

LOK CEMENTS LIMITED

ANNUAL REPORT AND ACCOUNTS 2013 – 14

LOK CEMENTS LIMITED

Registered Office:
Industry House, 159, Churchgate Reclamation
Mumbai - 400 020
CIN – U26922MH1995PLC085677

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, 2014.

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 granting 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 grant of Mining Lease. Consultant appointed by the Company to carry out survey and the required plotting of reference points and obtaining clearances from the respective government authorities has since submitted its report to Director (Geology and Mining).

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.

ACCOUNTS & FINANCIAL MATTERS:

	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Expenditure :	7,46,050	4,16,356
Profit/(Loss) for the year :	(7,46,050)	(3,87,356)
Surplus/(Deficit) as per last Financial Statements :	(15,36,068)	(11,48,712)
Net Surplus/(Deficit) :	(22,76,737)	(15,30,687)

DIRECTORS

Shri B.R. Nahar 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

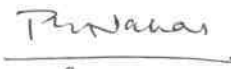

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state that -

- 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 2013-14;
- 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

	B.R. Nahar	} Directors
	G. Jayaraman	

Place: Kolkata

Date: 5th May 2014



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

CIN : U26922MH1995PLC085677

Authorised Share Capital : Rs. 100,000,000/-

Paid up Share Capital : Rs. 10,007,000/-

To
The Shareholders
M/S LOK CEMENT LIMITED
INDUSTRIAL HOUSE, 159, CHURCHGATE RECLAMATION
MUMBAI- 400 020

We have examined the registers, records, books and papers of M/s. Lok Cement 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, 2014. 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 and Central Government 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, 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 25th April 2013, 22nd July 2013, 21st October 2013 and 22nd January 2014 in respect of which proper notices were given and the proceedings 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, 2013 was held on 21st September, 2013 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 28th September, 2013 and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meetings 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 not entered into any contracts falling within the purview of section 297 of the Act during the financial year.
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) no allotment, transfer or 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 director was made during the year to fill casual vacancy.
15. The Company has not appointed any managing Director/whole-time Director/Manager, during the financial year.
17. 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 or other securities 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 taken any loan from Banks or financial institutions during the financial 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.
31. 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 : 5th May, 2014



For 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, 2014

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 31.03.13	18.10.13	Yes	N.A
2.	20B	159	For AGM held on 21.09.13	15.11.13	Yes	N.A
3.	23AC/ACA XBRL	220	For the year ended 31.03.13	19.10.13	Yes	N.A



To the Members of LOK CEMENTS LIMITED

Independent Auditors Report

We have audited the accompanying financial statements of **LOK CEMENTS LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon the Auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the **Loss** for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit 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 comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e) On the basis of written representations received from the directors as on March 31st, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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



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



Place : Kolkata

Dated : the 5th day of May, 2014.

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph 1 of our report of even date to the members of Lok Cements Limited on the accounts of the company for the year ended 31st March, 2014.

- (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, hence 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 31.03.2014 was Rs.21,824,431/-. 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 company has not entered into any transaction which needs to be entered into a register maintained in pursuance of Section 301 of the Companies Act, 1956. Accordingly Clause v (b) of the order is not applicable to the company.
- (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 the company 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 31st March 2014, there was no undisputed statutory dues payable for a period of more than six months from the date they became 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 31st March 2014.



- (x) The accumulated loss of the Company as at 31st March, 2014 was less than 50% of its net worth. The company has not started commercial production. All the transactions of the Company entered into during the year, as also in the financial year immediately preceding such financial year, pertained to preoperative stage. As per statement of Profit & Loss it has incurred cash loss in the current year as well as in the year preceding the current financial year.
- (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**



Place : Kolkata

Dated : the 5th day of May , 2014.

LOK CEMENTS LIMITED
BALANCE SHEET as at 31st March 2014

		(Amount in Rs)	
	Note	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUND			
Share Capital	2.1	1,00,07,000	1,00,07,000
Reserves and Surplus	2.2	(22,76,737)	(15,30,687)
		<u>77,30,263</u>	<u>84,76,313</u>
NON-CURRENT LIABILITIES			
Long-Term Borrowings	2.3	2,18,24,431	2,11,95,911
		<u>2,18,24,431</u>	<u>2,11,95,911</u>
CURRENT LIABILITIES			
Other Current Liabilities	2.4	1,61,854	26,854
		<u>1,61,854</u>	<u>26,854</u>
TOTAL		<u><u>2,97,16,548</u></u>	<u><u>2,96,99,078</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	2.5	-	-
		<u>-</u>	<u>-</u>
Long-Term Loans and Advances	2.6	32,19,613	32,19,613
Other Non-Current Assets	2.7	2,64,37,507	2,64,37,507
		<u>2,96,57,120</u>	<u>2,96,57,120</u>
CURRENT ASSETS			
Cash and Bank Balances	2.8	24,528	7,058
Short-Term Loans and Advances	2.6	34,900	34,900
		<u>59,428</u>	<u>41,958</u>
TOTAL		<u><u>2,97,16,548</u></u>	<u><u>2,96,99,078</u></u>

Significant Accounting Policies

1

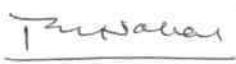

The accompanying Notes form an integral part of the Financial Statements

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 : 5th Day of May 2014



} Directors

LOK CEMENTS LIMITED
STATEMENT OF PROFIT & LOSS for the year ended 31st March 2014

(Amount in Rs)

	Note	For the year ended 31st March, 2014	For the year ended 31st March, 2013
INCOME			
Other income	2.9	-	29,000
Total		-	29,000
EXPENSES			
Other Expenses	2.10	7,46,050	4,16,356
Total		7,46,050	4,16,356
Profit/(Loss) for the year		(7,46,050)	(3,87,356)

Earnings Per Share [nominal value Rs.10 /-]

Weighted Average Number of Ordinary Shares
outstanding during the year

10,00,700

10,00,700

Basic and Diluted earning per share

(0.75)

(0.39)

Significant Accounting Policies

1

The accompanying Notes are an integral part of the Financial Statements

For and on behalf of the Board

As per our Report annexed

For Singhi & Co.

Chartered Accountants

M.L. Shukla

(M.L. Shukla)

Partner

Membership No. 051505

1B Old Post Office Street

Kolkata - 700001

Dated : 5th Day of May 2014



T. N. Saha
G. S. Banerjee

Directors

LOK CEMENTS LIMITED
CASH FLOW STATEMENT for the year ended 31st March, 2014

(Amount in Rs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
A. Cash Flow from Operating Activities:		
Profit/(Loss) before Tax	(7,46,050)	(3,87,356)
<u>Adjustments for:</u>		
Excess liabilities written back	-	(29,000)
Operating Profit before Working Capital changes	(7,46,050)	(4,16,356)
<u>Adjustments for:</u>		
Increase in Other Current Liabilities	1,35,000	309
Cash generated from operations	1,35,000	309
Net Cash from Operating Activities	(6,11,050)	(4,16,047)
B. Cash Flow from Investing Activities:		
Pre-Operative Expenses	-	-
Net Cash used in Investing Activities	-	-
C. Cash Flow from Financing Activities		
(Repayment) / Proceeds from Long Term Borrowings	6,28,520	4,06,613
Net Cash used in Financing Activities	6,28,520	4,06,613
Net increase in Cash and Cash Equivalents	17,470	(9,434)
Cash and Cash Equivalents as on 01.04.2013 (Opening Balance)	7,058	16,492
Cash and Cash Equivalents as on 31.03.2014 (Closing Balance)	24,528	7,058

Note:

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

As per our Report annexed.

For Singhi & Co.

Chartered Accountants

M.L. Shukla

(M.L. Shukla)

Partner

Membership No. 051505

1B, Old Post Office Street

Kolkata - 700 001

Dated : 5th Day of May 2014



T. K. Sanyal

S. K. Sanyal

Directors

LOK CEMENTS LIMITED

Notes to Financial Statements for the year ended 31st March, 2014

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) the relevant provisions of the Companies Act, 1956, and Companies Act, 2013 (as applicable).

The financial statements had been prepared and presented as per the requirement of revised Schedule VI as notified under Companies Act 1956.

1.2 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 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 will be 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 accrues.



LOK CEMENTS LIMITED

Notes to Financial Statements for the year ended 31st March, 2014

		As at 31st March, 2014	As at 31st March, 2013
NOTE 2.1 : SHARE CAPITAL			
	Authorised		
1,00,00,000	Equity Shares of Rs. 10/- each	10,00,00,000	10,00,00,000
		<u>10,00,00,000</u>	<u>10,00,00,000</u>
	Issued,Subscribed and Paid-up		
10,00,700	Equity Shares of Rs. 10/- each fully paid-up (All Equity shares are held by Birla Corporation Limited - the Holding Company & its Nominees)	1,00,07,000	1,00,07,000
		<u>1,00,07,000</u>	<u>1,00,07,000</u>

The company has only one class of issued shares i.e. equity shares having par 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

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

i) General Reserve

As per last Financial Statements

5,381	5,381
<u>5,381</u>	<u>5,381</u>

i) Surplus/ (Deficit)

As per last Financial Statements

Add: Profit for the year

Net Surplus

(15,36,068)	(11,48,712)
(7,46,050)	(3,87,356.00)
<u>(22,82,118)</u>	<u>(15,36,068)</u>
<u>(22,76,737)</u>	<u>(15,30,687)</u>

NOTE 2.3 : LONG TERM - BORROWINGS

Loan and Advances from Related Parties (Unsecured)

Total Unsecured Borrowings

2,18,24,431	2,11,95,911
<u>2,18,24,431</u>	<u>2,11,95,911</u>

NOTE 2.4 : OTHER CURRENT LIABILITIES

Others

1,61,854	26,854
<u>1,61,854</u>	<u>26,854</u>



LOK CEMENTS LIMITED

NOTE 2.5 : FIXED ASSETS

(Amount in Rs)

	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost/Value as at 31st March 2013	Additions during the year	Deductions/ Adjustments during the year	Cost/Value as at 31st March 2014	Up to 31st March 2013	Provided during the year	Deductions/ Adjustments during the year	Up to 31st March 2014	As at 31st March 2014	As at 31st March 2013
<u>Description</u>										
<u>Tangible Asset</u>										
Furnitures & Fixtures	16,543	-	-	16,543	16,543	-	-	16,543	-	-
Previous Year	16,543	-	-	16,543	16,543	-	-	16,543	-	-



LOK CEMENTS LIMITED

(Amount in Rs.)

	Non-Current		Current	
	As at	As at	As at	As at
	31st March,2014	31st March,2013	31st March,2014	31st March,2013

NOTE 2.6 : LOANS & ADVANCES

Security Deposits

Unsecured, considered good

	10,000	10,000	-	-
(A)	10,000	10,000	-	-

Other Loans and Advances

(Unsecured, Considered good)

Advance Tax (including TDS) (Net of provisions)

Advance against supply of Goods and Services

Balances with Government & Statutory Authorities

	81,638	81,638	-	-
	-	-	34,900	34,900
	31,27,975	31,27,975	-	-
(B)	32,09,613	32,09,613	34,900	34,900
Total (A + B)	32,19,613	32,19,613	34,900	34,900

As at	As at
31st March, 2014	31st March, 2013

NOTE 2.7 : OTHER NON-CURRENT ASSETS

Preoperative Expenses

Miscellaneous Expenditure

2,59,17,315	2,59,17,315
5,20,192	5,20,192
2,64,37,507	2,64,37,507

NOTE 2.8 : CASH AND BANK BALANCES

Cash and Cash Equivalents

Balances With Banks

Cash on hand

22,604	5,134
1,924	1,924
24,528	7,058

NOTE 2.9 : OTHER INCOME

Other Non Operating Income

Excess Liabilities and Unclaimed Balances written back

-	29,000
-	29,000

NOTE 2.10 : OTHER EXPENSES

SELLING, ADMINISTRATION AND OTHER EXPENSES

Rent

Auditors' Remuneration -

Statutory Auditors -

Audit Fees

Other Expenses

Legal Charges

Other Expenses

4,800	7,200
16,854	16,854
5,01,776	3,50,062
2,22,620	42,240
7,46,050	4,16,356
7,46,050	4,16,356



LOK CEMENTS LIMITED

2.11 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.

2.12 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.

2.13 (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</u> <u>31st March, 2014</u>	<u>For the year ended</u> <u>31st March, 2013</u>
Advance received	6,28,520	4,06,613
 <u>Balance Outstanding:</u>	 <u>As at</u> <u>31st March, 2014</u>	 <u>As at</u> <u>31st March, 2013</u>
Advance received	2,18,24,431	2,11,95,911

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

Signatures to Note 1 to 2.14

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

M. L. Shukla

(M.L.Shukla)
Partner
Membership No. 051505
1B Old Post Office Street
Kolkata - 700001

Dated : 5th Day of May 2014



T. Anwar
G. Jayaraman } Directors