

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, 2012.

GENERAL REVIEW:

The fly ash extraction Plant of the Company situated at Unchahar near Raebareli, Uttar Pradesh has operated successfully throughout the year and 332430.97 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 for 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. The Hon'ble High Court, in an interim order passed recently, has held that appropriate Government can execute the mining lease in favour of the Company, subject to the final order. The Union Ministry of Mines has conveyed relaxation of Section 6(1)(b) of the MMDR Act for the grant of the mining lease (as required in case of holding of mining lease in excess of 1000 hectares).

ACCOUNTS AND FINANCIAL MATTERS:

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
	₹	₹
Total Revenue	1,25,34,327	1,39,16,792
Profit before Tax, Depreciation & Amortisation	95,71,984	98,59,437
Depreciation and Amortisation Expense	32,92,915	31,04,865
Profit before Tax	62,79,069	67,54,572
Current Tax (MAT Payable)	11,40,270	11,78,661
Less: MAT Credit Entitlement	(7,85,643)	(11,78,661)
Deferred Tax	15,59,658	17,79,150
Profit for the year	43,64,784	49,75,422
Surplus/(Deficit) as per last Financial Statements	94,99,842	45,24,420
Net Surplus/(Deficit)	1,38,64,626	94,99,842

DIVIDEND:

Your Directors do not recommend any Dividend during the year.

DIRECTORS:

Shri P.S. Marwah 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.

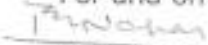
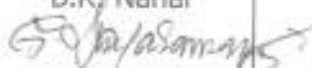
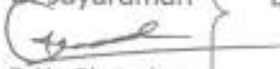
DIRECTORS' RESPONSIBILITY STATEMENT:

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 2011-12 and of the profit for the year ended 31st March, 2012;
- 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

G. Jayaraman

P.K. Chand } Directors

Place: Kolkata

Date: 17th April, 2012

AUDITORS' REPORT

To the members of
TALAVADI CEMENTS LIMITED

We have audited the attached Balance Sheet of TALAVADI CEMENTS LIMITED as at 31st March 2012, 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 31st March 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 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, 2012; 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: 18-04-2012

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


Pankaj Daga SATNA
(M.No.404056)
Partner



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 2012)

- (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 31st March 2012 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



Place: Satna
Date: 18.04.2012

TALAVADI CEMENTS LIMITED
BALANCE SHEET as at 31st March 2012

(Amount in Rs.)

	Note	As at March 31, 2012	As at March 31, 2011
<u>EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDERS' FUND</u>			
Share Capital	2.1	60,000,000.00	60,000,000.00
Reserves and Surplus	2.2	13,864,626.30	9,499,842.00
		<u>73,864,626.30</u>	<u>69,499,842.00</u>
<u>NON-CURRENT LIABILITIES</u>			
Deferred Tax Liabilities (Net)	2.3	5,589,247.00	4,029,589.00
Other Long-Term Liabilities	2.5	-	-
Long-Term Provisions	2.6	-	-
		<u>5,589,247.00</u>	<u>4,029,589.00</u>
<u>CURRENT LIABILITIES</u>			
Other Current Liabilities	2.4	26,418.00	24,817.00
		<u>26,418.00</u>	<u>24,817.00</u>
TOTAL		<u><u>79,480,291.30</u></u>	<u><u>73,554,248.00</u></u>
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Fixed Assets			
Tangible Assets	2.5	43,728,242.00	41,046,076.00
Intangible assets		-	4,202,255.00
Capital Work-In-Progress		<u>43,728,242.00</u>	<u>45,248,331.00</u>
Non-Current Investments	2.6	10,000.00	10,000.00
Long-Term Loans and Advances	2.7	17,500.00	17,500.00
Other Non-Current Assets	2.10	5,042,607.71	5,042,608.00
		<u>5,070,107.71</u>	<u>5,070,108.00</u>
<u>CURRENT ASSETS</u>			
Current Investments	2.8	18,714,424.10	19,009,454.00
Cash and Bank Balances	2.9	7,607,621.24	626,095.00
Short-Term Loans and Advances	2.7	4,228,540.25	3,594,481.00
Other Current Assets	2.10	131,356.00	5,779.00
		<u>30,681,941.59</u>	<u>23,235,809.00</u>
TOTAL		<u><u>79,480,291.30</u></u>	<u><u>73,554,248.00</u></u>

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. 3404056)

Place : SATNA
Dated : 18-04-2012


 Directors

Place : KOLKATA
Dated : 17-04-2012

TALAVADI CEMENTS LIMITED
STATEMENT OF PROFIT & LOSS for the year ended 31st March 2012

(Amount in Rs.)

	Note	For the year ended 31st March, 2012	For the year ended 31st March, 2011
INCOME			
Revenue from Operations (Gross)		-	-
Less: Excise duty		-	-
Revenue from Operations (Net)		-	-
Other income	2.11	12,534,327.55	13,916,792.00
Total Revenue		12,534,327.55	13,916,792.00
EXPENDITURE			
Cost of Materials Consumed		-	-
Purchases of Traded Goods		-	-
(Increase)/ Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods		-	-
Employee Benefits Expense		-	-
Finance Costs	2.12	1,342,320.00	-
Other Expenses	2.13	1,620,023.00	4,057,355.00
Total		2,962,343.00	4,057,355.00
Profit before Tax, Depreciation & Amortisation		9,571,984.55	9,859,437.00
Depreciation and Amortization Expense	2.14	3,292,915.00	3,104,865.00
Profit before Tax		6,279,069.55	6,754,572.00
Tax Expense:			
Current Tax (MAT Payable)		1,140,270.26	1,178,661.00
Less: MAT Credit Entitlement		(785,643.00)	(1,178,661.00)
Deferred Tax		1,559,658.00	1,779,150.00
Profit for the year		4,364,784.30	4,975,422.00
Earnings Per Share [nominal value Rs. 10 /- each]			
Weighted Average Number of Ordinary Shares outstanding during the year		6,000,000	6,000,000
Basic and Diluted earning per share		0.73	0.83

Significant Accounting Policies

1

The Notes are an integral part of the Financial Statements

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

Pankaj Daga
 Partner
 (Membership No. 1944056)



Place : SATNA
 Dated : 18.04.2012

Directors



Place : KOLKATA
 Dated : 17.04.2012

TALAVADI CEMENTS LIMITED

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

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.

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.



	As at 31st March, 2012	As at 31st March, 2011
NOTE 2.1 : SHARE CAPITAL		
Authorised		
60,00,000 Ordinary Shares of Rs. 10/- each	6,00,00,000	6,00,00,000
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
Issued		
60,00,000 Ordinary Shares of Rs. 10/- each	6,00,00,000	6,00,00,000
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
Subscribed and Paid-up		
60,00,000 Ordinary Shares of Rs. 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 Rs.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) shareholders hold more than 5% of the Ordinary Shares of the Company aggregating to 58,80,400 shares (P.Y. 58,79,900 shares) as on 31st March 2012.

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

Surplus/ (Deficit)		
As per last Financial Statements	9,499,842.00	4,524,420.00
Add: Profit for the year	4,364,784.30	4,975,422.00
	<u>13,864,626.30</u>	<u>9,499,842.00</u>
Less: Appropriations		
Debtore Redemption Reserve	-	-
Interim Dividend	-	-
Corporate Dividend Tax on Interim Dividend	-	-
Proposed Final Dividend	-	-
Corporate Dividend Tax on Proposed final Dividend	-	-
General Reserve	-	-
	<u>-</u>	<u>-</u>
Net Surplus in the Statement of Profit and Loss	<u>13,864,626.30</u>	<u>9,499,842.00</u>
	<u>13,864,626.30</u>	<u>9,499,842.00</u>

NOTE 2.3 : DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities		
Arising on account of :		
Depreciation	5,589,247.00	4,029,589.00
Arising on account of :		
Section 43B of Income-tax Act		
Others		
	<u>5,589,247.00</u>	<u>4,029,589.00</u>
Deferred Tax Liabilities	<u>5,589,247.00</u>	<u>4,029,589.00</u>

(a) In accordance with Accounting Standard - 22 i.e. 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, the Company deferred tax liabilities as on date 31st March 12, Rs 55,89,247 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.



As at
31st March, 2012

As at
31st March, 2011

NOTE 2.4 : Other Payables

For Statutory Dues (Service Tax Payable)	1,601.00	-
Advance Received from Customers	-	-
Others (Audit Fee)	24,817.00	24,817.00
	<u>26,418.00</u>	<u>24,817.00</u>

NOTE 2.6 : NON CURRENT INVESTMENTS

National Savings Certificates (Face Value Rs. 10,000) (Deposited with Government Department as Security)	10,000.00	10,000.00
	<u>10,000.00</u>	<u>10,000.00</u>

NOTE 2.7 : LOANS & ADVANCES

	Non-Current		Current	
	As at 31st March,2012	As at 31st March,2011	As at 31st March,2012	As at 31st March,2011
Security Deposits				
Secured, considered good	17,500.00	17,500.00	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
	<u>17,500.00</u>	<u>17,500.00</u>	<u>-</u>	<u>-</u>
Provision for doubtful security deposit	-	-	-	-
(A)	<u>17,500.00</u>	<u>17,500.00</u>	<u>-</u>	<u>-</u>
Other Loans and Advances (Unsecured, Considered good)				
Advance Tax (including TDS) (Net of provisions)	-	-	4,228,540.25	3,594,481.00
Advance against supply of Goods and Services	-	-	-	-
Prepaid Expenses	-	-	-	-
Advance to Employees	-	-	-	-
Balances with Government & Statutory Authorities	-	-	-	-
Advance Under Protest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>4,228,540.25</u>	<u>3,594,481.00</u>
(B)	<u>-</u>	<u>-</u>	<u>4,228,540.25</u>	<u>3,594,481.00</u>
Total (A + B)	<u>17,500.00</u>	<u>17,500.00</u>	<u>4,228,540.25</u>	<u>3,594,481.00</u>

NOTE 2.8 : CURRENT INVESTMENTS**UNITS IN MUTUAL FUNDS****UNQUOTED**

Templeton Floating Rate Long Term Retail option-Dividend reinvestment (4,93,665 units subscribed during the last year)	5,454,015.10	5,230,861.00
Canara Robeco fixed maturity Plan (5,71,768 units subscribed during the last year)	5,717,688.00	5,717,688.00
TATA Fixed Maturity Plan series 29 Scheme C growth plan (1,02,500 units subscribed sold during the year)	-	1,025,000.00
Franklin Templeton Mutual Fund (761 Units subscribed during the last year)	1,152,179.00	1,080,363.00
Kotak Floater Long term Growth (3,68,121 Units subscribed during the last year)	5,390,542.00	5,390,542.00
J.M Fixed maturity fund series-XIX growth plan (56,500 Units subscribed sold during the year)	-	565,000.00
ICICI Prudential FMP Series 57-1 Year Plan A (1,00,000 Units subscribed during the year)	1,000,000.00	-
	<u>18,714,424.10</u>	<u>19,009,454.00</u>



Nature of Fixed Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost/Value as at 31st March, 2011	Addition During the Year	Deductions/ Adjustments during the year	Cost/Value as at 31st March, 2012	Upto 31st March, 2011	Provided during the year	Deductions/ Adjustments during the year	Upto 31st March, 2012	As at 31st March, 2012	As at 31st March, 2011
Buildings	888450.00			888450.00	378042.00	30397.00		408439.00	480011.00	510408.00
Plant & Machinery	59267704.00	5975081.00		65242785.00	18767989.00	3257076.00		22025065.00	43217720.00	40499715.00
Furniture	94191.00	0.00		94191.00	81338.00	2686.00		84024.00	10167.00	12853.00
Office Equipment	57993.00	0.00		57993.00	34893.00	2756.00		37649.00	20344.00	23100.00
Total :	<u>60308338.00</u>	<u>5975081.00</u>		<u>66283419.00</u>	<u>19262262.00</u>	<u>3292915.00</u>	<u>0.00</u>	<u>22555177.00</u>	<u>43728242.00</u>	<u>41046076.00</u>
Previous Year :	<u>58899559.00</u>	<u>1408779.00</u>		<u>60308338.00</u>	<u>16157397.00</u>	<u>3104865.00</u>		<u>19262262.00</u>	<u>41046076.00</u>	



	As at 31st March, 2012	As at 31st March, 2011
NOTE 2.9 : CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks	2,355,115.58	623,589.00
Cheques/drafts on hand and Remittances in transit	2,505.66	2,506.00
Cash on hand	2,357,621.24	626,095.00
Other Bank Balances		
Fixed Deposit with Banks	5,250,000.00	-
	5,250,000.00	-
	7,607,621.24	626,095.00

NOTE 2.10 : OTHER ASSETS

	Non-Current		Current	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
Unsecured, considered good unless stated otherwise				
Interest accrued on Investments	-	-	131,356.00	5,779.00
Others	5,042,607.71	50,42,608	131,356.00	5,779.00
	5,042,607.71	5,042,608.00	131,356.00	5,779.00

NOTE 2.11 : OTHER INCOME

Interest Income	156,972.00	-
From banks (Tax Deducted at Source Rs. 31395, Previous Year Rs. Nil)		
Dividend Income	294,970.00	397,179.00
From long term investments		
From current investments		
Net gain/ (loss) on sale of Investments	97,375.00	-
Net gain/ (loss) on sale of long term Investments	55,748.55	548,230.00
Net gain/ (loss) on sale of current Investments		
Other Non Operating Income	11,929,262.00	12,971,383.00
Miscellaneous Income (Tax Deducted at Source Rs. 2,38,585, Previous Year Rs. 2,59,426)		
	12,534,327.55	13,916,792.00

NOTE 2.12 : FINANCE COST

	31st March, 2012	31st March, 2011
Interest Expenses		
To Debenture Holders	-	-
" Banks on Term Loans, etc.	-	-
" Banks On Working Capital Loans	-	-
" Deposits	1,342,320.00	-
" Others	1,342,320.00	-
Other Borrowing Cost	-	-
Other Financial Charges	-	-
Exchange difference to the extent considered as an adjustment to borrowing costs	1,342,320.00	-
Less: Amount Capitalised	1,342,320.00	-



	As at 31st March, 2012	As at 31st March, 2011
NOTE 2.13 : OTHER EXPENSES		
SELLING, ADMINISTRATION AND OTHER EXPENSES		
Legal Charges	1,467,400.00	3,770,922.00
Travelling Expenses	116,552.00	243,067.00
Printing and Stationery	2,860.00	2,860.00
Postage, Telegram and Telephone	-	773.00
Bank Charges	224.00	206.00
General Charges*	5,412.00	11,952.00
Statutory Auditors - Audit Fees	22,060.00	22,060.00
Tax Audit Fees	5,515.00	5,515.00
Directors' Fees	-	-
	<u>1,620,023.00</u>	<u>4,057,355.00</u>
	<u>1,620,023.00</u>	<u>4,057,355.00</u>

* General Charges includes Filing Fees Rs. 1000/- for filing of report in Form 208 & 23A.

NOTE 2.14 : DEPRECIATION

On Fixed Assets	3,292,915.00	3,104,865.00
Less: Transferred from Reserve on Revaluation	-	-
	<u>3,292,915.00</u>	<u>3,104,865.00</u>



- 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 it's 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.



Talavadi Cements Ltd.

Notes annexed to and forming part of Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended on that date.

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.K. Chand
- 4 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):

	<u>2011-2012</u>		<u>2010-2011</u>	
	Holding	Key Mgmt. Personnel	Subsidiaries	Key Mgmt. Personnel
Purchases of goods/services	-	-	-	-
Sale of goods/services	11,929,262.00	-	12,971,383.00	-
Purchase of Fixed Assets	-	-	-	-
Receipt of rent	-	-	-	-
Investment in Equity Shares	-	-	-	-
Advances given	-	-	-	-
Advances recovered	-	-	-	-
Advances received	1,13,81,474	-	94,36,262	-
Advances repaid	1,13,81,474	-	94,36,262	-
Remuneration, Perquisites & Others	-	-	-	-
Balance outstanding at year end	-	-	-	-
Creditors	-	-	-	-
Advances given	-	-	-	-



Cash Flow Statement for the Year Ended 31st March, 2012

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Cash Flow from Operating Activities:		
Profit before Tax	6,279,070.00	6,754,572.00
Adjustments for :		
Depreciation & Amortisation	3,292,915.00	3,104,865.00
Investing Activities (Net)	(605,066.00)	(945,409.00)
Operating Profit before Working Capital changes	8,966,919.00	8,914,028.00
Adjustments for :		
(Increase)/ Decrease in Long Term Loans and Advances	-	-
(Increase)/ Decrease in Short Term Loans and Advances	(125,577.00)	-
Increase/ (Decrease) in Other Current Liability	(8,820.00)	-
Increase/ (Decrease) in Short Term Provisions	(1,161,021.00)	(776,322.00)
Cash generated from operations	7,671,502.00	8,137,706.00
Less :- Direct Taxes Paid	182,756.00	(376,526.00)
Net Cash from Operating Activities	7,854,257.00	7,761,180.00
Cash Flow from Investing Activities:		
Purchase of Non Current Assets	(1,772,826.00)	(4,510,142.00)
Purchase of Non Current Investments (Net)	-	-
Purchase of Current Investments (Net)	(4,954,970.00)	(8,975,409.00)
Sale of Non Current Investments	97,375.00	-
Sale of Current Investments	55,748.55	548,230.00
Interest received from Non Current Investments	-	-
Interest received from Current Investments	156,972.00	-
Dividend received from Non Current Investments	-	-
Dividend received from Current Investments	294,970.00	397,179.00
Net Cash used in Investing Activities	(6,122,731.45)	(12,540,142.00)
Cash Flow from Financing Activities		
Net Cash used in Financing Activities	-	-
Net increase in Cash and Cash Equivalents (A+B+C)	1,731,525.55	(4,778,962.00)
Cash and Cash Equivalents (Opening Balance)	626,095.00	5,405,057.00
Cash and Cash Equivalents (Closing Balance) (D+E)	2,357,620.55	626,095.00

es:

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.

per our Report annexed

M.R. Daga & Co

Chartered Accountants

aj Daga

Partner

Membership No: 0404658



ce: SATNA

ed: 18.04.2012

Directors

Place : KOLKATA

Dated: 17.04.2012

TALAVADI CEMENTS LIMITED

**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

Registration Details

Registration No.	:	099355	State Code	:	21
Balance Sheet Date	:	31.03.2012			

Capital raised during the year (Amount in Rs. Thousand)

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	NIL

Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities	:	79,480	Total Assets	:	79,480
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Sources of Funds

Paid-up Capital	:	60,000	Reserve & Surplus	:	13,865
Secured Loans	:	NIL	Unsecured Loans	:	NIL
Deferred Tax Liabilities	:	5,589	Current Liabilities	:	26

Application of Funds

Net Fixed Assets	:	43,728	Investments	:	18,724
Net Current Assets	:	11,968	Miscellaneous Expenditure	:	5,043
Accumulated Losses	:	NIL	Long-Term Loans & Advances	:	17

Performance of Company (Amount in Rs. Thousand)

Turnover	:	NIL	Total Expenditure	:	6,255
Other Income	:	12,534	Profit/(Loss) before Tax	:	6,279
Profit/(Loss) after Tax	:	4,365	Earning per Share (in Rs.)	:	0.73
Dividend Rate %	:	NIL			

Generic Names of Three Principal Products of Company

Item Code No.(ITC Code)	:	250229.00
Product Description	:	CEMENT

