under review.

### **PARTICULARS OF EMPLOYEES**

The Company has no employee getting remuneration as prescribed under Section 217 (2A) of the Companies Act, 1956, read with amended Companies (Particulars of Employees) Rules, 1975.

**DIRECTORS' RESPONSIBILITY STATEMENT**

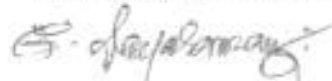
In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state that -

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) the accounting policies adopted and applied in the preparation of the annual accounts have been consistently followed and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2011-12;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for co-operation received from various Government agencies.

For and on behalf of the Board



G. Jayaraman



P.K. Chand

} Directors

Place: Kolkata

Date: 1st May, 2012

**SECRETARIAL COMPLIANCE CERTIFICATE**  
( IN TERMS OF SECTION 383A(1) OF THE COMPANIES ACT, 1956 )

**Authorised Share Capital : Rs. 10.00.00.000/-**

**Paid-up Share Capital : Rs. 1.00.07.000/-**

To  
THE MEMBERS  
M/S. LOK CEMENTS LIMITED  
INDUSTRIAL HOUSE, 159 CHURCH GATE  
RECLAMATION.  
MUMBAI- 400020

We have examined the registers, records, books and papers of **M/s. Lok Cements Limited** as required to be maintained under the Companies Act 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies with in the time prescribed under the Act and the rules made there under, There were no forms and returns to be filed with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a public limited company, comments are not required.
4. The Board of Directors duly met 4 (Four) times on 19<sup>th</sup> April 2011, 18<sup>th</sup> July 2011, 21<sup>st</sup> October, 2011 and 17<sup>th</sup> January, 2012 in respect of which proper notices were given and the proceedings including circular resolution were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 22<sup>nd</sup> June 2011 after giving due notice to the members of the Company but was adjourned due to want of quorum and the adjourned meeting was held on 29<sup>th</sup> June 2011 and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors and / or persons or firms or companies referred to under section 295 of the Act during the financial year.
9. The Company has entered into any contracts falling within the purview of section 297 of the Act during the financial year and complied with the provisions thereof.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate certificates during the financial year.




13. The Company has:
  - i) not made any allotment/ transfer/ transmission of securities during the financial year.
  - ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) not posted warrants to any member of the Company as no dividend was declared during the financial year.
  - iv) not transferred any amount to the Investors Education and Protection Fund as it was not required to do so.
  - v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional and /or alternate directors during the year.
15. The Company has not appointed any managing Director/whole-time Director/Manager, during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company did not require to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company does not have preference shares or debentures hence the comments are not required.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A and 58AA during the financial year.
24. The Company has not made any borrowings during the year.
25. The Company has not made loans and investments or given guarantees or provided securities to other bodies corporate falling under the purview of section 372A of the Act.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one State to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to the name of the Company during the financial year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to the Share Capital of the Company during the financial year under scrutiny.
30. The Company has not altered its articles of association during the financial year under scrutiny.



31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year, for offences under the Act as per the information and explanation provided to us.
32. The Company has not received any money as security from its employees during the financial year.
33. Provisions of section 418 of the Companies Act, 1956 is not applicable to the Company.

PLACE : Kolkata

DATED : 1<sup>st</sup> May, 2012For M. RATHI & CO.  
Company Secretaries
  
 (Mukesh Rathi)  
 Partner  
 C. P. No: 4795
**ANNEXURE - A*****Registers as maintained by the Company***

Sl. No.	Particulars	Section
1.	Application For & Allotment of Shares	72
2.	Register of Transfer	108
3.	Register of Charges	143
4.	Register of Members	150
5.	Minutes of proceedings of General meetings and of Board and other meetings	193
6.	Books of Accounts	209
7.	Register of Contracts	301
8.	Register of Directors, Managing Director & Secretary	303
9.	Register of Director's Shareholding	307

**ANNEXURE - B*****Forms/ Returns/ Documents as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2012***

Sl. No.	Form No.	Relevant Section	Description	Filed on	Whether Filed within prescribed time Yes/No.	If No whether addl fees paid
1.	66	383A(1)	For the year ended 31.03.11	28.08.11	No	Yes
2.	23AC/A/XBRL220		For the year ended 31.03.11	29.11.11	Yes	N.A
3.	20B	159	For AGM held on 29.06.11	25.08.11	Yes	N.A



## **Auditors' Report**

### **To the Members of Lok Cements Limited**

We have audited the attached Balance Sheet of **LOK CEMENTS LIMITED** as at 31<sup>st</sup> March 2012, and the Cash Flow statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 check basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - (iii) The Balance Sheet and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the attached Balance Sheet and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) No Profit and Loss Account has been prepared by the Company for reasons as stated in Note No. 2.8



- (vi) On the basis of written representations received from the Directors as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31<sup>st</sup> March 2012 from being appointed as a Director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Notes to Financial Statements give the information required by the Companies Act, 1956, in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2012 and in the case of the Cash Flow statement, of the Cash Flows for the year ended on that date.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Registration No.302049E**



**(M. L. SHUKLA)**  
**Partner**  
**Membership No. 051505**

1-B, Old Post Office Street,  
Kolkata.  
Dated, the 1<sup>st</sup> day of May, 2012.



**ANNEXURE TO THE AUDITORS' REPORT**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no discrepancies have been noticed on such physical verification.
- (c) There was no substantial disposal of Fixed Assets during the year.
- (ii) Since the Company's project is under implementation and the company has no inventories, clauses (ii) (a), (b) and (c) of the said Order are not applicable.
- (iii) (a) The Company has not granted loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly Clause 3(b) to (d) of the Order are not applicable.
- (e),(g) The Company has taken interest free unsecured advances from its Holding Company which will be repaid / adjusted on implementation of the project. The maximum Balance outstanding at any time during the year and closing balance of such advances as on 31.03.2012 was Rs.20789298 .The Company has not taken any other loans, secured or unsecured from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (f) The terms and conditions of the above advances taken are prima-facie not prejudicial to the interest of the company.
- (iv) In our opinion, and according to the explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchases of its fixed assets. During the course of our audit, no material weakness has been noticed in the internal control system of the Company.
- (v) In our opinion, and according to the explanations given to us, the transactions that need to be entered into a register maintained in pursuance of section 301 of the Companies Act, 1956 have been duly entered.
- (vi) In our opinion, and according to the explanations given to us, the company has not accepted any deposits from the public during the year. Accordingly, clause vi(b) of the order is not applicable.
- (vii) Internal Audit has not been carried out during the year since the company's activities pertained to the pre-operative stage and has not commenced commercial activities.
- (viii) The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing statutory dues during the year with the appropriate authorities and as at 31<sup>st</sup> March 2012, there was no undisputed statutory dues payable for a period of six months from the date they become payable.
- (b) According to the records of the company, there are no dues outstanding of Sales Tax, Income Tax, Custom Duty, Excise duty and Cess which has not been deposited on account of any dispute as on 31<sup>st</sup> March 2012.





- (x) The Company has an accumulated loss of Rs.11,48,712/- at the end of the financial year. Profit and Loss Account has not been prepared as all the transactions entered into during the year, as also in the financial year immediately preceding such financial year, pertained to the preoperative stage.
- (xi) According to the information and explanations given to us the Company does not have any dues to a financial institution, bank or debenture holder.
- (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 nidhi / mutual benefit fund or society.
- (xiv) According to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank and financial institution.
- (xvi) The Company has not raised any term loan during the year.
- (xvii) As the activities of the Company pertained to pre-operative stage only, the funds raised by the company is for long term investment only.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Registration No.302049E**



**(M. L. SHUKLA)**  
**Partner**  
**Membership No.051505**

1-B, Old Post Office Street,  
Kolkata.  
Dated, the 1st day of May, 2012.



**LOK CEMENTS LIMITED**  
BALANCE SHEET as at 31st March 2012

		(Amount in Rs.)	
	Note	As at March 31, 2012	As at March 31, 2011
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHAREHOLDERS' FUND</u></b>			
Share Capital	2.1	10,007,000	10,007,000
Reserves and Surplus	2.2	(1,143,331)	(1,143,331)
		8,863,669	8,863,669
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long-Term Borrowings	2.3	20,789,298	20,436,258
		20,789,298	20,436,258
<b><u>CURRENT LIABILITIES</u></b>			
Trade Payables	2.4	55,545	41,545
Short-Term Provisions	2.5	29,481	29,481
		85,026	71,026
<b>TOTAL</b>		<b>29,737,993</b>	<b>29,370,953</b>
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
Fixed Assets			
Tangible Assets	2.6	-	-
		-	-
Long-Term Loans and Advances	2.7	3,137,975	3,137,975
Other Non-Current Assets	2.8	26,437,507	26,067,057
		29,575,482	29,205,032
<b><u>CURRENT ASSETS</u></b>			
Cash and Bank Balances	2.9	16,492	19,902
Short-Term Loans and Advances	2.7	146,019	146,019
		162,511	165,921
<b>TOTAL</b>		<b>29,737,993</b>	<b>29,370,953</b>

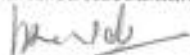
Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

As per our Report annexed  
For Singhi & Co.

Chartered Accountants



(M.L. Shukla)

Partner

Membership No. 051505

1B Old Post Office Street  
Kolkata - 700001

Dated : 01.05.12





} Directors



**LOK CEMENTS LIMITED**

CASH FLOW STATEMENT for the year ended 31st March, 2012

(Amount in Rs.)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>A. Cash Flow from Operating Activities:</b>		
Profit before Tax		
Operating Profit before Working Capital changes		
<u>Adjustments for:</u>		
Loans and Advances		3400
Trade payables	14000	11870
Cash generated from operations	<u>14000</u>	<u>15270</u>
Net Cash from Operating Activities	14000	15270
<b>B. Cash Flow from Investing Activities:</b>		
Sale of Fixed Assets		
Pre-Operative Expenses	<u>(370450)</u>	<u>(341711)</u>
Net Cash used in Investing Activities	(370450)	(341711)
<b>C. Cash Flow from Financing Activities</b>		
(Repayment) / Proceeds from Long Term Borrowings	<u>353040</u>	<u>325442</u>
Net Cash used in Financing Activities	353040	325442
Net increase in Cash and Cash Equivalents	(3410)	(999)
Cash and Cash Equivalents as on 01.04.2011 (Opening Balance)	<u>19902</u>	<u>20901</u>
Cash and Cash Equivalents as on 31.03.2012 (Closing Balance)	<u>16492</u>	<u>19902</u>

**Note:**

- Above statement has been prepared in indirect method.
- Cash and Cash Equivalents consists of Cash in hand and balance with Banks.

As per our Report annexed.  
For Singhi & Co.  
Chartered Accountants



(M.L. Shukla)  
Partner  
Membership No. 051505  
1B, Old Post Office Street  
Kolkata - 700 001

Dated: 01.05.12





Directors



## LOK CEMENTS LIMITED

Notes to Financial Statements for the year ended 31st March 2012

### 1 Significant Accounting Policies

#### 1.1 Basis of Accounting

The financial statements are prepared under the historical cost convention, except stated otherwise, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statements had been prepared and presented as per the requirement of revised Schedule VI as notified under Companies Act 1956 with effect from current year. The adoption of revised schedule VI does not have any impact on recognition and measurement principles as followed by the company.

#### 1.2 Tangible and Intangible Fixed Assets

##### Tangible Fixed Assets

Fixed Assets, other than those which have been revalued, are stated at their original cost which includes expenditure incurred in the acquisition and construction/installation and other related expenses.

#### 1.3 Depreciation and Amortisation

Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956

#### 1.4 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or installation of qualifying capital assets till the date of commencement of commercial use of the assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.5 Pre-Operative Expenses are apportioned to assets on completion of the project. Miscellaneous expenses is charged to Profit and loss Account on commencement of commercial production

1.6 Employees' benefits of short term nature are recognized as expenses as and when it accrued.



## Notes to Financial Statements for the year ended 31st March, 2012

		Amount in Rs.	
		As at	As at
		31st March, 2012	31st March, 2011
<b>NOTE 2.1 : SHARE CAPITAL</b>			
Authorised			
10,000,000	Equity Shares of Rs. 10/- each	100,000,000.00	100,000,000.00
		<u>100,000,000.00</u>	<u>100,000,000.00</u>
Issued, Subscribed and Paid-up			
1,000,700	Equity Shares of Rs. 10/- each fully paid-up (All Equity shares are held by Birla Corporation Limited - the Holding Company & its Nominees)	10,007,000.00	10,007,000.00
		<u>10,007,000.00</u>	<u>10,007,000.00</u>

The company has only one class of issued shares i.e. equity shares having per value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.

There has been no change/movements in number of shares outstanding at the beginning and at the end of the reporting period and therefore no reconciliation is required.

All Equity Shares of the company are being held by Birla Corporation Ltd. - the Holding Company and its nominees

No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment as at the balance sheet date.

No shares have been allotted or has been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

No convertible securities has been issued by the company during the year.

No calls are unpaid by any Director and Officer of the Company during the year.

**NOTE 2.2 : RESERVES & SURPLUS**

		As at	As at
		31st March, 2012	31st March, 2011
<b>i) General Reserve</b>			
As per last Financial Statements		5,381	5,381
		<u>5,381</u>	<u>5,381</u>
<b>ii) Surplus/ (Deficit)</b>			
As per last Financial Statements		(1,148,712)	(1,148,712)
Net Surplus in the Statement of Profit and Loss		<u>(1,143,331)</u>	<u>(1,143,331)</u>

**NOTE 2.3 : LONG TERM - BORROWINGS**

Loan and Advances from Related Parties (Unsecured)

		As at	As at
		31st March, 2012	31st March, 2011
		20,789,298	20,436,258
		<u>20,789,298</u>	<u>20,436,258</u>

**NOTE 2.4 : TRADE PAYABLES**

For Services

		As at	As at
		31st March, 2012	31st March, 2011
		55545	41545
		<u>55545</u>	<u>41545</u>

**NOTE 2.5 : SHORT TERM PROVISIONS**

Other Provisions

Provisions for Taxation (Net of Payments)

		As at	As at
		31st March, 2012	31st March, 2011
		29481	29481
		<u>29481</u>	<u>29481</u>



## LOK CEMENTS LIMITED

## NOTE 2.6 : FIXED ASSETS

(Amount in Rs.)

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost/Value as at 31st March 2011	Additions during the year	Deductions/ Adjustments during the year	Cost/Value as at 31st March 2012	Up to 31st March 2011	Provided during the year	Deductions/ Adjustments during the year	Up to 31st March 2012	As at 31st March 2012	As at 31st March 2011
Furnitures & Fixtures	16,543	-	-	16,543	16,543	-	-	16,543	-	-
Previous Year	16,543	-	-	16,543	16,543	-	-	16,543	-	-



Amount in Rs.

	Non-Current		Current	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
<b>NOTE 2.7 : LOANS &amp; ADVANCES</b>				
Security Deposits				
Unsecured, considered good	10000	10000	-	-
(A)	10000	10000	-	-
Other Loans and Advances (Unsecured, Considered good)				
Advance Tax (including TDS) (Net of provisions)	-	-	111119	111119
Advance against supply of Goods and Services	-	-	34900	34900
Balances with Government & Statutory Authorities	3127975	3127975	-	-
(B)	3127975	3127975	146019	146019
<b>Total (A + B)</b>	<b>3137975</b>	<b>3137975</b>	<b>146019</b>	<b>146019</b>

**NOTE 2.8 : OTHER NON-CURRENT ASSETS**

Unsecured, considered good unless stated otherwise

Preoperative Expenses

Miscellaneous Expenditure

	As at 31st March, 2012	As at 31st March, 2011
Preoperative Expenses	25917315	25546865
Miscellaneous Expenditure	520192	520192
	<b>26437507</b>	<b>26067057</b>

For the year ended 31st March, 2012	For the year ended 31st March, 2011
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Profit and Loss Account has not been prepared as all transactions entered into during the year, as also in the previous year, pertained to the preoperative stage.

**Pre-operative Expenses**

a) Travelling/Conveyance Expenses

b) Rent

c) Postage, Telephone &amp; Telegram

d) General Expenses

e) Printing &amp; Stationery

f) Auditors Remuneration

Statutory Auditors

Audit Fees

g) Legal &amp; Professional Fees

Less: Excess provision Written back/Profit on sale of Assets

Add: Opening Balance

**Total**

13750	8750
12000	12000
27750	52972
12405	5550
-	1342
16545	16545
288000	264552
370450	341711
25546866	25205155
<b>25917315</b>	<b>25546866</b>

**NOTE 2.9 : CASH AND BANK BALANCES**

Cash and Cash Equivalents

Balances With Banks

Cash on hand

	As at 31st March, 2012	As at 31st March, 2011
Balances With Banks	14568	17978
Cash on hand	1924	1924
	<b>16492</b>	<b>19902</b>



**LOK CEMENTS LIMITED**

2.10 As per the information available with the company, there are no Micro, Small and Medium Enterprises (MSMEs) to whom the company owes any dues on account of principle amount together with interest at Balance Sheet date, hence no additional disclosures have been made.

2.11 There are no reportable segments as per Accounting Standard - 17 i.e. 'Segment Reporting' issued by the Institute of Chartered Accountants of India., as the Company has not yet started it's commercial production.

2.12 Additional information as required under Part II of Schedule VI of the Companies Act ,1956 has been given to the extent applicable to the company.

2.13 (a) As defined in AS-18 the company has a related party relationship in the nature of control with it's holding company namely Birla Corporation Ltd.

(b) During the year, the Company entered into the following related party transactions with Birla Corporation Limited the holding company.

<u>Particulars</u>	<u>For the year ended 31st March, 2012</u>	<u>For the year ended 31st March, 2011</u>
Advance received	353040	325442
 <u>Balance Outstanding:</u>		
Advances	20789298	20436258

2.14 Previous year's figures have been regrouped and rearranged wherever necessary.

As per our Report annexed  
For Singhi & Co.  
Chartered Accountants



(M.L.Shukla)

Partner

Membership No. 051505

1B Old Post Office Street

Kolkata - 700001

Dated : 01.05.12




} Directors

