

# TALAVADI CEMENTS LIMITED

Registered Office:  
9/1, R. N. Mukherjee Road,  
Kolkata 700 001

## 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, 2013.

### GENERAL REVIEW:

The fly ash extraction Plant of the Company situated at Unchahar near Raebareli, Uttar Pradesh has operated successfully throughout the year and 362496.74 M/Ts. of fly ash has been extracted and despatched to Satna and Raebareli Units of Birla Corporation Limited.

The M. P. Government had recommended to the Union Ministry of Mines allotment of mining lease of about 2,130 hectares in Satna district to the Company. The recommendation was challenged by various parties in the Mines Tribunal and in Jabalpur High Court. All the petitions have since been dismissed except one before the Tribunal and one before the High Court. In January, 2013 the State Government has communicated its decision regarding the precise area to be granted under Mining Lease and has also directed the Company to submit Mining Plan within a period of six months duly approved by the Central Government for taking further necessary action for grant of Mining Lease. Draft mining plan has already been submitted and necessary action is being taken for submission of final mining plan with the State Government.

### ACCOUNTS AND FINANCIAL MATTERS:

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
Total Revenue	: 1,45,99,359	1,25,34,328
Profit before Tax, Depreciation & Amortisation	: 1,24,17,127	95,71,985
Depreciation and Amortisation Expense	: 34,79,205	32,92,915
Profit before Tax	: 89,37,922	62,79,070
Current Tax	: 16,00,773	11,40,270
MAT Credit (Entitlement)/Reversal	: 3,61,466	(7,85,643)
Deferred Tax	: 4,32,912	15,59,658
Profit for the year	: 65,42,771	43,64,785
Surplus/(Deficit) as per last Financial Statements	: 1,38,64,627	94,99,842
Net Surplus/(Deficit)	: 2,04,07,398	1,38,64,627

### DIVIDEND:

Your Directors do not recommend any Dividend during the year.

**DIRECTORS:**

Shri P.K. Chand resigned during the year. The Board places on record its appreciation of the services rendered by him during his tenure as Director of the Company.

Shri G. Jayaraman retires from the Board by rotation, and being eligible, offers himself for re-appointment.

**AUDITORS:**

Messrs. M. R. Daga & Co., Chartered Accountants, retires as Auditors of the Company and, being eligible, offers themselves for re-appointment.

**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 the amended Companies (Particulars of Employees) Rules, 1975.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

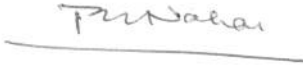

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state that –

- 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 2012-13 and of the profit for the year ended 31st March, 2013;
- 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;
- v) 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

	B.R. Nahar	} Directors
	G. Jayaraman	

Place: Kolkata

Date: 24th April, 2013.

## **AUDITORS' REPORT**

To the members of  
TALAVADI CEMENTS LIMITED

We have audited the attached Balance Sheet of TALAVADI CEMENTS LIMITED as at 31st March 2013, the Profit & Loss Account and Cash Flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibilities 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 Standards on auditing 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.

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

Further to our comments in the Annexure referred in paragraph 1 above, we report that:

1. 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.
2. 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 such books.
3. The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by the report is in agreement with the books of account.
4. In our Opinion, Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 211 (3C) of Companies Act, 1956.
5. On the basis of the written representation received from the directors as on 31<sup>st</sup> March 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March 2013 from being appointed as Director in term of Clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
- b. in the case of Profit and Loss Account, of the Profit of the company for the year ended on that date;
- c. in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Place: Satna

Date: 25th April, 2013

For and on behalf of  
**M.R. Daga & Co.**  
Chartered Accountants

Pankaj Daga  
(M.No.404056)  
Partner



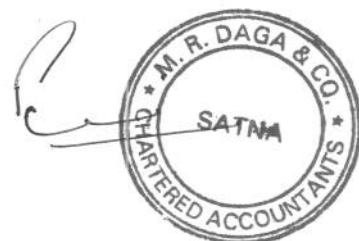
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**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 1 of our report of even date on the accounts for  
The year ended 31st March 2013)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) According to the information and explanations given to us the fixed assets were physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.  
(c) The company has not disposed off any Fixed Assets during the year, and therefore the going concern assumption is not effected.
- (ii) As the Company is not having any inventory, hence physical verification was not required.
- (iii) The company has not granted any secured or unsecured loan to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.  
  
During the year the company has not taken any secured or unsecured loan from any companies firms or any other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business for the purchase of fixed assets. However the Company has not undertaken any activity of purchase of inventory and sale of goods.
- (v) During the year the company has entered into transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956. The prices at which such transactions have been made are reasonable having regard to the prevailing market price at the relevant time.
- (vi) The Company has not accepted any deposits from the public during the year.
- (vii) Internal Audit System is not applicable to the Company.
- (viii) The Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act 1956.

Contd...2



- (ix) (a) The Company does not fall under the purview of the Provident Fund Act, 1952 and the Employees State Insurance Act, 1948. According to the information and explanations given to us, no undisputed amounts payable in respect of Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs and Excise Duty, Cess and other statutory dues were outstanding as at 31<sup>st</sup> March 2013 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the Company has no disputes in case of dues of Sales tax, income tax, Wealth tax, Service tax, Custom duty, Excise duty and Cess.
- (x) The Company does not have any accumulated losses at the end of the financial year, and has not incurred any cash losses in the financial year and in the financial year immediately proceeding such financial year.
- (xi) The Company has no dues towards a financial institution or bank or debenture holders.
- (xii) 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 provisions of any special statute applicable to chit fund / nidhi/ mutual benefit fund/ societies are not applicable to the Company.
- (xiv) The Company is not dealing 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 or financial institutions.
- (xvi) The Company has not availed any term loan during the year.
- (xvii) The Company has not been raised any short or long term fund during the year.
- (xviii) The company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued debentures during the year
- (xx) The Company has not raised money by means of public issue.
- (xxi) In our opinion and to the best of our information and according to the explanations given to us, no fraud on or by the company was noticed or reported during the year.

For and on behalf of  
**M.R. Daga & Co.**  
Chartered Accountants

  
Pankaj Daga  
(M.No.4040563)  
Partner



Place: Satna

Date: 25<sup>th</sup> April, 2013

**TALAVADI CEMENTS LIMITED**  
**BALANCE SHEET as at 31st March 2013**

		(Amount in Rs.)	
	Note	As at March 31, 2013	As at March 31, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUND</b>			
Share Capital	2.1	6,00,00,000	6,00,00,000
Reserves and Surplus	2.2	2,04,07,398	1,38,64,626
		<b>8,04,07,398</b>	<b>7,38,64,626</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Tax Liabilities (Net)	2.3	60,22,159	55,89,247
		<b>60,22,159</b>	<b>55,89,247</b>
<b>CURRENT LIABILITIES</b>			
Other Current Liabilities	2.4	3,31,864	26,418
		<b>3,31,864</b>	<b>26,418</b>
<b>TOTAL</b>		<b>8,67,61,421</b>	<b>7,94,80,291</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	2.5	4,03,70,837	4,37,28,242
		<b>4,03,70,837</b>	<b>4,37,28,242</b>
Non-Current Investments	2.6	10,000	10,000
Long-Term Loans and Advances	2.7	41,62,673	42,46,040
Other Non-Current Assets	2.8	50,42,608	50,42,608
		<b>92,15,281</b>	<b>92,98,648</b>
<b>CURRENT ASSETS</b>			
Current Investments	2.9	1,23,00,000	1,87,14,424
Cash and Bank Balances	2.10	2,30,87,408	76,07,621
Other Current Assets	2.8	17,87,895	1,31,356
		<b>3,71,75,303</b>	<b>2,64,53,401</b>
<b>TOTAL</b>		<b>8,67,61,421</b>	<b>7,94,80,291</b>

**Significant Accounting Policies**

**1**

The accompanying Notes referred to above form an integral part of the Financial Statements

As per our Report annexed

**For M.R. Daga & Co.**

Chartered Accountants

Pankaj Daga

Partner

(Membership No. 0404056)



Directors

*Prakash*

*Prakash*

Place : *Satna*

Dated : *25th April, 2013*

Place : *Kolkata*

Dated : *24th April, 2013*



**TALAVADI CEMENTS LIMITED**  
**STATEMENT OF PROFIT & LOSS for the year ended 31st March 2013**

		(Amount in Rs.)	
	Note	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>INCOME</b>			
Other Income	2.11	1,45,99,359	1,25,34,328
<b>Total Revenue</b>		<b>1,45,99,359</b>	<b>1,25,34,328</b>
<b>EXPENDITURE</b>			
Finance Costs	2.12	-	13,42,320
Other Expenses	2.13	21,82,232	16,20,023
<b>Total</b>		<b>21,82,232</b>	<b>29,62,343</b>
<b>Profit before Tax, Depreciation &amp; Amortisation</b>		<b>1,24,17,127</b>	<b>95,71,985</b>
Depreciation and Amortization Expense	2.14	34,79,205	32,92,915
<b>Profit before Tax</b>		<b>89,37,922</b>	<b>62,79,070</b>
<b>Tax Expense:</b>			
Current Tax		16,00,773	11,40,270
MAT Credit Entitlement		3,61,466	(785,643)
Deferred Tax		4,32,912	1,559,658
<b>Profit for the year</b>		<b>65,42,771</b>	<b>43,64,785</b>
Balance brought forward from previous year		1,38,64,627	94,99,843
		<b>2,04,07,398</b>	<b>1,38,64,628</b>
Earnings Per Share [nominal value `10 /- each]			
Weighted Average Number of Ordinary Shares outstanding during the year		6,000,000	6,000,000
Basic and Diluted earning per share		1.09	0.73

Significant Accounting Policies

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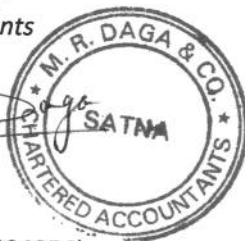
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As per our Report annexed



**For M.R. Daga & Co.**

Chartered Accountants

  
**Pankaj Daga**  
 Partner  
 (Membership No. 0404056)



Directors

Place : Kolkata

Dated : 24th April, 2013

Place : Satna  
 Dated : 25th April, 2013



# Cash Flow Statement for the year ended 31st March, 2013

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>A. Cash Flow from Operating Activities:</b>		
Profit before Tax	8,937,922	6,279,070
Adjustments for :		
Depreciation & Amortisation	3,479,205	3,292,915
Investing Activities (Net)	(4,131,341)	(605,066)
<b>Operating Profit before Working Capital changes</b>	<b>8,285,786</b>	<b>8,966,919</b>
Adjustments for :		
(Increase)/ Decrease in Long Term Loans and Advances	-	-
(Increase)/ Decrease in Short Term Loans and Advances	(1,656,539)	(125,577)
Increase/ (Decrease) in Other Current Liability	296,054	(8,820)
Increase/ (Decrease) in Short Term Provisions		(1,161,021)
<b>Cash generated from operations</b>	<b>6,925,301</b>	<b>7,671,501</b>
Less :- Direct Taxes Paid	1,869,480	182,756
<b>Net Cash from Operating Activities</b>	<b>5,055,821</b>	<b>7,854,257</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Non Current Assets	(121,800)	(1,772,826)
Purchase of Non Current Investments (Net)	-	-
Purchase of Current Investments (Net)	(8,585,576)	(4,954,970)
Sale of Non Current Investments	1,560,494	97,375
Sale of Current Investments	193,132	55,749
Interest received from Non Current Investments		-
Interest received from Current Investments	1,840,599	156,972
Dividend received from Non Current Investments		
Dividend received from Current Investments	537,117	294,970
<b>Net Cash used in Investing Activities</b>	<b>(4,576,034)</b>	<b>(6,122,731)</b>
<b>C. Cash Flow from Financing Activities</b>		
<b>Net Cash used in Financing Activities</b>	<b>-</b>	<b>-</b>
<b>D Net increase in Cash and Cash Equivalents ( A+B+C )</b>	<b>479,787</b>	<b>1,731,526</b>
<b>E Cash and Cash Equivalents (Opening Balance)</b>	<b>2,357,621</b>	<b>626,095</b>
<b>F Cash and Cash Equivalents (Closing Balance) ( D+E)</b>	<b>2,837,408</b>	<b>2,357,621</b>

## Notes:

- Above statement has been prepared in indirect method.
- Cash and Cash Equivalents consist of Cash balance in hand and balances with Scheduled Banks .
- Figures for the previous year have been re-grouped wherever considered necessary.

As per our Report annexed

For M.R. Daga & Co.  
Chartered Accountants

Pankaj Daga  
Partner  
(Membership No. 404056)



T. N. Daga  
*G. Jayaraman*  
Directors

Place : Satna  
Dated : 25th April, 2013

Place : Kolkata  
Dated : 24th April, 2013

## TALAVADI CEMENTS LIMITED

### Notes to Financial Statements for the year ended 31st March 2013

#### 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.

#### 1. Significant Accounting Policies

##### 1.1 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. Depreciation on assets is provided on Straight Line Method in the manner and as per the rates as prescribed in Schedule XIV to the Companies Act, 1956.

##### 1.2 Investments

- i) Long Term Investments are stated at cost. Provision for diminution is made if the decline in value, in the opinion of the management, is other than temporary.
- ii) Current Investments, other than the portion of long term investments disclosed under current investments, are stated at lower of cost or fair value.

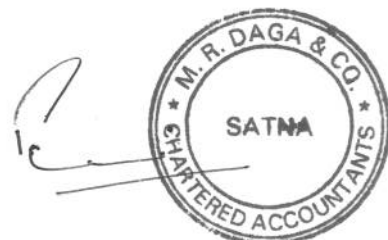
##### 1.3 Taxation

Provision for Current Income Tax is made in accordance with the Income Tax Act, 1961. The deferred tax charge or credit is recognised using substantively enacted tax rates subject to consideration of prudence on timing differences between book and tax profits.

##### 1.4 Impairment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in earlier accounting period is reversed if there has been an improvement in recoverable amount.

- 1.5 Miscellaneous Expenditure is capitalised/charged to Profit and Loss account on commencement of the commercial production.



**TALAVADI CEMENTS LIMITED**

(Amount in `)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE 2.1 : SHARE CAPITAL</b>		
<b>Authorised</b>		
60,00,000 Ordinary Shares of `10/- each	6,00,00,000	6,00,00,000
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
<b>Issued</b>		
60,00,000 Ordinary Shares of `10/- each	6,00,00,000	6,00,00,000
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
<b>Subscribed and Paid-up</b>		
60,00,000 Ordinary Shares of `10/- each fully paid-up (Of the above, 58,80,400 Ordinary Shares are held by Birla Corporation Limited, the Holding Company)	6,00,00,000	6,00,00,000
	<u>6,00,00,000</u>	<u>6,00,00,000</u>

The company has only one class of issued shares i.e. ordinary shares having par value of `10 per share. Each holder of ordinary 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.

The Company has Birla Corporation Limited as its ultimate holding company

1 (P.Y. 1) shareholder holds more than 5% of the Ordinary Shares of the Company aggregating to 58,80,400 shares (P.Y. 58,80,400 shares) as on 31st March, 2013.

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**

<b>Surplus/ (Deficit)</b>		
As per last Financial Statements	1,38,64,627	94,99,843
Add: Profit for the Year	65,42,771	43,64,783
<b>Net Surplus in the Statement of Profit and Loss</b>	<u>2,04,07,398</u>	<u>1,38,64,626</u>

**NOTE 2.3 : DEFERRED TAX LIABILITIES (NET)**

<b>Deferred Tax Liabilities</b>		
Arising on account of :		
Depreciation	60,22,159	55,89,247
	<u>60,22,159</u>	<u>55,89,247</u>

In accordance with Accounting Standard - 22 i.e. 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, the Company has deferred tax liabilities as on date 31st March, 2013, of `60,22,159/- arising out of timing differences in respect of depreciation on fixed assets. The excess of deferred tax liabilities over assets has been recognized in the accounts.



## TALAVADI CEMENTS LIMITED

(Amount in `)

	As at 31st March, 2013	As at 31st March, 2012
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**NOTE 2.4 : OTHER CURRENT LIABILITIES**

For Statutory Dues	3,06,583	1,601
Others	25,281	24,817
	<b>3,31,864</b>	<b>26,418</b>

**NOTE 2.6 : NON CURRENT INVESTMENTS**

National Savings Certificates (Face Value ` 10,000 ) (Deposited with Government Department as Security)	10,000	10,000
	<b>10,000</b>	<b>10,000</b>

**NOTE 2.7 : LOANS & ADVANCES**

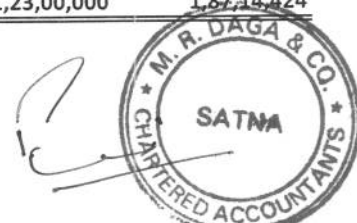
	Non-Current	
Security Deposits		
Secured, considered good	17,500	17,500
(A)	<b>17,500</b>	<b>17,500</b>
Other Loans and Advances (Unsecured, Considered good)		
Advance Tax (including TDS) (Net of provisions)	41,45,173	42,28,540
(B)	<b>41,45,173</b>	<b>42,28,540</b>
Total (A + B)	<b>41,62,673</b>	<b>42,46,040</b>

**NOTE 2.8 : OTHER ASSETS**

	Non-Current		Current	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
Unsecured, considered good unless stated otherwise				
Interest accrued on Investments	-	-	17,87,895	1,31,356
Others	50,42,608	50,42,608	-	-
	<b>50,42,608</b>	<b>50,42,608</b>	<b>17,87,895</b>	<b>1,31,356</b>

**NOTE 2.9 : CURRENT INVESTMENTS****UNITS IN MUTUAL FUNDS****UNQUOTED**

Templeton Floating Rate Long Term Retail option-Dividend reinvestment (4,93,665 units sold during the Year)	-	54,54,015
Canara Robeco fixed maturity Plan (5,71,768 units Sold during the Year)	-	57,17,688
Franklin Templeton Mutual Fund (761 Units sold during the Year)	-	11,52,179
Kotak Floater Long term Growth (3,68,121 Units Sold during the Year)	-	53,90,542
HDFC Floating Rate Income Fund (6,02,073 Units Purchase during the Year)	1,23,00,000	
ICICI Prudential FMP Series 57-1 Year Plan A (1,00,000 Units Sold during the Year)	-	10,00,000
	<b>1,23,00,000</b>	<b>1,87,14,424</b>



## TALAVADI CEMENTS LIMITED

(Amount in `)

	As at 31st March, 2013	As at 31st March, 2012
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**NOTE 2.10 : CASH AND BANK BALANCES****Cash and Cash Equivalents**

Balances With Banks	28,34,902	23,55,115
Cash on hand	2,506	2,506
	<u>28,37,408</u>	<u>23,57,621</u>

**Other Bank Balances**

Fixed Deposit with Banks (with maturity period for more than 3 months to 12 months)	2,02,50,000	52,50,000
	<u>2,02,50,000</u>	<u>52,50,000</u>
	<u>2,30,87,408</u>	<u>76,07,621</u>

For the Year ended  
31st March, 2013      31st March, 2012

**NOTE 2.11 : OTHER INCOME**

<b>Interest Income</b>	18,40,599	1,56,972
From banks		
(Tax Deducted at Source `1,84,060/-, Previous Year `31,395/-)		
<b>Dividend Income</b>	5,37,117	2,94,970
From current investments		
<b>Net gain/ (loss) on sale of Investments</b>	15,60,494	97,375
On sale of long term Investments	1,93,132	55,749
On sale of current Investments		
<b>Other Non Operating Income</b>	1,04,68,017	1,19,29,262
Miscellaneous Income		
(Tax Deducted at Source `2,09,360/-, Previous Year `2,38,585/-)		
	<u>1,45,99,359</u>	<u>1,25,34,328</u>

**NOTE 2.12 : FINANCE COST**

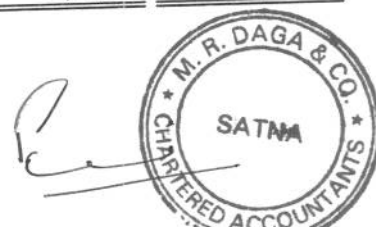
<b>Interest Expenses</b>	-	13,42,320
To Others	-	13,42,320
	<u>-</u>	<u>13,42,320</u>

**NOTE 2.13 : OTHER EXPENSES****Selling, Administration and Other Expenses**

<b>Auditors' Remuneration -</b>		
Statutory Auditors -	22,472	22,060
Audit Fees	5,618	5,515
Tax Audit Fees		
<b>Other Expenses</b>	18,33,350	14,67,400
Legal Charges	1,53,277	1,16,552
Travelling Expenses	1,67,516	8,496
General Charges	<u>21,82,232</u>	<u>16,20,023</u>

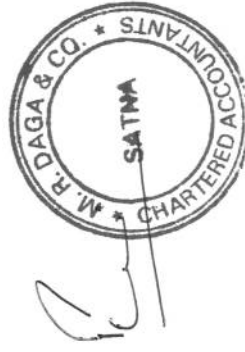
**NOTE 2.14 : DEPRECIATION**

On Fixed Assets	34,79,205	32,92,915
	<u>34,79,205</u>	<u>32,92,915</u>



**NOTE 2.5 : FIXED ASSETS**

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Cost/Value as at 31st March, 2012	Addition During the year	Other Adjustment During the year	Deductions/ Adjustments during year	Cost/Value as at 31st March, 2013	Upto 31st March, 2012	Provided during the year	Deductions/ Adjustments during year	Upto 31st March, 2013
									As at 31st March, 2013
<b>Tangible Assets:</b>									
<b>Buildings</b>	8,88,450	-	-	-	8,88,450	4,08,439	30,397	-	4,49,614
<b>Plant &amp; Machinery</b>	6,52,42,785	1,21,800	-	-	6,53,64,585	2,20,25,065	34,43,369	-	3,98,96,151
<b>Furniture</b>	94,191	-	-	-	94,191	84,024	2,685	-	7,482
<b>Office Equipment</b>	57,993	-	-	-	57,993	37,649	2,754	-	17,590
<b>Total :</b>	6,62,83,419	1,21,800	-	-	6,64,05,219	2,25,55,177	34,79,205	-	4,03,70,837
<b>Previous Year :</b>	6,03,08,338	5,975,081	-	-	6,62,83,419	1,92,62,262	32,92,915	-	4,37,28,242



**Talavadi Cements Ltd.**

- 2.15** 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 its commercial production.
- 2.16** The Company is liable to pay Minimum Alternative Tax (MAT) on its profits earned during the current accounting year. However, tax credit shall be allowed to the extent of amount of MAT paid, depending upon the profits earned by the Company in future years, in accordance with the provisions of Section 115JAA of the income Tax Act, 1961.
- 2.17** There are no Micro, Small and Medium Enterprises (MSMEs) as defined in the Micro, Small, Medium Enterprises Development Act, 2006, within the appointed date during the year and no MSMEs to whom the Company owes dues on account of principal amount together with interest at the Balance Sheet date, hence no additional disclosure have been made.

**2.18 RELATED PARTY DISCLOSURE**

- a) As defined in Accounting Standard - 18, the Company has a related party relationship in the nature of control by its Holding Company, Birla Corporation Limited.

**Key Management Personnel**

- 1 Shri B. R. Nahar
- 2 Shri G. Jayaraman
- 3 Shri P.S. Marwah

- b) Other related parties with whom transactions have taken place during the year and previous year are : Nil
- c) During the year, the Company has entered into the following related parties transactions with Birla Corporation Limited (Holding Company):


	<b>2012-2013</b>		<b>2011-2012</b>	
	Holding	Key Mgmt. Personnel	Holding	Key Mgmt. Personnel
Sale of goods/services	1,04,68,017	—	1,19,29,262	—
Advances received	47,50,955	—	1,13,81,474	—
Advances repaid	47,50,955	—	1,13,81,474	—
<b>Balance outstanding at year end</b>	—	—	—	—
Creditors	—	—	—	—
Advances given	—	—	—	—

- 2.19** Figures for the previous year have been re-grouped wherever considered necessary.

**Signatures to Note 1 to 2.19**

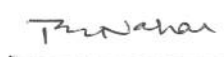
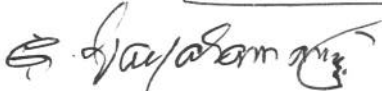
As per our Report annexed  
For **M.R. Daga & Co.**

Chartered Accountants

  
Pankaj Daga  
Partner  
(Membership No. 404056)



Directors

Place : **Satna**  
Dated : **25th April, 2013**

Place : **Kolkata**  
Dated : **24th April, 2013**