ORIENT CEMENT LIMITED

Registered Office: Unit –VIII, Plot No. 7, Bhoinagar, Bhubaneswar-751012, (Orissa)

NOTICE

NOTICE is hereby given that the 2nd Annual General Meeting of the Members of Orient Cement Limited will be held on Wednesday, August 7, 2013 at 2:00 P.M. at Unit –VIII, Plot No. 7, Bhoinagar, Bhubaneswar-751012, Orissa to transact the following businesses:-

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended March 31, 2013.
3. To elect Director in place of Director retiring by rotation.
4. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution thereof:-

"RESOLVED THAT M/s S.R. Batliboi & Co. LLP, Chartered Accountants, be and are hereby re-appointed as the auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors."

Special Business

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Vinod Kumar Dhall, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation, in terms of the provisions of the Articles of Association of the Company."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Rabindranath Jhunjhunwala, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation, in terms of the provisions of the Articles of Association of the Company."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Article 105 and Article 115 of the Articles of Association of the Company and Sections 198, 269, 309, 311 and all other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 (hereinafter referred to as "the Act"), (including any statutory modification(s) or re-enactment(s) thereof, for time being in force), consent of the Company be and is hereby accorded to the appointment of Mr. Desh Deepak Khetrapal, as Managing Director of the Company for a period of three years effective from April 02, 2012, with liberty to either party to terminate the appointment on three month's notice in writing to the other, at a remuneration and on terms set out below:-

   (i) Salary (Basic) per month:
   ₹ 8,50,000/- subject to such increments as the Board may approve from time to time provided that the monthly salary shall not exceed ₹ 12,50,000/-.

   (ii) Other Allowances (per month):
   Personal allowance ₹ 2,36,000/
   Special allowance ₹ 2,36,000/-
   Subject to such increments as the Board may approve from time to time provided that the monthly allowances shall not exceed ₹ 8,00,000/-

(iii) Other Perquisites

(a) Housing

Expenditure by the Company on hiring accommodation for the Managing Director

(b) Medical/ Allowance Reimbursement

₹ 8,50,000/- per annum

(c) Leave

In accordance with the rules framed by the Company

(d) Leave Travel Allowance/ LTC

₹ 8,50,000/- per annum

(e) Contribution to Provident Fund and Superannuation/ Annuity Fund will be as per Scheme of the Company.

(f) Gratuity payable shall be at a rate not exceeding 15 days salary for each completed year of service or part thereof in excess of six months as per Scheme of the Company.

(g) Encashment of unavailed leave at the end of the tenure or at specified intervals will be as per Scheme of the Company.

(h) Provision of chauffer driven car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for Private purpose shall be billed by the Company to the Managing Director.

(iv) In addition to the above, the Managing Director will be entitled to an Annual performance linked compensation of up to ₹ 50,00,000/- subject to achievement of agreed targets and performance parameters as assigned by the Board of Directors.

Minimum Remuneration: The remuneration as specified above shall continue to be paid to Mr. Desh Deepak Khetrapal as and by way of minimum remuneration notwithstanding the loss or inadequacy of profit during the tenure of his office.

FURTHER RESOLVED THAT Mr. Desh Deepak Khetrapal shall be entrusted with substantial power of management of the whole or substantially the whole of the affairs of the Company subject to superintendence, control and directions of the Board of Directors of the company and he shall also perform such duties and exercise such powers as have been or may from time to time be entrusted to or conferred upon him by the Board.

RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 ,310 and all other applicable provisions, if any, of the Companies Act, 1956, ("the Act") and Schedule XIII to the said Act (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) and in supersession of any earlier resolution passed in this regard, consent of the Company be and is hereby accorded for revision in the Salary, Allowances and Perquisites (hereinafter referred as "Total Remuneration") of Mr. Desh Deepak Khetrapal, CEO and Managing Director of the Company w.e.f. April 1, 2013 for the remaining period of his tenure on the following terms and conditions

(i) Salary (Basic) per month

₹ 10,50,000/- subject to such increments as the Board may approve from time to time provided that the monthly salary shall not exceed ₹ 12,50,000/-

(ii) Other Allowances (per month)

Personal allowance ₹ 3,10,000/-.

Special allowance ₹ 3,10,000/-.

Subject to such increments as the Board may approve from time to time provided that the monthly allowances shall not exceed ₹ 8,00,000/-.

(iii) Other Perquisites

(a) Housing

Expenditure by the Company on hiring accommodation for the Managing Director

(b) Medical/ Allowance Reimbursement

₹ 10,50,000/- per annum.

(c) Leave

In accordance with the rules framed by the Company.

(d) Leave Travel Allowance/ LTC

₹ 10,50,000/- per annum.

(e) Driving Allowance

₹ 20,000/- per month.

(f) Contribution to Provident Fund and Superannuation/ Annuity Fund will be as per Scheme of the Company.

(g) Gratuity payable shall be at a rate not exceeding 15 days salary for each completed year of service or part thereof in excess of six months as per Scheme of the Company.

(h) Encashment of unavailed leave at the end of the tenure or at specified intervals will be as per Scheme of the Company.

(i) Provision of chauffer driven car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for Private purpose shall be billed by the Company to the Managing Director.

(j) In addition to the above, the Managing Director will be entitled to an Annual performance linked compensation of up to ₹ 50,00,000/- subject to achievement of agreed targets and performance parameters as assigned by the Board of Directors.

The Company or Mr. Desh Deepak Khetrapal be entitled to terminate this appointment by giving three month's notice in writing.

Minimum Remuneration: The remuneration as specified above shall continue to be paid to Mr. Desh Deepak Khetrapal as and by way of minimum remuneration notwithstanding the loss or inadequacy of profit during the tenure of his office.

FURTHER RESOLVED THAT Mr. Desh Deepak Khetrapal shall be entrusted with substantial power of management of the whole or substantially the whole of the affairs of the Company subject to superintendence, control and directions of the Board of Directors of the company and he shall also perform such duties and exercise such powers as have been or may from time to time be entrusted to or conferred upon him by the Board.

RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

NOTES:

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Businesses to be transacted at the Annual General Meeting is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 27th July, 2013 to Friday, 2nd August, 2013 (both days inclusive).

4. The dividend for the financial year ended 31st March, 2013 as recommended by the Board, if approved at the meeting, will be paid on or after 7th August 2013 to those Members whose names appear in the Company's Register of Members as on the book closure dates.

5. Members holding shares in demat / electronic form are hereby informed that bank particulars registered with their respective depository participants will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat / electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

6. Members are encouraged to utilise the Electronic Clearing System (ECS) for receiving Dividends.

7. Members holding shares in electronic form are requested to intimate any change in their address and / or bank mandates to their Depository Participants with whom they are maintaining their demat accounts immediately. Members holding shares in physical form are requested to advise any change of address and / or bank mandate immediately to M/s. MCS Limited, Unit: Orient Cement Limited, 77/2A, Hazra Road, Kolkata-700 029.

8. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by Companies through electronic mode. Further, in line with recent circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in the listing agreement, Companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose. Members who have not registered their e-mail address with the Company can now register the same by submitting the letter to M/s. MCS Limited, Unit: Orient Cement Limited, 77/2A, Hazra Road, Kolkata-700 029. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form, upon request.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. MCS Limited, Unit: Orient Cement Limited, 77/2A, Hazra Road, Kolkata-700 029.

10. Members desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

By Order of the Board

Place: New Delhi
Date: May 2, 2013

Deepanjali Gulati
(Company Secretary)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 5

The Board of Directors of the Company had appointed Mr.Vinod Kumar Dhall as an Additional Director of the Company with effect from November 1, 2012. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Vinod Kumar Dhall will hold office only upto the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment as Director.

The Company has received notice in writing from the member along with deposit of ₹ 500/- proposing the candidature of Mr. Vinod Kumar Dhall for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Mr. Vinod Kumar Dhall may be deemed to be concerned or interested in the resolution relating to his appointment.

The Board accordingly recommends the Ordinary Resolution set out at item no. 5 of the accompanying Notice for approval of the Members.

Item No. 6

The Board of Directors of the Company had appointed Mr. Rabindranath Jhunjhunwala as an Additional Director of the Company with effect from March 25, 2013. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Rabindranath Jhunjhunwala will hold office only upto the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment as Director.

The Company has received notice in writing from the member along with deposit of ₹ 500/- proposing the candidature of Mr. Rabindranath Jhunjhunwala for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Mr. Rabindranath Jhunjhunwala may be deemed to be concerned or interested in the resolution relating to his appointment.

The Board accordingly recommends the Ordinary Resolution set out at item no. 6 of the accompanying Notice for approval of the Members.

Item No. 7

The Board of Directors at their meeting held on April 2, 2012, resolved to appoint Mr. Desh Deepak Khetrapal as the Managing Director of the Company, commencing April 2, 2012.

The appointment is subject to the approval of members. The terms and conditions of his appointment are as follows:

1. Period of appointment: Three years beginning April 02, 2012.
2. Details of remuneration: As provided in the resolution.

3. The Company or Mr. Desh Deepak Khetrapal may terminate this appointment by giving three month's notice in writing.

4. Mr. Desh Deepak Khetrapal shall be entrusted with substantial power of management of the whole or substantially the whole of the affairs of the Company subject to superintendence, control and directions of the Board of Directors of the company and shall also perform such duties and exercise such powers as have been or may from time to time be entrusted to or conferred upon him by the Board.

   The resolution seeks the approval of the members in terms of Section 269, read with Schedule XIII and other applicable provisions of the Companies Act, 1956 for the appointment of Mr. Desh Deepak Khetrapal as the Managing Director of the Company for a period of three years commencing April 2, 2012.

   No director, except Mr. Desh Deepak Khetrapal, is interested or concerned in the appointment and remuneration payable to Mr. Desh Deepak Khetrapal as the Managing Director.

   The terms of appointment of Mr. Desh Deepak Khetrapal, as stated in this notice, may be treated as the abstract under Section 302 of the Companies Act, 1956. The Board accordingly recommends the resolution as set out in Item No.7 for approval of the members.

Item No. 8

The Board in its meeting held on May 2, 2013 considered the revision in the remuneration structure of Mr. Desh Deepak Khetrapal, CEO & Managing Director of the Company and recommended to the shareholders for its approval. The revision will be effective from April 1, 2013 for the remaining period of his tenure.

In terms of Section 310 read with Schedule XIII of the Companies Act, 1956, the revision in remuneration of Mr. Desh Deepak Khetrapal requires the consent of the Members.

Except Mr. Desh Deepak Khetrapal, CEO & Managing Director of the Company, none of the Directors are concerned or interested in the proposed Resolution.

The terms of revision in the remuneration payable to Mr. Desh Deepak Khetrapal, as stated in Resolution No. 8, may be treated as the abstract under Section 302 of the Companies Act, 1956.

The Board accordingly recommends the resolution as set out in Item No.8 for approval of the members.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Name of the Director	Mr. Vinod Kumar Dhall
Expertise in specific functional area	Competition Law, Corporate Affairs, Industry and Commerce, Economic Regulation and Finance.
List of other Directorship held (excluding Directorship in Private Limited and Foreign Companies)	1. ICICI Prudential Life Insurance Company Limited 2. ICICI Prudential Trust Limited 3. Schneider Electric Infrastructure Limited 4. ICICI Prudential Pension Funds Management Co. Limited 5. Bharti Infratel Limited
Chairman/ Member of the Committees of the Board of the Companies on which he is director	1. Orient Cement Limited -Member-Remuneration Committee -Member- Shareholders/Investors Grievance Committee - Chairman-Audit Committee

Name of the Director	Mr. Rabindranath Jhunjhunwala
Expertise in specific functional area	Corporate Laws-domestic and cross border mergers and acquisitions, private equity investment, foreign investments advisor (both inbound and outbound).
List of other Directorship held (excluding Directorship in Private Limited and Foreign Companies)	1. Trett Consulting (India) LIMITED 2. Khaitan Consultants Limited
Chairman/ Member of the Committees of the Board of the Companies on which he is director	NIL

ORIENT CEMENT

DRIVEN. BY VALUES.

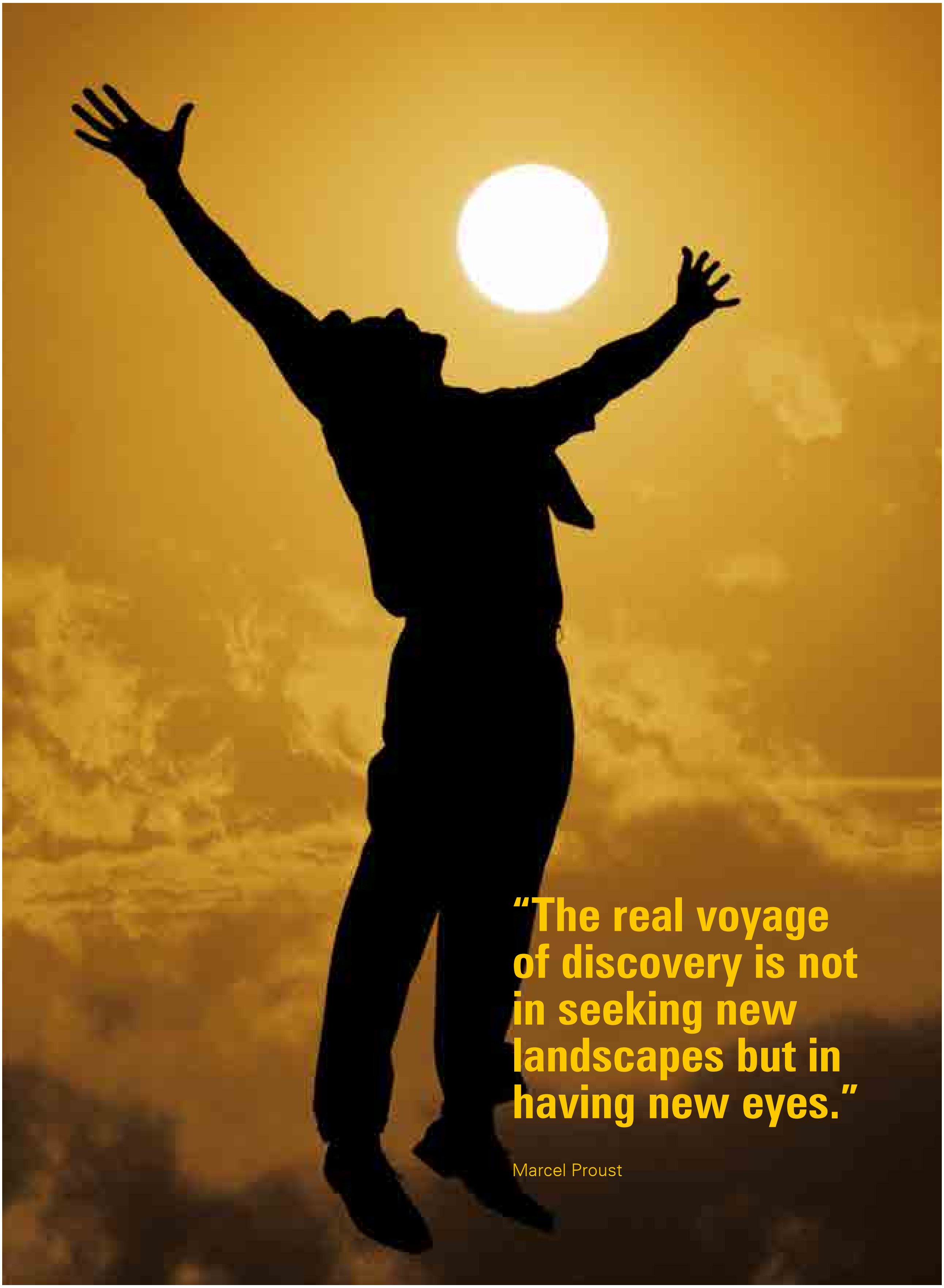
Annual Report
2012-13

Orient Cement Limited

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Orient Cement Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Orient Cement Limited Annual report 2012-13.

Inside


"The real voyage of discovery is not in seeking new landscapes but in having new eyes."
Marcel Proust

Chairman's message

"The year 2012-13 was a milestone in the journey of Orient Cement Limited as this was the first full year of operations of the Company following its demerger from Orient Paper and Industries Limited (with effect from 1 April 2012). We undertook this initiative to unlock value at a time when the cement business had already attained respectable scale. Going into the future, we are excited about our 3 MTPA greenfield cement plant coming up in the limestone-rich Gulbarga district of Karnataka. With growing cement consumption and a bright long-term outlook for India's domestic markets, we are attractively placed to create rewarding and lasting value for our shareholders."

Sincerely,

C.K. Birla

Driven.
By values.

At Orient Cement Limited, 'Driven. By values.' is not just a badge we wear. It is a serious commitment to apply all our resources, competencies and talent towards continual improvement and growth for the benefit of all our stakeholders, while respecting our core values that make us a responsible corporate citizen, an employer of choice and a desirable neighbour.

We focus all our efforts on the realisation of the full potential of our valuable assets, which include our efficient manufacturing capabilities, well-accepted quality products, effective channels to reach customers, our long-established brands and our committed talent pool. We leverage these resources to participate actively in the socio-economic development of our nation.

We enhance value-creation through a five-pronged approach that comprises:

1. Adopting environmentally-responsible and sustainable technologies
2. Maximising customer benefits by providing superior quality products that have stood the test of time
3. Building on our performance-oriented and values-driven culture
4. Continuously improving on our efficiencies that not only reduce costs but also use scarce resources responsibly
5. Enhancing our participation in market growth through further investments

Profile

Orient Cement Limited is a frontline cement company engaged in the production and branding of OPC and PPC cement. While our PPC cement is marketed under Birla A1 brand, our OPC offering carries the Orient Gold certificate of quality. The Company was demerged into a separate entity from Orient Paper and Industries Limited (which is engaged in paper and electrical businesses) with effect from 1 April 2012.

Plants

Orient Cement's integrated manufacturing unit is located in the limestone belt of Devapur (Adilabad district), Andhra Pradesh, while another split grinding unit is located in Jalgaon, Maharashtra. The Company's installed 5 MTPA cement capacity is complemented by a 50 MW captive power plant.

Performance, 2012-13

The year 2012-13 was a challenging one for most industries and cement was not an exception. While Orient Cement Limited reported a credible growth in production and sales volumes, low realisations due to depressed prices and a sharp increase in the market prices of key inputs led to a pressure on margins and net profit.

HIGHLIGHTS, 2012-13

40.06 lac MT	₹ 1,716.70 cr	₹ 323.40 cr	₹ 225.29 cr	₹ 161.67 cr
Cement production	Turnover	Operating profit	Cash profit	Net profit

Managing Director's review

Dear shareholders,

The year 2012-13 was a challenging one for the Indian economy with GDP growth slowing sharply. Against this background, we have reasons to be satisfied with the way the business performed in our first full year of operations following the demerger from Orient Paper and Industries Limited with effect from 1 April 2012.

During the year under review, while the slowdown in demand growth caused by sluggish infrastructure and construction markets led to depressed prices, all key inputs like coal, power and diesel suffered sharp inflation. Despite these challenges, we were able to report a healthy growth of over 9% in our revenues in 2012-13. This growth was achieved through improved production efficiency and deeper penetration in our core markets, leading to increased sales volumes of 7% to 40.92 lac MT. However, as a result of the twin pressures of depressed prices and increased input costs, the Company's bottom-line suffered a de-growth to ₹161.67 cr in 2012-13.

Demerger rationale

The decision to demerge the cement business of Orient Paper and Industries Limited into Orient Cement Limited was driven primarily by the objective of unleashing shareholder value. The cement business under Orient Paper and Industries had achieved significant scale of 5 MTPA and bunching of this division with paper and electrical consumer durable business (continuing divisions of Orient Paper and Industries Limited) would have constrained its full potential of a distinct value basket. The demerger and the imminent listing of Orient Cement Limited shares on the Bombay and National Stock Exchanges will, we believe, deliver better valuations to the

82%

We enhanced our capacity utilisation from 77% in 2011-12 to 82% in 2012-13.

shareholders, reflecting the true and fair valuation of the cement business.

Key 2012-13 highlights

Though the Indian cement industry grew by 5.5% in 2012-13, we outperformed this sectoral growth with 7% growth (volume sales). Moreover, we enhanced our capacity utilisation from 77% in 2011-12 to 82% in 2012-13, while the industry's capacity utilisation during the year remained constrained. Higher capacity utilisation not only helped us produce almost 6% more cement at 40.06 lac MT over 2011-12, enabling us to optimise overheads better, but also enabled us to grow sales volumes by nearly 7% to 40.92 lac MT. It is also heartening that we operated our 50 MW captive power plant at a PLF of 75% during the year under review, thereby optimising our energy costs.

For our new greenfield Gulbarga facility, the construction work has already started and we expect to commence production there within the financial year 2014-15.

Market trends

Bulk of the capacity added during the year 2012-13 was in the Southern part of India, a zone in which we primarily operate. This capacity addition accentuated the demand-supply imbalance in the Southern regions, especially in Andhra Pradesh. Besides, the low scale of infrastructure and construction activities, caused by a challenging economic environment, kept cement prices depressed. The Southern region registered a capacity utilisation of a mere 66%, lower than the all-India capacity utilisation of about 75%. Continuing weak demand under the current economic climate suggests challenging times in the near-term for the industry. However, over the medium to long-term, prospects appear optimistic especially on account of buoyant economic growth projections (GDP growth projections between 6-8% during the Twelfth Plan as per the Planning Commission) and a massive infrastructural deficit, which is bound to be corrected over time. These factors are expected to strengthen demand, improve capacity utilisation and improve the industry's ability to at least pass the sharp increase in input costs to the market.

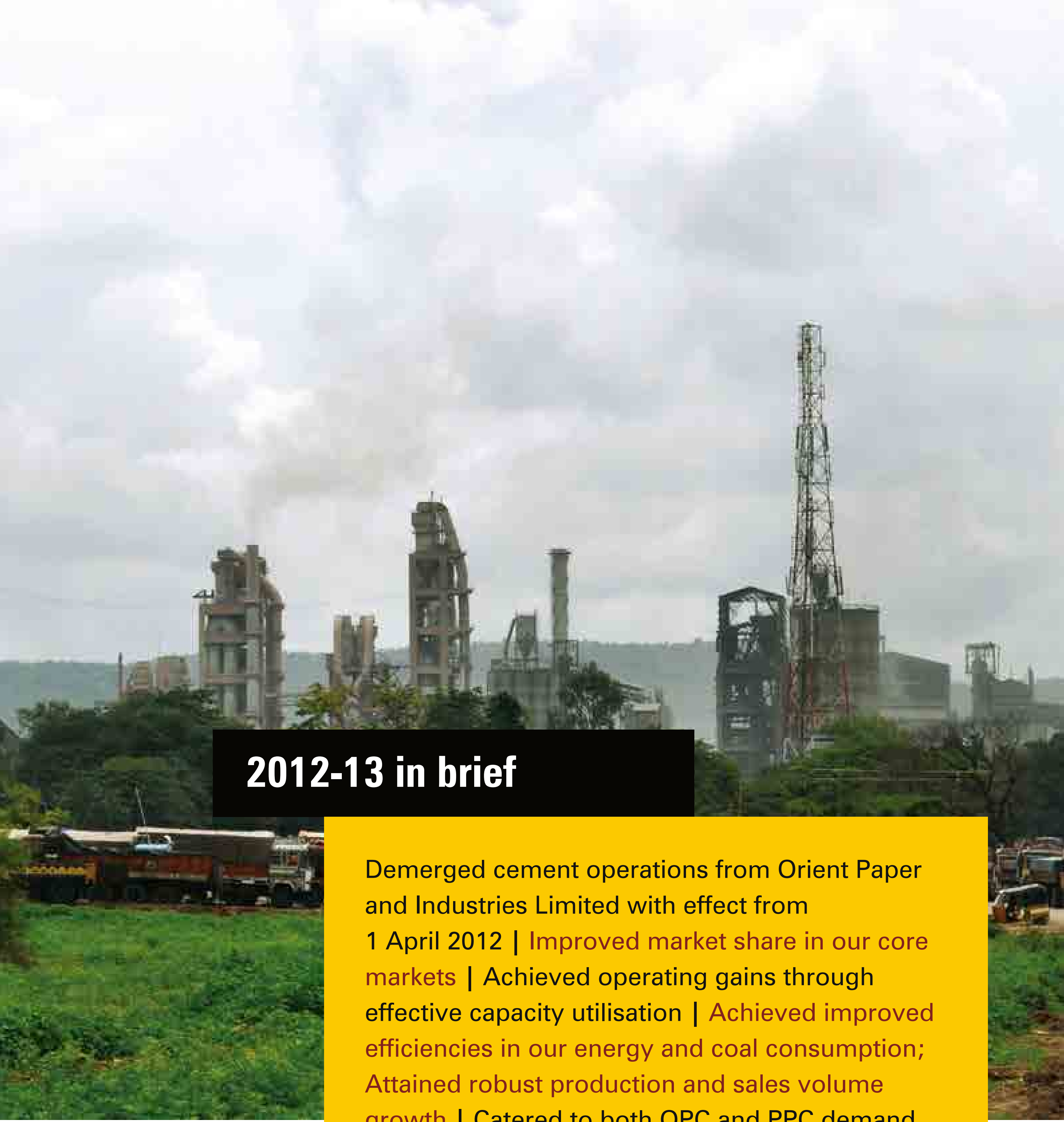
2013-14 priorities

For 2013-14, our immediate objectives comprise the following:

- Focus on the quick completion of our greenfield 3 MTPA cement plant at Gulbarga
- Strengthen our market coverage by appointing dealers and depots (stock points)
- Extract productivity gains from efficiency improvements
- Improve realisation through better product and market mix

With the right set of capacities and capabilities, we are optimistic of enhancing shareholder value in a significant way over the coming years.

With my very best regards,
Deepak Khetrapal



2012-13 in brief

Demerged cement operations from Orient Paper and Industries Limited with effect from 1 April 2012 | Improved market share in our core markets | Achieved operating gains through effective capacity utilisation | Achieved improved efficiencies in our energy and coal consumption; Attained robust production and sales volume growth | Catered to both OPC and PPC demand | Commenced civil works for the greenfield cement plant at Gulbarga

Key numbers

	Revenue (gross)	Operating profit
2011-12	₹ 1,574.55 cr	₹ 436.32 cr
2012-13*	₹ 1,716.70 cr	₹ 323.40 cr

	Production (MT)	Sales (MT)	Employees (31 March)
2011-12	37.80	38.32	922
2012-13*	40.06	40.92	912

** Figures of 2012-13 are those of the demerged entity of Orient Cement Limited. Figures preceding 2012-13 are those pertaining to the cement division of Orient Paper and Industries Limited before demerger*

2012-13 key developments

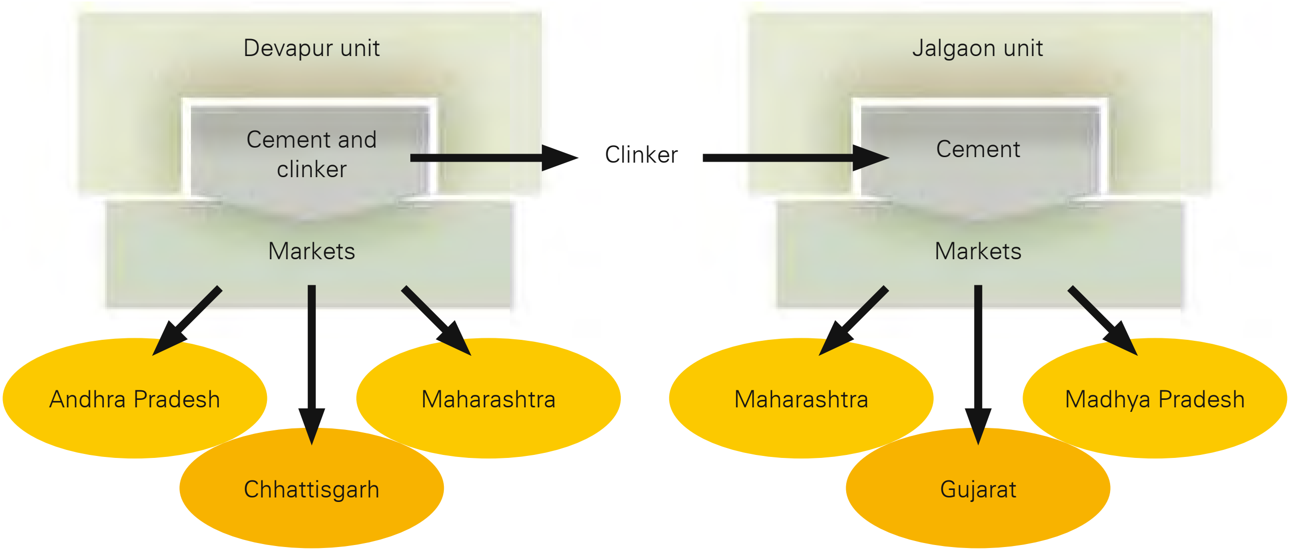
- Achieved 7% volume growth, outperforming the cement industry's 5.5% growth
- Enhanced capacity utilisation from 77% in 2011-12 to 82%, higher than the all-India average of 75%
- Increased production 6% from 37.80 lac MT in 2011-12 to 40.06 lac MT
- Registered sales volume growth of nearly 7% (from 38.32 lac MT in 2011-12 to 40.92 lac MT)
- Improved value-added PPC sales as a proportion of total cement sales to 75%, higher than the all-India average of less than 70%
- Attained the highest-ever cement despatch of 4.29 lac MT in March 2013
- Emerged as market leader in the core markets of Telangana, Khandesh and Marathawada and emerged among the top-three in Vidarbha
- Created a new logo, brand identity and website to reflect the Company's independent entity following the demerger from Orient Paper and Industries Limited

Competitive drivers

Strategic location

Orient Cement's manufacturing facilities are located in Devapur, which caters to the South Indian markets, and in Jalgaon, which feeds the demand emerging from Western and Central India. These strategic locations offer the twin benefits of raw material access and customer proximity.

The cement value chain

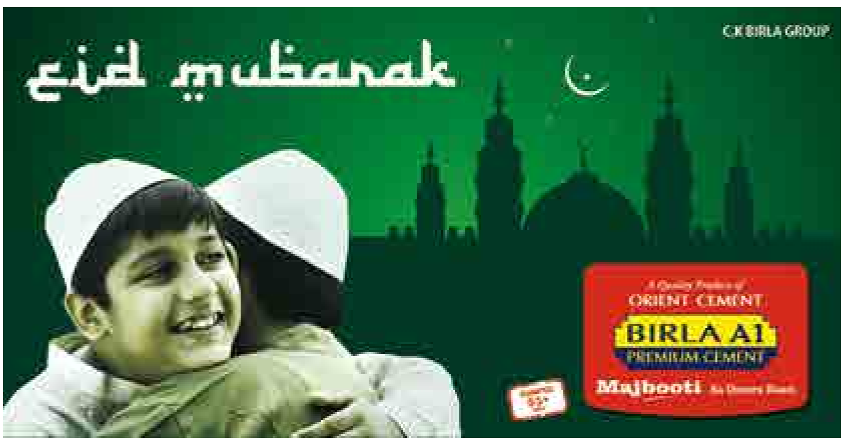


Resource access

The Company's limestone is obtained from mines a mere 2-km away from the Devapur facility. Coal is sourced from Singareni Collieries and fly ash from Ramagundam thermal power plant, both in close proximity to our plant. The Jalgaon unit sources fly ash from the Bhusawal thermal power plant.

Energy management

Orient Cement's 50 MW captive power plant at Devapur significantly optimised energy costs vis-à-vis the cost of power from State Grid. Moreover, during the latter part of the year, we were also able to sell power to the Grid whenever we had excess power available. Prudent energy management practices enabled the Company to register reduced power consumption of 76.42 kwh per tonne in 2012-13.



Quality assurance

Orient Cement is certified for ISO-9001 by DNV Netherlands. While our Devapur unit had earlier received the prestigious TPM Excellence Award, during 2012-13 our Jalgaon unit also earned this certification (Category-A) from the renowned Japan Institute of Plant Maintenance through a demanding implementation and certification process.

Branding

Orient Cement markets OPC under the 'Orient Gold' brand around the USP of *'Kan-kan me sona'*. Its PPC products are branded 'Birla A1'. Both brands enjoy a premium recall across our core markets.

Distribution

Our extensive network of dealers spread across our addressed markets is being strengthened further through an ambitious programme of appointing additional dealers mostly in our core-within-core and secondary markets (Chhattisgarh, Gujarat, Madhya Pradesh, Rajasthan and Tamil Nadu).

Awards, 2012-13

- 'Best Organisation Gold Award 2012' from the Rajiv Gandhi Memorial National Awards
- '11th Annual Greentech Safety Award 2012' in silver category in the cement sector
- First prize in 'Water in Mines – Environmental and Mineral Conservation' by the Controller General of Mines, IBM Nagpur
- Special prize for 'Environment Protection and Community Development in Mines Environment and Mineral Conservation' by the Controller General of Mines, IBM Nagpur
- Award for 'TPM Excellence Category-A' for the clinker grinding unit in Jalgaon

Community responsibility

Education

- Provided subsidised education to more than 900 students in our primary and secondary schools at Devapur
- Provided free education to over 1,000 students studying in a Telugu-medium school at Devapur
- Provided scholarship schemes to meritorious students
- Distributed free uniforms, books, lunch boxes and other material to underprivileged Devapur students
- Provided computers, tables and chairs, printers and UPS for the Blind School, Mancherial
- Covered the monthly food expenses of over 35 students of the Vanavasi Kalyan Parishad School

Healthcare

- Provided free medical assistance in Devapur dispensaries
- Provided free outpatient consultancy to around 300 patients a day in our Devapur hospital and dispensary
- Organised medical camps and events in Devapur to enhance health awareness
- Provided a Forma 900-series 86OC refrigerator to the Red Cross Society, Mancherial, for blood preservation
- Arranged general health check-up and eye check-up camps with free distribution of medicines to workers and their families at Jalgaon

Types of camps	Camps conducted	Beneficiaries
General health check-up	3	436
Eye check-up	1	236

Social welfare and community development

- Provided blankets to the underprivileged around Devapur
- Provided free drinking water at Mancherial Railway Station during the summer
- Conducted HIV and AIDS awareness programmes in Devapur and Jalgaon to educate the community in preventive measures
- Supplied drinking water to villages around Devapur
- Supplied 20 tankers of drinking water every month for marriages and other functions around Devapur
- Developed *pucca* roads in villages around Devapur
- Provided financial and other assistance for construction of the Ayyappa Temple at Devapur
- Donated cement for construction of a community hall at Bellampalli
- Provided financial assistance for the national-level rural PYKKA kabaddi and kho-kho tournaments at Adilabad (organised by the Sports Authority of India)
- Provided financial assistance to the Hyderabad District Amateur Boxing Association for providing various amenities during the 59th Senior Men National Boxing Championship

Director's profile

Particulars	Age	Date of Joining	Other Directorship
Shri Chandra Kant Birla 8/9, Alipore Road, Kolkata - 700 027. Chairman Industrialist, Indian	58	29-09-1978	Hindustan Motors Ltd. National Engineering Industries Ltd. AVTEC Ltd. HIL Ltd. Birla Brothers Pvt. Ltd. Birlasoft (India) Ltd. Neosym Industry Ltd. Orient Paper & Industries Ltd. Birla Associates Pvt. Ltd. (Singapore) Birlasoft Inc., USA Birlasoft (U.K.) Ltd., London ASS AG, Switzerland
Shri Vinod Kumar Dhall Dewan Manohar House B-88, Sector 51 Noida, UP - 201301. Director Advocate, IAS (Retired), Indian	69	01-11-12	ICICI Prudential Life Insurance Co. Ltd. ICICI Prudential Trust Ltd. Schneider Electric Infrastructure Ltd. ICICI Prudential Pension Funds Management Co. Ltd. Bharti Infratel Ltd.
Shri Rajeev Jhawar Flat No. 4C & 5C, Arjun Enclave' 12C, Judges Court Road Kolkata - 700 027. Director Industrialist, Indian	49	13-08-12	Usha Martin Ltd. Usha Martin International Ltd., UK Usha Martin UK Ltd., UK Usha Communications Technology Ltd., BVI Usha Siam Steel Industries Public Company Ltd., Thailand Brunton Wolf Wire Ropes FZCO, Dubai Usha Martin Education & Solutions Ltd. Usha Breco Ltd. Usha Breco Realty Ltd. Neutral Publishing House Ltd. KGVK Rural Enterprises Ltd. KGVK Social Enterprises Ltd. Redtech Networks India (P) Ltd. PARS Consultancy & Services Pvt. Ltd. Jhawar Venture Management Pvt. Ltd.

Particulars	Age	Date of Joining	Other Directorship
Shri Rabindranath Jhunjhunwala New Pushpa Milan 67 Worli Hill Road Worli Mumbai 400018 Director Advocate, Indian	40	25-03-13	RN Management Services Pvt. Ltd. R. J. Management Services Pvt. Ltd. Rolland Financial & Management Services Pvt. Ltd. Henry Financial & Management Services Pvt. Ltd. DL Management Services Pvt. Ltd. L D Management Services Pvt. Ltd. JJ Management Services Pvt. Ltd. JC Management Services Pvt. Ltd. Fennel Investment & Finance Pvt. Ltd. Kabari Pvt. Ltd. Guardian Enterprises India Pvt. Ltd. Khaitan Consultants Ltd. Rosevalley Developers Pvt. Ltd. Ranila Consultants Pvt. Ltd. Trett Consulting (India) Ltd.
Shri Desh Deepak Khetrapal 3001-3002, Wing A, Raheja Atlantis, G. K. Marg Worli, Mumbai 400013. Managing Director Service, Indian	58	02-04-12	Nil

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the annual report along with audited accounts of your Company for the year ended 31st March 2013.

Financial results

The financial performance of the Company for the year ended 31st March 2013 is summarised below: *(₹ in crores)*

	2012-13	2011-12
Gross sales	1716.70	-
Total income (net of excise)	1506.28	-
Earnings before interest, depreciation, amortisation & taxation	**323.40**	**(1.59)**
Interest/Finance costs	18.71	-
Profit before depreciation and taxation	**304.69**	**(1.59)**
Depreciation	56.05	-
Net profit before taxation	**248.64**	**(1.59)**
Taxation	86.97	(0.52)
Net profit	**161.67**	**(1.07)**
Profit brought forward from last year	(1.07)	-
Profit available for appropriations	**160.60**	**(1.07)**
Appropriations		
Transfer to Debenture Redemption Reserve	25.00	-
Transfer to General Reserve	35.00	-
Dividend on equity shares	40.97	-
Corporate dividend tax	6.97	-
Balance carried to Balance Sheet	52.66	-
Total	**160.60**	**(1.07)**
EPS	**7.89**	**(21.47)**

The results for the year under review are not comparable with that of the previous year on account of implementation of the Scheme of Arrangement detailed herein below.

Scheme of Arrangement

The Scheme of Arrangement between Orient Cement Limited and Orient Paper & Industries Ltd., was approved by the Orissa High Court vide its orders dated 27th July, 2012 and 23rd February, 2013. In accordance with the said Scheme of Arrangement, the Cement undertaking of Orient Paper & Industries Ltd., stood transferred and vested in the Company with effect from the appointed date i.e. 1st April, 2012. The results for the year ended March 31, 2013 are, therefore, not strictly comparable with that of the immediately preceding year.

Share Capital & Listing of Shares

In terms of the aforesaid Scheme of Arrangement, the Company issued and allotted 20,48,68,760 equity shares of Re. 1/- each in the capital of the Company to those shareholders of Orient Paper & Industries Ltd., holding shares on the record date i.e. 9th March, 2013.

Consequent upon the issue of shares, the Company ceases to be a wholly owned subsidiary of Orient Paper & Industries Ltd.

The Company has made listing applications to the BSE Ltd. and National Stock Exchange of India Ltd. for listing of 20,48,68,760 equity shares of Re. 1/- each. Pending receipt of the listing and trading approval from the Stock Exchanges, the equity shares are suspended for trading.

Dividend

Subject to the shareholders' and other requisite approvals, your Directors recommend payment of dividend of ₹ 2 per equity share of Re. 1 each (200%) for the year ended 31 March 2013. The cash outflow on account of dividend on equity capital and dividend tax works out to ₹ 4794 lacs, which constitutes 29.65% of our net profit for the year.

Economic climate and our performance

The economic climate in the country has continued to remain challenging and almost all sectors have encountered a slow-down in demand and increase in administered prices. The economy's growth rate this year is the lowest for a long time. In the infra-structure and project related areas, the delays in getting regulatory approvals, the difficulties in land acquisition and depressed demand conditions have combined to slow down actual investments and growth.

The national demand for cement has remained subdued with growth estimated at just about 5.5%, with sharp differences in different parts of the country. This slower than expected demand has led to an over-supply and lower capacity utilisation which have impacted the price realisation for all the manufacturers. While prices have remained low compared to the previous year, coal, power and diesel costs have been rising sharply due to the crises in the coal and power sector and due to Government's decision to do away with diesel subsidies in a phased manner. The lower realisations and the impact of higher costs has had an impact on this year's profitability of all cement manufacturers.

Within this over-all scenario of the cement industry, the performance of your company can be considered more than satisfactory. While the growth in sales is certainly healthy, given the fact that we essentially operate in Andhra Pradesh and parts of Maharashtra, our realisations too have suffered in line with the market forces. The demand in our markets has been impacted by many factors including the shortage of sand due to suspension of sand mining under judicial orders in both the states in which we operate, and due to severe water shortage and drought conditions affecting large parts of Maharashtra. Despite challenging markets, your company managed to achieve capacity utilisation of over 80% against the industry average of under 70% in our cluster. Further, with our intense focus on our operations and customer-service, we have managed to make progress in gaining market share in our core markets and also in gaining higher efficiencies at our plants including in power and coal consumption. We could not, for obvious reasons, remain immune to the increased procurement prices of coal, power and diesel. As a result, despite growth in market share and better capacity utilisation compared to peers, the PBIT of your company remained depressed, especially in the latter part of the year.

The Captive Power Plant at Devapur stabilised in the second half of 2012-13 and during some months, when the demand from the operations was lower, we successfully managed to sell excess power to the power exchange.

Our Jalgaon cement grinding unit successfully challenged the TPM audit and earned the distinction of being TPM certified.

While the slow demand and market conditions are still continuing, we have focused our efforts on building further on our strong market position in our core markets, expanded our reach by enlarging our distribution network and improving the quality and availability of cement. On the operations side, the plants have been maintained in very good condition with focus on improving efficiencies, house-keeping and safety & environment protection activities.

We are keeping up our efforts towards improving our market position in these times and on being prepared to fully take advantage of the turnaround in the market as and when it comes about.

Meantime, the new green-field 3 million tons per annum integrated cement plant proposed at Chittapur in Gulbarga district in Karnataka has received the environmental clearance (industry) from Ministry of Environment and Forests, Government of India, while the same clearance for mines is still awaited. The equipment selection and ordering is now in progress and the actual construction activity is likely to start very shortly. This plant is proposed to go on stream in the FY 2014-15.

Corporate Governance

Though the company has applied for listing with BSE Limited and National Stock Exchange of India Limited, it is in compliance with Corporate Governance requirement in terms of Clause 49 of the Listing Agreement(s). A report on Corporate Governance is attached and form part of this report.

Sustainable development and environment

We consider sustainable development and environment protection as integral parts of our management culture and philosophy. Significant work continues to be done in these areas on a consistent and sustainable basis.

Cash flow analysis

The cash flow statement for the year ended 31st March 2013 is included in the annual accounts.

Statutory matters

Debentures

The funds raised against debentures in the books of the Company were utilised for the purposes as sanctioned.

Directors

Sarvashri Haigreve Khaitan, P. K. Sonthalia, P. C. Agarwala and M. L. Pachisia ceased to be Directors of the Company during the year. The Board places on record its appreciation of the valuable contribution made by the Directors during their tenure as members of our Board.

Shri Rajeev Jhawar was appointed as a Director of the Company w.e.f. 13th August, 2012.

Sarvashri Vinod Kumar Dhall and Rabindranath Jhunjhunwala were co-opted as Additional Directors on the Board of the Company w.e.f. 1st November, 2012 and 25th March, 2013 respectively and hold office till the conclusion of the ensuing Annual General Meeting of the Company. Notices pursuant to Sec 257 of the Companies Act, 1956, have been received from the shareholders proposing Mr. Dhall and Mr. Jhunjhunwala for appointment as Directors of your Company.

Shri C. K. Birla, a Director of the company, retires by rotation at the Annual General Meeting and is eligible for re-election.

Auditors

M/s. S. R. Batliboi & Co. LLP, Chartered Accountants and Auditors of the Company, retire and offer themselves for re-appointment.

Cost auditors

As required under the provisions of Section 233B of the Companies Act, 1956, qualified cost auditors are being appointed to conduct cost audits.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Details regarding conservation of energy, research & development, technology absorption and foreign exchange earnings and outgo are furnished in Annexure "A" to this report, pursuant to the provisions of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Directors responsibility statement

Directors' responsibility statement pursuant to section 217(2AA) of the Companies Act, 1956 are given in Annexure "B" to the annual report.

Note No. 27 appearing in accounts referred to in the Auditors' Report is self-explanatory.

Particulars of employees

Particulars of employees pursuant to section 217(2A) of the Companies Act, 1956 are given in Annexure "C" to the annual report.

Acknowledgements

Your Directors place on record their sincere gratitude to the shareholders, customers, bankers, financial institutions, government agencies, supply chain partners and the employees for their valuable contribution, cooperation and support in the Company's endeavours to achieve continuous growth and progress.

By Order of the Board
C.K. BIRLA
New Delhi, 2nd May, 2013 Chairman

ANNEXURE - A

A. CONSERVATION OF ENERGY

a.	**The following energy conservation measures were taken during 2012-13:**	
	i.	Installation of VFD control system in Cement Mill-I & II,
	ii.	Installation of VFD control system in Fly ash silo,
	iii.	Optimisation of Kiln-3 operation for reduction in thermal energy & electrical power,
	iv.	Installation of refurnished RP for Cement Mill-II resulted in decrease in specific power consumption,
	v.	Installation of High efficiency PH fan of Kiln-1,
	vi.	Installation of New Coal Crusher Line-III resulting into optimum running of VRM-III in turn saving power.
b.	**Additional Investment and Proposal, if any:**	
	i.	Installation of new burner for Kiln-1 firing for thermal energy conservation,
	ii.	Installation of variable speed drives in various equipments for electrical energy conservation,
	iii.	Right sizing of firing blower for Kiln-II,
	iv.	Installation of new high efficiency motor in place of old low efficiency ones for electrical energy conservation.
		Total investment for this projects is estimated to be around ₹ 337 lacs.
c.	**Impact of above measures on consumption of energy:**	
	The impact of above measures has resulted in reduction of electrical energy consumption.	

B. TECHNOLOGY ABSORPTION

	Refer Form – B attached.

C. FOREIGN EXCHANGE EARNING AND OUTGO

	i.	Activities relating to Exports: Initiatives taken to increase exports, development of new export market for products and services and export plans.
		Nil
	ii.	Total Foreign Exchange used and earned (including deemed Export):
		Used: ₹ 251.96 lacs
		Earned: NIL

FORM -`A

A. POWER & FUEL CONSUMPTION

				Cement	
				2012-13	**2011-12**
1.	Electricity				
	a.	Purchased			
		Unit (KWH lacs)		569.01	--
		Total Amount (₹ in lacs)		4898.03	--
		Rate/Unit (₹)		8.61	--
	b.	Own Generation			
		i.	Through Diesel Generator		
			Net Units (KWH lacs)	8.37	--
			Net Units/Ltr. of Diesel/Furnace Oil (KWH)	3.64	--
			Cost/Unit (₹)	9.20	--
		ii.	Through Steam Turbine/Generator		
			Net Units (KWH lacs)	2697.45	--
			Net Units per Kg of Coal (KWH)	0.83	--
			Cost/Unit (₹)	4.03	--
2.	Coal				
	a.	B,C & D Grade Coal used for Kiln			
		Quantity (MT lacs)		5.39	--
		Total Cost (₹ In lacs)		22270.82	--
		Average Rate (₹)		4131.88	--
	b.	Low Grade Coal used for Power Plant			
		Quantity (MT lacs)		3.23	-
		Total Cost (₹ In lacs)		9981.94	-
		Average Rate (₹)		3089.92	-
	c.	Alternate Fuel			
		Quantity (MT lacs)		0.11	--
		Total Cost (₹ In lacs)		269.57	--
		Average Rate (₹)		2520.09	--

A. POWER & FUEL CONSUMPTION (Contd.)

			Cement	
			2012-13	2011-12
	3.	Furnace Oil		
		Quantity (K. Ltrs)	209.29	--
		Total Cost (₹ In lacs)	59.89	--
		Average Rate (₹)	28.61	--
	4.	Others/Internal Generation		
		Quantity (MT lacs)	--	--
		Total Cost (₹ In lacs)	--	--
		Rate/Unit (₹)	--	--

B. CONSUMPTION PER MT OF PRODUCTION

			Unit	Cement 2012-13	Cement 2011-12
	Electricity		(KWH)	76.42	--
	Furnace Oil		(K.Ltr)	--	--
	Coal (B, C & D Grade)				
	-	In terms of quantity/ton of Cement	(MT)	0.130	--
	-	Others		--	--

As mentioned in earlier paragraphs, the Cement Undertaking of Orient Paper & Industries Limited stood transferred and vested in the Company with effect from the appointed date, viz., 1st April, 2012. Hence, details for the previous financial year are not furnished.

FORM -` B

RESEARCH AND DEVELOPMENT (R & D)

1.	Specific area for which R & D was carried:	
	i.	Feeding of alternative fuels in Kiln-1, 2 & 3,
	ii.	Use of pet coke in kilns.
2.	Benefits derived because of above R & D:	
	i.	Replacement of coal and reduction in running hours of coal mills,
	ii.	Replacement of coal is expected.
3.	Future Plan of Action:	
	i.	Improvement of Raw mix design,
	ii.	Full scale trials of usage of pet coke.

RESEARCH AND DEVELOPMENT (R & D) (CONTD.)

4.	Expenditure on R & D:		
	a.	Capital (₹ in lacs)	27.42
	b.	Recurring (₹ in lacs)	113.71
	c.	Total (₹in lacs)	141.13
	d.	Total R & D Expenditure as	
		Percentage of Total turnover	0.10 %

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1.	Efforts made towards technology, absorption, adoption & innovation:	
	i.	Measures for indigenization of critical imported parts are continuing.
2.	Benefits derived as a result of above efforts:	
	i.	Reduction in input and overall costs due to indigenisation of various imported spares.
3.	Since the company has not imported new technology during last five years, the requisite information is not required to be given.	

C. K. BIRLA
Chairman

ANNEXURE B

to the Directors Report

Directors responsibility statement

On the basis of compliance certificates received from various executives of the Company and subject to disclosures in the annual accounts, as also on the basis of the discussion with the statutory auditors of the Company from time to time, the Board of Directors state:

(A) That in the preparation of the annual accounts, for the year ended 31 March 2013 all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India were followed.

(B) That the Directors adopted such accounting policies and have applied them consistently and have made judgements and estimates in a reasonable and prudent manner, so as to give a true and fair view of the state of affairs of the Company as at end of the financial year and of the profit of the company for the year.

(C) That the Directors took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(D) That the Directors have prepared the annual accounts on a 'going concern' basis.

C. K. BIRLA
Chairman

ANNEXURE C

to the Directors Report

Particulars of Employees as required U/S 217(2A) of the Companies Act, 1956 and forming a part of the Directors' Report for the year ended 31 March 2013

(a) Qualification (b) Designation/Nature of Duties (c) Age (years) (d) Remuneration (₹)
(e) Experience (years) (f) Date of Joining (g) Particulars of last employment.

A. EMPLOYED THROUGHOUT THE FINANCIAL YEAR

1.	Khetrapal D.D.	(a) B.Com(Hons.), MBA (b) Managing Director (c) 58 (d) 27005366 (e) 37 (f) 2 April 2012 (g) Jumbo Electronics, Dubai, Group CEO.
2.	Pandey B.	(a) Graduate (Mech. Engg.), I.E., F.I.E., M.I.M.A. (b) President (General Administration) (c) 74 (d) 6767184 (e) 54 (f) 27 October 1992 (g) Cement Corporation of India Ltd., Chief General Manager.
3.	Tripathy P.K.	(a) B.Sc (Engineering) (Hons) (b) President (Works) (General Administration) (c) 54 (d) 10917596 (e) 30 (f) 3 December 2010 (g) Shree Cement Ltd., Jt. President (Works).

B. EMPLOYED FOR PART OF THE FINANCIAL YEAR:

1. Asawa Shyam B.	(a) B.E.(Mechanical), Diploma in Business Management (b) President (Projects) (c) 54 (d) 3976440 (e) 31 (f) 1 November 2012 (g) Reliance Cement Company Pvt. Ltd., Director Projects.

Notes

- Remuneration includes actual payments and/or taxable value of perquisites and the Company's contribution to provident and other funds but excludes gratuity.
- Nature of appointment: Appointment of Shri D. D. Khetrapal, Managing Director, is contractual.
- Other terms and conditions: As per rules of the Company.
- The Managing Director is not a relative of any Director of the Company.

C. K. BIRLA
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overall economy

The economic climate in the country has continued to remain challenging and almost all sectors have encountered a slow-down in demand and increase in administered prices. The economy's growth rate this year is the lowest for a long time. In the infra-structure and project related areas, the delays in getting regulatory approvals, the difficulties in land acquisition and depressed demand conditions have combined to slow down actual investments and growth.

The national demand for cement has remained subdued with growth estimated at just about 5.5%, with sharp differences in different parts of the country. This slower than expected demand has led to an over-supply and lower capacity utilisation which have impacted the price realisation for all the manufacturers. While prices have remained low compared to the previous year, coal, power and diesel costs have been rising sharply due to the crises in the coal and power sector and due to Government's decision to do away with diesel subsidies in a phased manner. The lower realisations and the impact of higher costs has had an impact on this year's profitability of all cement manufacturers.

2.0. Business Segment wise Analysis

2.1. Industry Structure & Developments

All India cement capacity stands at 344 Mil. tons as on 31.03.13. The capacity of North, East and Central combination is 159 Mil. tons. South and West combination is 185 Mil. Tons, which accounts for 54% share in country's capacity. 24.15 Mil. tons of new capacity has been added in financial year 2013, out of which, 15 Mil. tons has been added in South & West combination.

The country's demand recorded a growth of 5.5% over previous year. Capacity utilization has gone up to 75% registering an increase of 2% over previous year.

In the capacity utilization front North, East and Central combination has registered a CU of 82% whereas South & West combination (our operating zone) recorded a CU of 69%. As an individual state, AP capacity utilisation is as low as 64%.

On the cost front, there is an escalation in road freight cost by 7%, railway freight cost by 25% & packing cost by 6%. Diesel prices have been increased three times during the year. The Clearing and Forwarding expenses have also got impacted due to increase in labor union charges and associated expenses like Mathadi / Warai charges etc.

Cement demand is also impacted due to sand shortage on account of mining ban imposed enforced by courts, water shortage due to poor rains during the monsoon in the states of AP and Maharashtra and ban on aggregate quarrying by Pollution Control Board.

On the price front, there has been high volatility and turbulence across the country. However, the intensity of price volatility has been more in Southern & Western markets. The price remained volatile both in AP and Maharashtra throughout the year.

Prices were in declining trend, quarter after quarter and tumbled to a low in 4th Quarter of 2012-13. New entrants also created short term ripples in prices to establish their volume and market share.

2.2. Opportunities & Threats:

Being a pre-election year, the Government is expected to give thrust to complete infrastructure projects and also give fillip to the Housing Sector. The demand in the year 2013-14 is expected to grow by about 7%.

However, the situation in A.P. is distressing. Demand is severely impacted due to political flux and a halt on infra projects. Simultaneously, the state is burdened with huge excess capacity. New units in Gulbarga cluster which have commenced operations (like Vicat 2.75 Mil. tons and Chettinad 2.50 mil. tons) are likely to intensify their supplies into our marketing zones. This is likely to impact price situation in our addressed markets severely.

OPC availability has gone up steeply in the market both in trade and direct customer segment.

2.3. Segment Review & Analysis:

We have achieved a sales volume of 40.92 lac tons registering a growth of 7% over previous year. Against the back drop of 75% capacity utilization registered by the industry in the financial year 2013, (data available upto Jan 13) we have recorded a capacity utilization of 82%. The capacity utilization of South & West is only 69%. Despite increasing market trend towards OPC, we have achieved PPC sales of 75 % in our overall volume.

We have continued our efforts towards channel expansion and at the same time weeding out redundant and non performing dealers. Also with sharper focus in some of the core markets during second half of FY 2012-13, we could increase our market share significantly in these markets.

Our operations at the plants have also improved through periodic and timely maintenance resulting in better productivity in both the units viz. Devapur and CGU-Jalgaon.

2.4. Risks & concerns:

Prices are likely to be an area of concern. New players trying to establish volumes may cause turbulence. Network expectations on rewards to go up on account of intensified competition is another pressure point. A trend of the labour union demands for enhancement of charges is mounting day by day. Logistics constraint in terms of rake availability can also be a matter of concern for achieving desired volumes.

2.5. Outlook:

Going forward the outlook for the industry is cautiously positive. Being a pre-election year, there is likely to be a spur in the demand on account of more thrust likely to be given by the Government for infra projects and also encouraging housing sector. However, the demand supply dynamics are likely to vary significantly from region to region. South, especially AP, has huge surplus capacity. However, Maharashtra, where better demand is expected, might balance the demand supply dynamics of the south plus west region as a whole.

The trend towards OPC is going to be more for two reasons (i) availability of surplus capacity (ii) demand from infra segment where usage of OPC is mandatory.

Though NSR would be market driven factor and will be affected by the demand-supply scenario in each market, our focus on cost control, brand equity enhancement efforts and optimum market-mix is likely to help in achieving the best possible NSR to the company.

The new green-field 3 million tons per annum integrated cement plant proposed at Chittapur in Gulbarga district in Karnataka has received the environmental clearance (industry) from Ministry of Environment and Forests, Government of India, while the same clearance for mines is still awaited. Ordering for major equipments and civil construction are in progress.

3. Internal control systems and their adequacy

The Company has established adequate internal control systems, which provide reasonable assurances with regard to safeguarding Company's assets, promoting operational efficiencies and ensuring compliance with various statutory provisions. The internal audit function regularly reviews internal control systems in business processes and verifies compliance with the laid down policies and procedures. Internal audit reports are regularly reviewed by the senior management. The internal audit process also keeps track of and monitors the progress on implementation of suggestions for improvements.

4. Human resource development/Industrial relations

The Company has adopted a progressive policy to develop its human resources through continuous training and motivation, to achieve greater efficiencies through improved competencies. Progress made by the Company was possible, in no small measure, by the efforts of the entire team. The total number of permanent employees as on 31 March 2013 was 912.

We have also taken concrete steps to improve organizational health by creating focused management teams with specific targets for growth in volumes and profitability while building and retaining talent.

Industrial relations were harmonious at all our units. Safety, welfare and training at all employee levels continue to be areas of major focus for the Company.

5. Cautionary statement

Statements in this report on management discussion and analysis relating to the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events.

The Company assumes no responsibility in respect of forward-looking statements made herein which may undergo changes in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. The Company's business objective and that of its management and employees is to manufacture and market the Company's products in such a way so as to create value that can be sustained on a long-term basis for all its stake¬holders, including shareholders, employees, customers, government and the lenders. In addition to compliance with the regulatory requirements, the Company endeavours to ensure the highest standards of ethical conduct throughout the organisation.

II. Board of Directors

(a) Composition of the Board

The Board of Directors comprises five members, consisting of four Non-Executive Directors who account for 80% of the Board's strength as against the minimum requirement of 50% as per the Listing Agreement. The Non-Executive Directors are eminent professionals with rich experience in business and industry, finance, law and public enterprises. The composition of the Board is as under:

Name of the Director	Category of the Director	Number of other Directorship(s) held *	Number of Board Committee(s) of which he is a member *	Number of Board Committee(s) of which he is a Chairman *
Sri C. K. Birla	Chairman Non-Executive	7	-	-
Sri Rajeev. Jhawar	Independent Non-Executive	8	4	1
Shri Vinod Kumar Dhall	Independent Non-Executive	5	2	1
Shri Rabindranath Jhunjhunwala	Independent Non-Executive	2	-	-
Shri Desh Deepak Khetrapal	Managing Director-Executive	-	2	1
Shri Haigreve Khaitan ceased w.e.f. 25.06.2012	Independent Non-Executive	12	7	-
Shri P.K. Sonthalia ceased w.e.f. 21.03.2013	Independent Non-Executive	6	-	-
Shri P.C. Agarwala ceased w.e.f. 21.03.2013	Independent Non-Executive	8	-	-
Shri M.L. Pachisia ceased w.e.f. 21.03.2013	Independent Non-Executive	11	3	1

* Excluding Directorships in private limited companies and foreign companies.

* Includes the membership/chairmanship only of Audit Committee(s) and shareholders'/ Investors Grievances Committee(s).

(b) Details of sitting fee, remuneration paid to Directors

Name of the Director	Remuneration paid during 2012-13 and sitting fee for attending meetings of the Board and/or Committee thereof (all figures in ₹)		
	Fee	Commission	Total
Shri C. K. Birla	20,000	2,00,00,000	2,00,20,000
Shri Rajeev Jhawar Paid for the period from 13.08.12 to 31.03.2013	-	7,91,096	7,91,096
Shri Vinod Kumar Dhall Paid for the period from 01.11.12 to 31.03.2013	20,000	5,17,123	5,37,123
Shri Rabindranath Jhunjhunwala Paid for the period from 25.03.13 to 31.03.2013	-	23,973	23,973
Shri Haigreve Khaitan Paid for the period from 01.04.12 to 24.06.2012	-	2,91,096	2,91,096
Shri P.K. Sonthalia	-	-	-
Shri P.C.Agarwala	-	-	-
Shri M.L. Pachisia	-	-	-

In terms of the resolution adopted by the Board of Directors of the company at its meeting held on 21st March,2013 the sitting fees is payable for attending the Board / Committee meetings held on and from 21st March,2013.

Shri Desh Deepak Khetrapal	Remuneration (₹)*
Salary and Perquisite	**2,57,84,766**
Contributions to P.F.	12,20,600
Total	2,70,05,366

* The above remuneration does not include contribution to Gratuity Fund.

The appointment of Managing Director is contractual in nature for a period of three years with effect from 2nd April, 2012, as approved by the Directors and is terminable by either side on three months' notice. No severance fee is payable to the Managing Director upon termination of his employment.

Details of shares held by Directors

Name of the Director	Number of shares held
Shri C. K. Birla	28,97,570
Shri Rajeev Jhawar	Nil
Shri Vinod Kumar Dhall	Nil
Shri Rabindranath Jhunjhunwala	Nil
Shri Desh Deepak Khetrapal	Nil

(c) Number of Board Meetings held and attended by Directors

(i) Eight meetings of the Board of Directors were held during the year ended 31 March 2013 on the following dates:

2nd April,2012, 2nd May,2012, 6th July,2012, 14th August,2012, 1st November,2012, 27th February,2013, 15th March,2013 and 21st March,2013.

(ii) The attendance record of each of the Directors at the Board Meetings during the year ended 31 March 2013 and of the last Annual General Meeting is as under:

Name of the Director	Number of Board Meeting attended	Attendance at the last AGM
Shri C. K. Birla	2	No
Shri Rajeev Jhawar	-	No
Shri Vinod Kumar Dhall	1	No
Shri Rabindranath Jhunjhunwala	-	No
Shri Desh Deepak Khetrapal	1	No
Shri P.K. Sonthalia		
ceased w.e.f. 21.03.2013	7	Yes
Shri P.C. Agarwala		
ceased w.e.f. 21.03.2013	6	Yes
Shri M.L. Pachisia		
ceased w.e.f. 21.03.2013	7	Yes

III AUDIT COMMITTEE

(i) The Audit Committee comprises of two Independent Member - Directors and one Executive Director namely:

(i) Shri Vinod Kumar Dhall (2) Shri Rajeev Jhawar (3) Shri Desh Deepk Khetrapal

Except Shri Desh Deepak Khetrapal, all the members of the Audit Committee are Non-Executive Directors. Shri Vinod Kumar Dhall is the Chairman.

The Audit Committee has been constituted by the Board of Directors at its meeting held on 15th March, 2013 and no Audit Committee meeting was held during the year.

The Company Secretary will act as Committee's Secretary.

(ii) The role and terms of reference of the Audit Committee is framed in terms of the resolution adopted by the Board of Directors at its meeting held on 15th March, 2013 and cover the matters specified for audit committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

(iii) Mr. Somnath Mukherjee, Cost Accountant is the Cost Auditor of the Company for the financial year 2012-13 and the due date for filing cost audit report is 27th September, 2013.

IV.MANAGEMENT COMMITTEE

The Management Committee comprises of one Independent Member Director and one Executive Director namely:

1. Shri Vinod Kumar Dhall 2. Shri Desh Deepak Khetrapal.

Except Shri Desh Deepak Khetrapal, Managing Director, other member of the Management Committee is Non-Executive Directors. Shri Desh Deepak Khetrapal is the Chairman.

The Management Committee meets as and when necessary to attend day-to-day affairs and urgent business and is empowered to do all such acts and deeds the Board is empowered to do, subject to the provisions of the Companies Act, 1956.

The Management Committee was constituted on 21st March, 2013 and no committee meeting was held during the year.

V. REMUNERATION COMMITTEE

The Remuneration Committee of the Directors of the Company comprises two Independent Directors namely:

1.	Shri Rajeev Jhawar
2.	Shri Vinod Kumar Dhall

Shri Rajeev Jhawar is the Chairman of the Remuneration Committee.

The Remuneration Committee has been constituted by the Board of Directors at its meeting held on 15th March,2013 and no Remuneration Committee meeting was held during the year.

VI.SHAREHOLDERS/INVESTORS'S RELATION COMMITTEE

(a) The Shareholders/Investors' Relation Committee comprises of two Non-Executive Directors, namely, Shri Rajeev Jhawar and Shri Vinod Kumar Dhall and an Executive Director Shri Desh Deepak Khetrapal. Shri Desh Deepak Khetrapal is the Chairman. Ms. Deepanjali Gulati, the Company Secretary was designated as the Compliance Officer and will act as Committee's Secretary.

The Shareholders/Investors Relation Committee was constituted on 15th March,2013 and no Shareholders / Investors Relation committee meeting was held during the year.

(b) Details of Directors seeking re-appointment at the ensuing Annual General Meeting fixed on date are given hereunder:

Name of the Director	Shri Chandra Kant Birla
Date of appointment	23rd July, 2011
Expertise in specific functional area	Industrialist with vast business experience.
List of other Directorship held (excluding Directorship in Private Limited and Foreign Company)	Orient Paper & Industries Ltd. Hindustan Motors Ltd. National Engineering Industries Ltd. AVTEC Ltd. HIL Ltd. Birlasoft (India) Ltd. Neosym Industry Ltd.
Chairman/Member of the committees of the Board of the Companies on which he is a Director	None

Sarvashri Vinod Kumar Dhall and Rabindranath Jhunjhunwala were appointed as additional Directors of the Company during the year and will hold office till the conclusion of the next Annual General Meeting. Notices pursuant to Sec 257 of the Companies Act, 1956, have been received from the shareholders proposing Mr. Dhall and Mr. Jhunjhunwala for appointment as Directors of the Company.

VII. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

A Code of Conduct as applicable to the Directors and the members of the senior management was approved by the Board and the same is being duly abided by all of them. Declaration to this effect was obtained from the Managing Director.

VIII. COMPLIANCE CERTIFICATE

Though the company has applied for listing with BSE Limited and National Stock Exchange Limited, it is in compliance with Corporate Governance requirement in terms of Clause 49 of the Listing Agreement(s). However, as the Listing approvals are yet to be received from the stock exchanges, no certificate for compliance of Corporate Governance was obtained from auditors of the Company.

IX. GENERAL BODY MEETINGS

(a) The details of Annual General Meeting and Extra Ordinary General Meetings held during the year as under:

	Day	Date	Time	Venue
EGM	Wednesday	30th May,2012	10.30 a.m.	Birla Building,13th floor, 9/1, R.N. Mukherjee Road,Kolkata-700001
AGM	Monday	13th August 2012	2.30 p.m.	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012 , Orissa.
EGM	Friday	15th February 2013	12.30 p.m.	Birla Building,13th floor, 9/1, R.N. Mukherjee Road, Kolkata-700001

(b) Whether special resolutions were put through postal ballot last three years? No

(c) Are special resolutions proposed to be put through postal ballot this year? Yes, if required. The Company will follow the procedure prescribed under Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001.

X. DISCLOSURES

(i) There were no related party transactions that may have potential conflict with the Company's interest at large.

(ii) No penalties or strictures were imposed on the Company by stock exchanges or the SEBI or any statutory authority on any matter related to capital markets during the last three years.

XI.MEANS OF COMMUNICATION

(i) The company has submitted the Listing Application with BSE and NSE on 22nd March,2013 and listing and trading approval from the Stock Exchanges are awaited. Quarterly / yearly financial results will be published in one English daily newspaper circulating in the whole/substantially the whole of India and in one daily newspaper published in Oriya language and also put on Company's website www.orientcement.com.

(ii) Whether MD & A is a part of this Annual Report – Yes

XII. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting:

Day: Wednesday

Date: 7th August, 2013

Time: 02.00 pm

Venue: Unit - VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012, Orissa

(b) Financial calendar 2013-14

First quarterly results	Before 14 August 2013
Second quarterly results	Before 14 November 2013
Third quarterly results	Before 14 February 2014
Audited yearly results for the year ending 31 March 2014	Before end of May 2014

(c) Dates of book closure – 27th July, 2013 to 2nd August, 2013 (both days inclusive)

(d) Listing on stock exchanges

Listing Applications have been made to the following Stock Exchanges and listing and trading approvals are awaited:

1. BSE Ltd
   Phiroze Jeejeebhoi Towers, Dalal Street, Fort, Mumbai – 400001
2. The National Stock Exchange of India Ltd
   Exchange Plaza, 5th floor, Plot No. C/1, G Block
   Bandra – Kurla Complex, Bandra East, Mumbai – 400 051

Note: Requisite listing fee has been paid to BSE Ltd and National Stock Exchange of India Ltd at the time of submitting listing application with both the stock exchanges.

(e) Stock/Company/Security common code

Equity shares

BSE Ltd. : awaited

The National Stock Exchange of India Ltd. : awaited

(f) Market price data

Since 20,48,68,760 equity shares of Re.1/- each were allotted on 15th March,2013 in terms of the scheme of arrangement and listing and trading approvals are awaited from BSE Ltd and NSE Ltd, there was no trading of the shares of the company. Hence, no market price data is available.

(g) **Registrar and Share Transfer Agents: M/s MCS Limited, 77/2A, Hazra Road, Kolkata-700 029 is acting as the Company's Registrar and Share Transfer Agents.**

Contact person: Shri Alok Mukherjee, Phone No. 033 4072 4052/4053, Fax No. 033 2454 1961, E-mail: mcskol@rediffmail.com.

(h) Distribution of shareholding

The shareholding distribution of equity shares as on 31 March 2013 is given below:

Serial number	Number of equity shares held	Number of folios	Number of shares	% of shareholding
1	1 - 500	14,293	22,18,501	1.08
2	501 - 1,000	2,183	18,13,346	0.89
3.	1,001 - 2,000	1,343	20,72,178	1.01
4.	2,001 - 3,000	530	13,95,790	0.68
5.	3,001 - 4,000	273	10,01,114	0.49
6.	4,001 - 5,000	226	10,73,671	0.52
7.	5,001 - 10,000	438	32,53,413	1.59
8.	10,001 - 50,000	348	69,84,719	3.41
9.	50,001 - 1,00,000	61	41,63,468	2.03
10.	1,00,001 and above	106	18,08,92,560	88.30
	Total	**19,801**	**20,48,68,760**	**100.00**

(i) **Shareholding pattern as on 31 March 2013:**

Sl No	Category	Number of folios	% of folios	Number of shares	% of shareholdings
1	Promoters	18	0.09	7,68,29,922	37.50
2.	Mutual funds and UTI	41	0.21	4,20,27,148	20.52
3.	Banks, financial institutions, insurance companies (central and state government institutions/non-government institutions)	19	0.09	2,62,86,266	12.83
4.	Pvt. corporate bodies	701	3.54	2,91,60,135	14.23
5.	Indian public	18,627	94.07	2,09,83,631	10.24
6.	NRIs/OCBs/FIIs	395	2.00	95,81,658	4.68
	Total	19,801	100.00	20,48,68,760	100.00

j. Dematerialisation of equity shares

The Company's shares are in dematerialised form on depositories. To facilitate trading in dematerialised form, the Company entered into agreements with both the depositories namely, National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL). Shareholders can open accounts with any of the depository participants registered with any of these depositories. As on 31st March 2013, about 98.71% of the Company's shares were in dematerialised form.

Company ISIN No. INE 876N01018

k. Plants (manufacturing units):

1) **Orient Cement Limited.**

P.O. Devapur Cement Works

Dist. Adilabad - 504218 (AP)

2) **Orient Cement Limited.**

Nashirabad, Dist. Jalgaon (MS)

l. Address for correspondence:

Orient Cement Limited.

Birla Tower, 25,Barakhamba Road

New Delhi-110001

Email ID: deepanjali.g@orientcement.com

The above report was placed before the Board at its meeting held on 2nd May, 2013 and was approved.

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To
The Members
Of Orient Cement Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Orient Cement Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013 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 flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("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 on the auditor's 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 control 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

BASIS FOR QUALIFIED OPINION

As indicated in Note 27 to the financial statements, no provision has been made towards stamp duty liability payable against Immovable Assets of Cement Undertaking of the Demerged Company transferred to the Company, pursuant to the Scheme of Arrangement approved by Hon'ble Orissa High Court, as the amount has not been ascertained by the management. Consequently, we are unable to comment on the possible effects of the above on the financial statements.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter stated in the Basis for Qualified Opinion paragraph, 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, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit 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") 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) Except for the matter stated in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
   (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
Firm Registration Number: 301003E

per Raj Agrawal
Partner
Membership Number: 82028

Place: New Delhi
Date: 2nd May, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred To In Our Report Of Even Date To The Members Of Orient Cement Limited As At And 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) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on such physical verification.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.

(b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us and having regard to the explanation that purchases of some of the items of inventories and certain fixed assets are of a proprietary nature for which alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

(v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under the above section, have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees five lakhs entered into during the financial year, are at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) The Company has not accepted any deposit from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d)of the Companies Act, 1956 in respect of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty and other material statutory dues applicable to it though there have been slight delays in few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding in respect of sales tax, income tax, custom duty, wealth tax, service tax, excise duty & cess on account of any dispute, are as follows :-

Name of the statute	Nature of the dues	Period to which the amount relates	Amount (Rs. in lacs)	Forum where dispute is pending
Central Excise and Customs Act, 1944	Disallowance of Cenvat Credit on input and capital goods	Apr-03 to Mar-11	486.84	Commissioner/ CESTAT
A. P. Sales Tax/AP Vat Act/ Central Sales Tax Act, 1956	Demand on second sales and freight charges realized separately by raising debit invoices and other matters	1983-84 to 2004-05	286.36	Asst Commissioner/ Appellate Dy. Commissioner/ Sales Tax/Appellate Tribunal/ High Court
Tamil Nadu VAT Act	Sales tax on stock transfer, non submission of forms, penalty etc.	1996-97, 2004-05 & 2009-10	25.08	Joint Commissioner/ Appellate Tribunal

(x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

(xii) According to the information and explanations given to us and based on the documents and records produced 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) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society and therefore, the provisions of clause 4(xiii) of the Order are not applicable.

(xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.

(xv) According to the information and explanations provided to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.

(xvi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which these were obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, the Company had created security in respect of debentures issued in earlier years and outstanding during the year.

(xx) The Company has not raised any money through a public issue during the year.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
Firm Registration Number: 301003E

per Raj Agrawal
Partner
Membership Number: 82028

Place: New Delhi
Date: 2nd May, 2013

BALANCE SHEET as at 31 March, 2013

₹ *in lacs*

	Notes	31-Mar-13	31-Mar-12
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,048.69	5.00
Reserves and surplus	4	73,625.97	(107.35)
		75,674.67	**102.35**
Non-current liabilities			
Long term borrowings	5	4,624.67	-
Deferred Tax Liabilities (Net)	13	12,931.95	-
Other long-term liabilities	6	2,919.16	-
Long-term provisions	7	911.78	-
		21,387.56	**-**
Current liabilities			
Trade payables	8	7,663.86	0.50
Other current liabilities	8	15,909.59	158.41
Short-term provisions	7	5,210.54	-
		28,783.99	**158.91**
TOTAL		**125,846.21**	**56.56**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	84,518.73	-
Intangible assets	10	857.62	-
Capital work-in-progress		1,033.59	-
Expenditure on New projects (pending allocation)	11	2,939.15	-
Non-current investments	12	0.43	-
Deferred Tax Assets	13	-	51.56
Long-term loans and advances	14	2,537.19	-
		91,886.71	**51.56**
Current assets			
Inventories	16	8,691.71	-
Trade receivables	15.1	7,645.20	-
Cash and bank balances	17	7,625.76	5.00
Short-term loans and advances	14	8,048.26	-
Other current assets	15.2	1,948.57	-
		33,959.50	**5.00**
TOTAL		**125,846.21**	**56.56**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the board of directors

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E
Chartered Accountants

per Raj Agrawal
Partner
Membership no.: 82028

Place: New Delhi
Date: 2nd May, 2013

D. Gulati *Secretary*

C.K. Birla *Chairman*
D. D. Khetrapal *Managing Director*

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013

₹ in lacs

	Notes	31-Mar-13	31-Mar-12
INCOME			
Revenue from operations (gross)	18	171,669.86	-
Less: excise duty		21,517.60	-
Revenue from operations (net)		**150,152.26**	**-**
Other income	19	475.28	-
Total revenue (I)		**150,627.54**	**-**
EXPENSES			
Cost of raw materials consumed	20	23,168.06	-
(Increase)/ decrease in inventories of finished goods and work-in-progress	21	(545.40)	-
Employee benefits expense	22	5,222.20	-
Other expenses	23	90,442.99	158.91
Total (II)		**118,287.85**	**158.91**
Earnings/(Loss) before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		**32,339.69**	**(158.91)**
Depreciation and amortization expense	**24**	**5,605.28**	**-**
Finance costs	25	1,870.33	-
Profit/(Loss) before tax		24,864.08	(158.91)
Tax expenses			
Current tax		7,940.00	-
Deferred tax charge/(credit)		757.14	(51.56)
Total tax expense		**8,697.14**	**(51.56)**
Profit/(Loss) for the year		**16,166.94**	**(107.35)**
Earnings per equity share [nominal value of share ₹1]	28		
Basic & Diluted ₹		7.89	(21.47)
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E
Chartered Accountants

per Raj Agrawal
Partner
Membership no.: 82028

Place: New Delhi
Date: 2nd May, 2013

For and on behalf of the board of directors

D. Gulati *Secretary*

C.K. Birla *Chairman*
D. D. Khetrapal *Managing Director*

CASH FLOW STATEMENT for the year year ended **31 March, 2013**

₹ in lacs

	Notes	31-Mar-13	31-Mar-12
(A) CASH FLOW FROM OPERATING ACTIVITIES :			
Profit/(Loss) before tax		24,864.08	(158.91)
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation and Amortisation expenses		5,605.28	-
Finance costs		1,870.33	-
Loss on sale/discard of fixed assets (net)		52.71	-
Bad debts / advances written off (net of reversals)		21.62	-
Provision for doubtful debts & advances		16.13	-
Unspent Liabilities and Unclaimed Balances adjusted		(235.34)	-
Provision no longer required written back		(4.50)	-
Interest Income		(84.58)	-
Operating Profit before Working Capital Changes :		32,105.73	(158.91)
Increase in trade payables		2,194.54	0.50
Increase in long-term provisions		377.61	-
(Decrease) in short-term provisions		(77.95)	-
(Decrease)/Increase in other current liabilities		(42.35)	158.41
Increase in other long-term liabilities		551.03	-
(Increase) in trade receivables		(164.53)	-
(Increase) in inventories		(835.19)	-
(Increase) in long-term loans and advances		(776.01)	-
(Increase) in short-term loans and advances		(850.42)	-
Decrease in other current assets		1,595.01	-
CASH GENERATED FROM OPERATIONS		**34,077.47**	**-**
Direct Taxes Paid		(7,777.22)	-
NET CASH FROM OPERATING ACTIVITIES		**26,300.25**	**-**
(B) CASH FLOW FROM INVESTING ACTIVITIES :			
Proceeds from sale of Tangible Assets		30.71	-
Purchase of long term Investments		(0.20)	-
Loan Given		(4,655.98)	
Purchase of Fixed Assets including Capital Work in Progress and Capital Advances		(4,394.19)	-
Interest Received		101.91	-
NET CASH FROM /(USED IN) INVESTING ACTIVITIES		**(8,917.75)**	**-**

CASH FLOW STATEMENT for the year year ended **31 March, 2013 (Contd.)**

₹ in lacs

	Notes	31-Mar-13	31-Mar-12
(C)CASH FLOW FROM FINANCING ACTIVITIES :			
Repayment of Long Term Loans		(9,586.68)	-
Repayment of Short Term Borrowings		(2,150.02)	-
Issue of Equity Shares		-	5.00
Interest Paid		(1,656.25)	-
Other Borrowing Cost		(57.17)	-
NET CASH FROM /(USED IN) FINANCING ACTIVITIES		(13,450.12)	5.00
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)		3,932.39	5.00
Cash & Cash Equivalents at the beginning of the year		5.00	-
Add: Cash & Cash equivalent transferred pursuant to the scheme of arrangement (Refer note 26)#		3,688.15	-
Cash & Cash Equivalents at the end of the year *		7,625.54	5.00

* Represents Cash and Bank Balances as indicated in Note 17 and excludes ₹ 0.22 lacs (31st March, 2012 : ₹ Nil) being balances with restricted use or maturity of more than 3 months.

Excluding ₹ 0.22 lacs being balances with restricted use or maturity of more than 3 months.

Notes:

1. Assets and Liabilities of the Cement undertaking of the demerged Company transferred to the Company pursuant to scheme of arrangement (Refer Note 26), have been considered as non-cash transactions.

2. The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 on Cash Flow Statements notified under the Companies (Accounting Standard) Rules, 2006.

As per our report of even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E
Chartered Accountants

per Raj Agrawal
Partner
Membership no.: 82028

Place: New Delhi
Date: 2nd May, 2013

For and on behalf of the board of directors

D. Gulati *Secretary*

C.K. Birla *Chairman*
D. D. Khetrapal *Managing Director*

Notes to financial statement for the year year ended 31 March, 2013

NOTE 1 CORPORATE INFORMATION

Orient Cement Limited (the Company) is a public Company domiciled in India and incorporated in the previous year on 22nd July, 2011 under the provisions of the Companies Act, 1956. The cement undertaking of Orient Paper & Industries Ltd (OPIL) has been transferred to the Company on a going concern basis w.e.f 1st April, 2012, pursuant to the scheme of arrangement approved by the Hon'ble Orissa High Court.

The Company is primarily engaged in the manufacture and sale of Cement and manufacturing facilities at present are located at Devapur in Andhra Pradesh and Jalgaon in Maharashtra.

NOTE 2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible fixed assets

Fixed Assets are stated at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost comprises the purchase price inclusive of duties (net of cenvat / VAT), taxes, incidental expenses, erection / commissioning expenses etc. and borrowing costs if capitalisation criteria are met and directly attributable cost of brining the assets to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on an existing fixed asset, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Machinery spares which can be used only in connection with an item of fixed asset and whose use as per technical assessment is expected to be irregular, are capitalised and depreciated over the residual life of the respective assets.

(c) Depreciation on tangible fixed assets

The classification of plant and machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Depreciation on fixed assets is provided under Straight Line Method (except for furniture, fixtures and vehicles valuing ₹ 1,093.51 lacs (31st March, 2012: ₹ Nil) where Written Down Value method is followed) at the rates prescribed in Schedule XIV of the Companies Act, 1956 or at the rates based on the useful lives of the assets estimated by the management, whichever is higher. Based on this, the Company has depreciated its assets based on rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life of the asset. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets being Specialized Software and Mining Rights are amortised on a straight line basis over a period of 3 years and 10 years respectively.

(e) Leases

Operating Lease:

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

(f) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(g) Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

(h) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

(i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(j) Inventories

Raw materials and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on annual weighted average method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on annual weighted average basis.

Saleable scrap, whose cost is not identifiable, is valued at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Certified emission reduction (CER) credits

Income from certified emission reduction (CER) credits is recognized at estimated realisable value on confirmation of CERs by the concerned authorities.

Claims / Refunds

Insurance & other claims / refunds, due to uncertainty in realisation, are accounted for on acceptance / actual receipt basis.

(l) Foreign currency translation

Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the period in which they arise.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense / income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(m) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund and Superannuation Schemes are defined contribution schemes. The company has no obligation, other than the contribution payable to the respective funds. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.and the contributions are charged to the Statement of Profit & Loss of the period when the contributions to the respective funds are due.

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation done on projected unit credit method at the end of each reporting period. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absesnces are provided for based

Notes to financial statement for the year year ended 31 March, 2013

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

on the actuarial valuation using the projected unit credit method at the end of each financial year. The company presents the leave as current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non current liability.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

(n) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The

Notes to financial statement for the year year ended 31 March, 2013

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under The Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(o) Segment reporting

Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

Allocation of common costs

Common allocable costs are allocated to each segments on a case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head " Unallocated".

Unallocated Items

Unallocated Items include general corporate income and expense items which are not allocated to any bussiness segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot

Notes to financial statement for the year year ended 31 March, 2013

NOTE 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(s) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(t) Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gains, are ignored as a matter of prudence.

(u) Excise Duty & Custom Duty

Excise duty on Finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, customs duty on imported materials in transit / lying in bonded warehouse is accounted for at the time of import / bonding of materials.

(v) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In the measurement of EBITDA, the company does not include depreciation and amortization expense, finance costs and tax expense.

NOTE 3 SHARE CAPITAL

₹ In lacs

	31-Mar-13	31-Mar-12
Authorized shares (No. in lacs)		
5000 (31 March 2012: 5) Equity Shares of ₹ 1/- each	5,000.00	5.00
	5,000.00	5.00
Issued, subscribed and fully paid-up Shares (No. in lacs)		
2048.69 (31 March 2012: 5) Equity Shares of ₹ 1/- each	2,048.69	5.00
Total issued and subscribed capital	**2,048.69**	**5.00**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31-Mar-13		31-Mar-12	
	No. in lacs	₹ In lacs	No. in lacs	₹ In lacs
At the beginning of the year	5.00	5.00	-	-
Shares cancelled pursuant to scheme of arrangement [refer note 26 (c)]	(5.00)	(5.00)	-	-
Issued during the year [refer note 26 (d)]	2,048.69	2,048.69	5.00	5.00
Outstanding at the end of the year	**2,048.69**	**2,048.69**	**5.00**	**5.00**

(b) Terms/ rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian ruppes. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2013, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 2 per share (31st March 2012: ₹ Nil)

Notes to financial statement for the year year ended 31 March, 2013

NOTE 3 SHARE CAPITAL *(Contd.)*

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31-Mar-13		31-Mar-12	
	No. in lacs	% holding in the class	No. in lacs	% holding in the class
Equity shares of ₹1 each fully paid				
Central India Industries Limited	491.44	23.99	-	-
Reliance Capital Trustee Company Limited A/c Reliance Growth Fund	133.42	6.51	-	-
Shekhavati Investments and Traders Limited	123.21	6.01	-	-
Orient Paper & Industries Limited	-	-	5.00	100

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) Shares held by holding Company

Out of equity shares issued by the Company, the shares held by its holding Company are as below: ₹ *In lacs*

All Numbers in lacs	31-Mar-13	31-Mar-12
Orient Paper & Industries Limited, the holding Company		
- (31st March, 2012: 5) equity shares of ₹ 1 each)	-	5.00

NOTE 4 RESERVES AND SURPLUS

₹ *In lacs*

	31-Mar-13	31-Mar-12
Capital reserve		
Balance as per the last financial statements	-	-
Add: Arisen pursuant to scheme of arrangement [Refer note 26 (c)]	5.00	-
	5.00	**-**
Debenture Redemption Reserve		
Balance as per the last financial statements	-	-
Add: Amount transferred from surplus balance in the statement of profit and loss	2,500.00	-
	2,500.00	**-**
General reserve		
Balance as per the last financial statements	-	-
Add: Arisen pursuant to scheme of arrangement (Refer Note 26)	62,355.11	-
Add: Amount transferred from surplus balance in the statement of profit and loss	3,500.00	-
	65,855.11	**-**
Surplus in the statement of profit and loss		
Balance as per last financial statements	(107.35)	-
Profit/(loss) for the year	16,166.94	(107.35)
Less: Appropriations		
Proposed equity dividend (amount per share ₹ 2 (31st March, 2012 ₹ Nil))	4,097.38	-
Tax on proposed equity dividend	696.35	-
Transfer to General Reserve	3,500.00	-
Transfer to debenture redemption reserve	2,500.00	-
Net surplus/(deficit) in the statement of profit and loss	**5,265.86**	**(107.35)**
Total reserves and surplus	**73,625.97**	**(107.35)**

Notes to financial statement for the year year ended 31 March, 2013

NOTE 5 LONG-TERM BORROWINGS

₹ *In lacs*

	Non-current portion		Current maturities	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
Debentures (Privately Placed) (Secured)				
0.01 lacs (31 March 2012: Nil) 12.45% Non-Convertible Debentures of ₹ 10 lacs each	-	-	10,000.00	-
Other loans and advances (unsecured)				
Deferred sales tax loan	4,624.67	-	265.85	-
	4,624.67	**-**	**10,265.85**	**-**
Amount disclosed under the head "other current liabilities" (note 8)	-	-	(10,265.85)	-
Net amount	**4,624.67**	**-**	**-**	**-**

1. 12.45% Non-Convertible Debentures of ₹10 lacs each are redeemable at par on November 14, 2013 and these Debentures are secured by first mortgage/charge ranking pari-passu with each other on the movable and immovable properties at Devapur and Jalgaon unit. Further, the loan is also secured by first mortgage/charge ranking pari-passu with each other on the movable and immovable properties pertaining to demerged Company's paper plants at Amlai and Brajrajnagar and a first charge on freehold land of demerged Company at Mehsana, Gujarat.

2. Deferred sales tax loan is interest free and payable in 26 unequal installments, starting from February, 2012 and ending on January, 2023.

NOTE 6 OTHER LONG-TERM LIABILITIES

₹ *In lacs*

	31-Mar-13	31-Mar-12
Trade & Other Deposits	2,919.16	-
	2,919.16	**-**

NOTE 7 PROVISIONS

₹ *In lacs*

	Long-term		Short-term	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
Provision for employee benefits				
Provision for gratuity (note 29)	587.54	-	207.48	-
Provision for leave benefits	286.04	-	46.55	-
	873.58	**-**	**254.03**	**-**
Other provisions				
Provision for Mining Restoration Costs	38.20	-	-	-
Provision for Taxation	-	-	162.78	-
Proposed Equity dividend	-	-	4,097.38	-
Provision for tax on proposed equity dividend	-	-	696.35	-
	38.20	**-**	**4,956.50**	**-**
	911.78	**-**	**5,210.54**	**-**

Provision for Mining Restoration Costs

The activities of the company involve mining of land taken under lease. In terms of relevant statutes, the mining areas would require restoration at the end of the mining lease. The future restoration expenses are affected by a number of uncertainties, such as, technology, timing etc. As per the requirement of Accounting Standard - 29, the management has estimated such future expenses on best judgment basis and provision thereof has been made in the accounts. The table below gives information about movement in mining restoration cost provisions.

Notes to financial statement for the year year ended 31 March, 2013

	31-Mar-13	31-Mar-12
NOTE 7 PROVISIONS *(Contd.)*		*₹ In lacs*
At the beginning of the year	-	-
Add: Transfer pursuant to scheme of arrangement (Refer note 26)	38.20	-
At the end of the year	**38.20**	
Current portion	-	-
Non-current portion	38.20	-

NOTE 8 OTHER CURRENT LIABILITIES *₹ In lacs*

	31-Mar-13	31-Mar-12
Trade payables (refer note 37 for details of dues to micro and small enterprises)	7,663.86	0.50
Other liabilities		
Payables against purchase of Fixed Assets	1,723.82	-
Current maturities of long-term borrowings (note 5)	10,265.85	-
Interest accrued but not due on borrowings	156.90	-
Advance against Sales	1,380.95	-
Others		
Trade & Other Deposits	104.61	-
Statutory dues payable	2,258.23	-
Amount payable to Orient Paper & Industries Limited (Refer note 36)	-	158.41
Other Miscellaneous	19.23	-
	15,909.59	**158.41**
	23,573.45	**158.91**

NOTE 9 TANGIBLE ASSETS *₹ In lacs*

	Freehold Land (a)	Factory Buildings	Non-Factory Buildings	Railway Sidings	Plant and equipm-ent	Furniture and fixtures	Office Equipm-ents	Vehicles	Total	
Cost										
At 1 April 2011	-	-	-	-	-	-	-	-	-	
Additions	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	-	-	
At 31 March 2012	-	-	-	-	-	-	-	-	-	
Transferred pursuant to scheme of arrangement (Refer Note 26)	8,245.88	2,323.64	3,106.45	1,988.56	106,454.07	493.63	142.20	290.71	123,045.14	(b)
Additions	964.13	130.76	504.24	309.80	1,136.98	253.22	11.18	65.36	3,375.67	
Disposals	-	2.51	3.33	-	89.44	9.41	-	-	104.69	
At 31st March 2013	9,210.01	2,451.89	3,607.36	2,298.36	107,501.61	737.44	153.38	356.07	126,316.12	
Depreciation										
At 1 April 2011	-	-	-	-	-	-	-	-	-	
Charge for the year	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	-	-	
At 31 March 2012	-	-	-	-	-	-	-	-	-	
Transferred pursuant to scheme of arrangement (Refer Note 26)	-	669.59	555.71	1,467.24	33,006.20	321.30	81.81	242.99	36,344.84	
Charge for the year	-	79.04	58.06	56.41	5,207.87	42.56	9.07	20.81	5,473.82	
Disposals	-	-	-	-	14.74	6.53	-	-	21.27	
At 31st March 2013	-	748.63	613.77	1,523.65	38,199.33	357.33	90.88	263.80	41,797.39	
Net Block										
At 31 March 2012	-	-	-	-	-	-	-	-	-	
At 31st March 2013	9,210.01	1,703.26	2,993.59	774.71	69,302.28	380.11	62.50	92.27	84,518.73	

a. Includes ₹ 38.55 lacs (31st March 2012, ₹ Nil) whose registration in the Company's name is pending.

b. Mutation of Immovable assets transferred to the Company pursuant to the scheme of arrangement is pending (Refer Note 27).

Notes to financial statement for the year year ended 31 March, 2013

NOTE 10 INTANGIBLE ASSETS

₹ *In lacs*

	Computer software	Mining Rights	Total
Gross block			
At 1 April 2011	-	-	-
Purchase	-	-	-
At 31 March 2012	**-**	**-**	**-**
Transferred pursuant to scheme of arrangement (Refer Note 26)	27.03	1,314.60	1,341.63
Purchase	-	-	-
At 31st March 2013	**27.03**	**1,314.60**	**1,341.63**
Amortization			
At 1 April 2011	-	-	-
Charge for the year		-	-
At 31 March 2012	**-**	**-**	**-**
Transferred pursuant to scheme of arrangement (Refer Note 26)	27.03	325.52	352.55
Charge for the year	-	131.46	131.46
At 31st March 2013	**27.03**	**456.98**	**484.01**
Net block			
At 31 March 2012	**-**	**-**	**-**
At 31st March 2013	**-**	**857.62**	**857.62**

NOTE 11 DETAILS OF EXPENDITURE ON NEW PROJECTS: (PENDING ALLOCATION)

₹ *In lacs*

	31-Mar-13	31-Mar-12
a) Pre-Operative Expenses:		
Rent & Hire Charges	58.93	-
Salary & Wages	482.79	-
Contribution to Provident & Other Funds	30.94	-
Employees Welfare Expenses	19.50	-
Project Consultancy charges	313.25	-
Miscellaneous Expenses	184.33	-
	1,089.74	**-**
b) Add: Transferred pursuant to scheme of arrangement (Refer Note 26)	1849.41	-
c) Balance carried to Balance Sheet	**2,939.15**	**-**

NOTE 12 NON-CURRENT INVESTMENTS

₹ *In lacs*

	31-Mar-13	31-Mar-12
Government securities (unquoted)		
6 Years National Savings Certificates	**0.43**	-
	0.43	-
Aggregate amount of unquoted investments	**0.43**	-

Government Securities of the Face Value of ₹ 0.43 lacs (31 March 2012: ₹ NIL) are lodged with Government Departments as Security Deposits.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 13 DEFERRED TAX LIABILITY/(ASSET) (NET)

₹ *In lacs*

	31-Mar-13	31-Mar-12
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	13,519.57	-
Gross deferred tax liability	**13,519.57**	**-**
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current period but allowed for tax purposes on payment basis/in future years	557.88	51.56
Provision for doubtful debts and advances	16.75	-
Provision for Mining restoration cost	12.99	-
Gross deferred tax asset	**587.62**	**51.56**
Net deferred tax Liability/ (Asset)	**12,931.95**	**(51.56)**

NOTE 14 LOANS AND ADVANCES

₹ *In lacs*

	Non-current		Current	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
(Unsecured, Considered Good except otherwise stated)				
Capital advances	114.84	-	-	-
(A)	**114.84**	**-**	**-**	**-**
Trade & Other Deposits	1,951.21	-	47.57	-
(B)	**1,951.21**	**-**	**47.57**	**-**
Loan to Demerged Company	-	-	4,655.98	-
(C)	**-**	**-**	**4,655.98**	**-**
Advances recoverable in cash or in kind or for value to be received or pending adjustments				
Considered Good	62.61	-	1,820.36	-
Doubtful	8.92	-	-	-
	71.53	**-**	**1,820.36**	**-**
Less: Provision for Doubtful advances	8.92	-	-	-
(D)	**62.61**	**-**	**1,820.36**	**-**
Other loans and advances				
Prepaid Expenses	12.32	-	168.71	-
Deposits against demand under dispute	323.02	-	-	-
Balances with Excise, Customs, Port Trusts and Other Government Authorities	73.19	-	1,355.64	-
(E)	**408.53**	**-**	**1,524.35**	**-**
Total (A+B+C+D+E)	**2,537.19**	**-**	**8,048.26**	**-**
Advances due by officers of the Company.				
Advances due by officers of the Company	-	-	0.09	-

Notes to financial statement for the year year ended 31 March, 2013

NOTE 15 TRADE RECEIVABLES AND OTHER ASSETS

₹ *In lacs*

15.1 Trade receivables

	Current	
	31-Mar-13	31-Mar-12
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	7.78	-
Unsecured, considered good	41.97	-
Doubtful	40.36	-
	90.11	-
Provision for doubtful trade receivables	40.36	-
(A)	49.75	-
Other receivables		
Secured, considered good	956.54	-
Unsecured, considered good	6,638.91	-
(B)	**7,595.45**	**-**
(A+B)	**7,645.20**	**-**

15.2 Other assets

	Current	
	31-Mar-13	31-Mar-12
Unsecured, Considered good		
Interest accrued on Investments	0.16	-
Interest accrued on Loans, Deposits etc.	44.43	-
Claims & Refunds Receivable	1,875.87	-
Certified Emission Reduction Credit	28.11	-
	1,948.57	**-**

NOTE 16 INVENTORIES

₹ *In lacs*

	Notes	31-Mar-13	31-Mar-12
Valued at Lower of Cost and Net Realisable Value			
Raw materials	20	590.29	-
Work-in-progress	21	1,333.57	-
Finished goods	21	1,014.97	-
Stores and spares Parts etc.		5,672.70	-
At Estimated Realisable Value			-
Scrap	21	80.18	-
		8,691.71	**-**
The above includes stock in transit:			
Raw Materials		9.48	-
Work-in-progress		106.30	-
Stores and spares Parts etc.		28.34	-
		144.12	**-**

Notes to financial statement for the year year ended 31 March, 2013

NOTE 17 CASH AND BANK BALANCES

₹ In lacs

	Current	
	31-Mar-13	31-Mar-12
Cash and cash equivalents		
Balances with banks:		
– On current accounts	3,999.11	5.00
– On Cash Credit accounts	1,647.40	-
Cheques on hand	1,976.48	-
Cash on hand	2.55	-
	7,625.54	**5.00**
Other bank balances		
– On savings bank account	0.11	-
In Post office savings bank account	0.06	-
Deposits with original maturity for more than 12 months	0.05	-
	0.22	**-**
Total	**7,625.76**	**5.00**

Receipts/Pass Books for ₹ 0.22 lacs (31 March 2012: ₹ Nil) are lodged with Government Departments/Banks as security.

NOTE 18 REVENUE FROM OPERATIONS

₹ In lacs

	31-Mar-13	31-Mar-12
Revenue from operations		
Sale of products		
Finished goods	169,968.28	-
Semi-Finished goods	1,951.32	-
	171,919.60	**-**
Less: Cash Discount, Rebates etc.	1,962.11	-
	169,957.49	**-**
Other operating revenue		
Scrap sales	320.36	-
Sale of Power	736.78	-
Industrial Promotion / Sales Tax Subsidy	655.23	-
Revenue from operations (gross)	**171,669.86**	**-**
Less: Excise duty #	21,517.60	-
Revenue from operations (net)	**150,152.26**	**-**

Excise duty on sales amounting to ₹ 21517.60 lacs (31st March 2012 ₹ Nil) has been reduced from sales in statement of profit & loss and excise duty on decrease/ (increase) in stock amounting to (₹ 69.45 lacs) (31st March 2012 ₹ Nil)has been considered as (income)/ expenses in note 21 of financial statements.

₹ In lacs

Detail of products sold	31-Mar-13	31-Mar-12
Finished goods sold		
Portland Cement	168,006.17	-
Semi Finished Goods Sold		
Clinker	1,951.32	-
	169,957.49	**-**

Notes to financial statement for the year year ended 31 March, 2013

NOTE 19 OTHER INCOME

₹ *In lacs*

	31-Mar-13	31-Mar-12
Interest income on		
Debts, deposits, advances etc.	84.58	-
Insurance & Other Claims	14.35	-
Rent & Hire Charges	3.61	
Unspent Liabilities and Unclaimed Balances adjusted	235.34	-
Provision no longer required written back	4.50	-
Gain on Exchange Rate Fluctuations (net)	0.82	-
Other Miscellaneous Income	132.08	-
	475.28	-

NOTE 20 COST OF RAW MATERIALS CONSUMED

₹ *In lacs*

	31-Mar-13	31-Mar-12
Inventory at the beginning of the year	-	-
Add: Stocks transferred pursuant to scheme of arrangement (refer note 26)	590.35	-
Add: Purchases & procurement expenses	23,168.00	-
[inclusive of Royalty & Cess ₹ 2,780.50 lacs (31st March 2012 ₹ Nil)]		
	23,758.35	-
Less: inventory at the end of the year	590.29	-
	23,168.06	-

Details of raw materials consumed

₹ *In lacs*

	31-Mar-13	31-Mar-12
Lime Stone	6,235.85	
Clinker *	9,170.15	-
Pozzolona Material	3,360.97	-
Gypsum	2,010.20	-
Aluminous Laterite	1,301.15	
Laterite	1,039.78	-
Miscellaneous Items #	49.96	-
	23,168.06	-

* Represents expense incurred towards transportation of clinker from Devapur to Jalgaon.

It is not practicable to furnish item wise details in view of the number of items which differ in size and nature, each being less than 10% in value of the total.

Details of inventory

₹ *In lacs*

	31-Mar-13	31-Mar-12
Raw materials		
Pozzolona Material	35.42	-
Gypsum	266.93	-
Aluminous Laterite	212.61	
Laterite	75.33	
	590.29	-

Notes to financial statement for the year year ended 31 March, 2013

NOTE 21 (INCREASE)/ DECREASE IN INVENTORIES

₹ *In lacs*

	31-Mar-13	31-Mar-12
Inventories at the end of the year		
Work-in-progress	1,333.57	-
Finished goods	1,014.97	-
Scrap	80.18	-
	2,428.72	**-**
Inventories transferred pursuant to scheme of arrangement (Refer note 26)		
Work-in-progress	1,079.70	-
Finished goods	850.38	-
Scrap	22.69	-
	1,952.77	**-**
	(475.95)	**-**
(Increase)/decrease of excise duty on inventory	(69.45)	-
	(545.40)	**-**

Details of inventory

₹ *In lacs*

	31-Mar-13	31-Mar-12
Work-in-progress		
Clinker	1,151.02	-
Others	182.55	-
	1,333.57	**-**
Finished goods		
Portland Cement	**1,014.97**	**-**

NOTE 22 EMPLOYEE BENEFITS EXPENSE

₹ *In lacs*

	31-Mar-13	31-Mar-12
Salaries, wages and bonus	3,969.86	-
Contribution to provident and other funds	271.75	-
Gratuity expense (Note 29)	367.96	-
Staff welfare expenses	612.63	-
	5,222.20	**-**

NOTE 23 OTHER EXPENSES

₹ *In lacs*

	31-Mar-13	31-Mar-12
Consumption of stores and spares [after adjusting Sales & Claims ₹ 355.45 lacs (31st March 2012 ₹ Nil)]	3,495.68	-
Handling & Other charges to contractors	1,080.63	-
Power and fuel	37,930.64	-
Packing, Freight and forwarding charges	31,037.13	-
Rent & Hire Charges	441.15	-
Rates and taxes	97.59	-
Insurance	155.10	-
Repairs and maintenance		
Plant and machinery	4,854.71	-
Buildings	422.41	-

Notes to financial statement for the year year ended 31 March, 2013

NOTE 23 OTHER EXPENSES *(Contd.)* ₹ *In lacs*

	31-Mar-13	31-Mar-12
Advertising and sales promotion	6,637.40	-
Commission on sales	765.47	-
Payment to auditor as auditor:		
Audit fee	25.00	0.50
In other capacity:		
For certificates & other services	15.00	0.50
Reimbursement of expenses	3.19	-
Payment to cost auditor	0.53	-
Professional & Consultancy Charges	790.80	154.36
Charity & Donations	100.00	-
Preliminary expenses written off	-	0.28
Director's Commission	216.23	-
Directors' sitting fees	0.40	-
Bad debts / advances written off (net of reversals)	21.62	-
Turnover Tax & Entry Tax etc.	150.69	-
Provision for doubtful debts & advances	16.13	-
Loss on sale/discard of fixed assets (net)	52.71	-
Miscellaneous expenses	2,132.78	3.27
	90,442.99	**158.91**

NOTE 24 DEPRECIATION AND AMORTIZATION EXPENSE ₹ *In lacs*

	31-Mar-13	31-Mar-12
Depreciation of tangible assets	5,473.82	-
Amortization of intangible assets	131.46	-
	5,605.28	**-**

NOTE 25 FINANCE COSTS ₹ *In lacs*

	31-Mar-13	31-Mar-12
Interest	1,813.16	-
Other Borrowing Cost	57.17	-
	1,870.33	**-**

NOTE 26 SCHEME OF ARRANGEMENT

a) Pursuant to the Scheme of Arrangement ("the scheme") approved by the Hon'ble High Court of Orissa, all the assets and liabilities of the Cement undertaking of Orient Paper & Industries Ltd (Demerged Company) have been transferred to and vested in the Company at their respective book values on a going concern basis from 1st April, 2012 being the appointed date.

As per the scheme, appointed date as approved by the Hon'ble High Court is 1st April, 2012 and effective date is 26th February, 2013 being the date on which the certified copy of the order sanctioning the said scheme is filed with the Registrar of Companies, Orissa in accordance with the Companies Act, 1956.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 26 SCHEME OF ARRANGEMENT *(Contd.)*

b) The details of assets and liabilities transferred from the Demerged Company are as under:

ASSETS	₹ *In lacs*
Non-current assets	
Fixed assets	
Tangible assets	86,700.30
Intangible assets	989.08
Capital work-in-progress	1,378.85
Expenditure on New projects (pending allocation)	1,849.41
Non-current investments	0.23
Long-term loans and advances	1,810.74
	92,728.61
Current assets	
Inventories	7,856.52
Trade receivables	7,505.00
Cash and bank balances	3,688.37
Short-term loans and advances	2,541.86
Other current assets	3,560.91
	25,152.66
TOTAL	**117,881.27**
LIABILITIES	
Non-current liabilities	
Long-term borrowings	14,890.52
Deferred Tax Liabilities (Net)	12,226.37
Other Long term liabilities	2,368.13
Long-term provisions	534.17
	30,019.19
Current liabilities	
Short-term borrowings	2,150.02
Trade payables	5,704.14
Other current liabilities	15,272.14
Short-term provisions	331.98
	23,458.28
TOTAL	**53,477.47**

The details of the contingent liabilties transferred from the demerged Company are as under:

a) Outstanding bank guarantees	84.77
b) Demands/claims by various Government authorities and others not acknowledged as debts and contested by the Company:	
Excise Duty	590.91
Sales Tax	485.33
Escot Charges	4,318.60
Others	568.53
	5,963.37
Against the above, payments have been made under protest and/ or debts have been withheld by respective parties.	**313.94**

The above liabilities includes ₹ 21,441 lacs being general or multipurpose borrowings of the demerged Company transferred to the Company in the ratio the value of assets transferred bears to the total value of the assets of the demerged Company immediately before the appointed date in terms of the said scheme.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 26 SCHEME OF ARRANGEMENT *(Contd.)*

c) Pursuant to the scheme, 5 lacs equity shares of ₹ 1 each of the Company held by the demerged Company (OPIL) stand cancelled and the said amount has been credited to Capital Reserve.

d) Pursuant to the scheme, the Company has issued/alloted 204,868,760 equity shares of ₹ 1 each to the shareholders of the demerged Company aggregating to ₹ 2048.69 lacs, in the ratio of 1 equity share of face value of ₹ 1 each of the Company for every 1 equity share of face value of ₹ 1 each held in the demerged Company.

e) Pursuant to the scheme, the difference between the net book value of assets and liabilities of the Cement undertaking and shares issued to the shareholders of the demerged Company has been credited to General Reserve.

NOTE 27

The Company has not yet ascertained the stamp duty liability payable against Immovable Assets of Cement Undertaking of the Demerged Company transferred to the Company, pursuant to the Scheme of Arrangement approved by Hon'ble Orissa High Court as stated in Note 26 above and hence no provision thereof has been made in these financial statements and the same will be accounted for and capitalised with the respective assets, as and when the liability is ascertained.

NOTE 28 EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

₹ In lacs

	31-Mar-13	31-Mar-12
Profit/(Loss) after tax	16166.94	(107.35)
Net profit/(Loss) for calculation of basic and diluted EPS	**16,166.94**	**(107.35)**
Weighted average number of equity shares in calculating basic & diluted EPS	2048.69	5.00
"Earnings per equity share		
[nominal value of share ₹ 1]"		
Basic & Diluted ₹	7.89	(21.47)

NOTE 29 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

Statement of profit and loss

Net employee benefit expense recognized in the employee cost

₹ In lacs

	Gratuity	
	31-Mar-13	31-Mar-12
Current service cost	121.48	-
Interest cost on benefit obligation	90.17	-
Expected return on plan assets	55.46	-
Net actuarial(gain) / loss recognized in the year	211.77	-
Net benefit expense	**367.96**	-
Actual return on plan assets	50.95	-

Notes to financial statement for the year year ended 31 March, 2013

NOTE 29 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS *(Contd.)*

Balance sheet

Benefit asset/ liability

₹ *In lacs*

Particulars	Gratuity 31-Mar-13	Gratuity 31-Mar-12
Present value of defined benefit obligation	1,524.08	-
Fair value of plan assets	729.06	-
Plan asset / (liability)	**795.02**	**-**

Changes in the present value of the defined benefit obligation are as follows

₹ *In lacs*

Particulars	Gratuity 31-Mar-13	Gratuity 31-Mar-12
Opening defined benefit obligation	-	-
Add: Obligation transferred pursuant to scheme of arrangement (Refer Note 26)	1216.66	-
Current service cost	121.48	-
Interest cost	90.17	-
Benefits paid	(111.49)	-
Actuarial (gains) / losses on obligation	207.26	-
Closing defined benefit obligation	**1,524.08**	**-**

Changes in the fair value of plan assets are as follows:

₹ *In lacs*

Particulars	Gratuity 31-Mar-13	Gratuity 31-Mar-12
Opening fair value of plan assets	-	-
Add: Assets transferred pursuant to scheme of arrangement (Refer Note 26)	590.04	-
Expected return	55.46	-
Contributions by employer	183.81	-
Benefits paid	(95.74)	-
Actuarial gains / (losses)	(4.51)	-
Closing fair value of plan assets	**729.06**	**-**

The company expects to contribute ₹ 200 lacs to gratuity fund in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity 31-Mar-13	Gratuity 31-Mar-12
Investments with insurer	100%	-

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	Gratuity 31-Mar-13	Gratuity 31-Mar-12
Discount rate	8%	-
Expected rate of return on assets	9.40%	-
Employee turnover	1%	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to financial statement for the year year ended 31 March, 2013

NOTE 29 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS *(Contd.)*

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to the change in market scenario.

Amounts for the current and previous period is as follows: ₹ *In lacs*

	31-Mar-13	31-Mar-12
Gratuity		
Defined benefit obligation	1,524.08	-
Plan assets	729.06	-
Surplus / (deficit)	(795.02)	-
Experience adjustments on plan liabilities	51.90	-
Experience adjustments on plan assets	(2.28)	-

Note: The Company was incorporated in 2011-12 and hence the figures prior to year 2011-12 is not applicable.

Defined Contribution Plan : ₹ *In lacs*

	31-Mar-13	31-Mar-12
Contribution to Provident / Pension Funds	241.25	-
Contribution to Superannuation Fund	61.44	-
	302.69	**-**

NOTE 30 LEASES

Operating lease: company as lessee

Certain office premises, depots etc are obtained on operating lease. The lease term is for 1-3 years and renewable for further period either mutually or at the option of the Company. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases. The leases are cancelable.

₹ *In lacs*

	31-Mar-13	31-Mar-12
Lease payments made for the year	441.15	-
Contingent rent recognized in the Statement of Profit & Loss	-	-

NOTE 31 CAPITAL AND OTHER COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ 245.78 lacs (31st March, 2012 ₹ Nil)

(b) For commitments relating to lease arrangements, please refer note 30)

Notes to financial statement for the year year ended 31 March, 2013

NOTE 32 CONTINGENT LIABILITIES

₹ *In lacs*

	31-Mar-13	31-Mar-12
Demands/claims by various Government authorities and others not acknowledged as debts and contested by the Company:		
Excise Duty	9,327.53	-
Sales Tax	485.44	-
Escot Charges	7,638.60	-
Others	1,468.49	-
	*18920.06	
Against the above, payments have been made under protest and/ or debts have been withheld by respective parties.	323.02	-

* Based on discussions with the solicitors/ favorable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision there against is considered necessary.

NOTE 33

The Company has been legally advised that it is eligible to claim credit for Advance tax of ₹ 1698.15 lacs paid by Orient Paper & Industries Limited (demerged Company) under its PAN during the month of June,2012, being the 1st installment for the current financial year, in terms of clauses 2.10, 6.1 (h) & (i) and 6.4 of the Scheme of arrangement approved by the Hon,ble High Court. In view of the above, the said payment of advance tax has been considered in these accounts.

NOTE 34

The appointment and remuneration of ₹ 270.05 lacs paid to Managing Director is subject to approval of the shareholders of the Company.

NOTE 35

Based on the Synergies, risks and return associated with business operations and in terms of Accounting Standard-17, the Company is engaged in a single segment of manifactured and sale of cement during the year and hence treated as a single reportable segment as per Accounting Standard-17.

The Company at present, operates in India only and therefore the analysis of geographical segment is not applicable to the Company.

NOTE 36 RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

Related parties where control exists	
Holding Company	Orient Paper & Industries Limited (up to 31st March, 2012)
Related parties with whom transactions have taken place during the year	
Key management personnel	Mr. D. D. Khetrapal (Managing Director) (From 2nd April, 2012)
	Mr. P.K. Tripathy

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period:

a. Balance in Current Account ₹ *In lacs*

		Amount owed to related parties
Orient Paper & Industries Ltd.	31-Mar-12	158.41

Notes to financial statement for the year year ended 31 March, 2013

NOTE 36 RELATED PARTY DISCLOSURES *(Contd.)*

b. Remuneration to key managerial personnel *₹ In lacs*

		Transaction during the period	Amount owed by related parties	Amount owed to related parties
- Mr.D.D.Khetrapal	31-Mar-13	270.05	-	77.16
	31-Mar-12	-	-	-
- Mr. P.K.Tripathy	31-Mar-13	109.18	-	25.55
	31-Mar-12	-	-	-
Total		379.23	-	102.71

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

NOTE 37

₹ In lacs

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	31-Mar-13	31-Mar-12
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	210.10	-
Interest due on above	-	-
	210.10	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

NOTE 38 VALUE OF IMPORTS CALCULATED ON CIF BASIS (INCLUDING THROUGH CANALISING AGENCIES)

₹ In lacs

	31-Mar-13	31-Mar-12
Spares Parts	286.36	-
	286.36	-

NOTE 39 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

₹ In lacs

	31-Mar-13	31-Mar-12
Professional & Consultancy fees	6.56	-
	6.56	-

Notes to financial statement for the year year ended 31 March, 2013

NOTE 40 IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS CONSUMED

₹ *In lacs*

	% of total 31.03.13	Value 31.03.13	% of total 31.03.12	Value 31.03.12
Raw Materials				
Imported	-	-	-	-
Indigenously obtained	100.00	23,168.06	-	-
	100.00	**23,168.06**	**-**	**-**
Spare parts				
Imported	4.83	114.08	-	-
Indigenously obtained	95.17	2,246.18	-	-
	100.00	**2,360.27**	**-**	**-**

NOTE 41 PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped and rearranged wherever necessary. Further, the current year figures being inclusive of figures of Cement undertaking of Orient Paper & Industries limited merged with the Company w.e.f. 1st April, 2012 (pursuant to a scheme of arrangement refer note 26), are not comparable with the previous year's figures.

As per our report of even date

For and on behalf of the board of directors

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E
Chartered Accountants

per Raj Agrawal
Partner
Membership no.: 82028

Place: New Delhi
Date: 2nd May, 2013

D. Gulati *Secretary*

C.K. Birla *Chairman*
D. D. Khetrapal *Managing Director*

Notes

Notes

Corporate information

Board of Directors

Shri Chandra Kant Birla, *Chairman*

Shri Rajeev Jhawar

Shri Vinod Kumar Dhall

Shri Rabindranath Jhunjhunwala

Shri Desh Deepak Khetrapal, *Managing Director*

Board Committees

Audit Committee

Shri Vinod Kumar Dhall, *Chairman*

Shri Rajeev Jhawar

Shri Rabindranath Jhunjhunwala

Shri Desh Deepak Khetrapal

Shareholders/Investors Relation Committee

Shri Desh Deepak Khetrapal, *Chairman*

Shri Vinod Kumar Dhall

Shri Rajeev Jhawar

Remuneration Committee

Shri Rajeev Jhawar, *Chairman*

Shri Vinod Kumar Dhall

Committee of Directors

Shri Desh Deepak Khetrapal, *Chairman*

Shri Vinod Kumar Dhall

Auditors

M/s. S.R. Batliboi & Co., LLP
Chartered Accountants
22, Camac Street, Block 'C', 3rd floor
Kolkata-700016

Registered Office

Unit-VIII, Plot No.7
Bhoinagar
Bhubaneswar-751012 (Orissa)

Manufacturing Plants

Devapur, Andhra Pradesh
Jalgaon, Maharashtra

Share Transfer Agents

MCS Limited
77/2A, Hazra Road
Kolkata-700029

Orient Cement Limited

5-9-22/57/D, 2nd and 3rd floors, GP Birla Centre

Adarsh Nagar, Hyderabad 500063

Phone: +91 40 23688600

E-mail: edphyd@orientcement.com

Website: www.orientcement.com

ORIENT CEMENT

ORIENT CEMENT LIMITED

Registered Office: Unit –VIII, Plot No. 7, Bhoinagar, Bhubaneswar-751012, (Orissa)

PROXY

I/We..

of...in the district

of...being member(s) of

ORIENT CEMENT LTD., hereby appoint ....

of...

in the district of ....

or failing him...

of ....

in the district of...

as my/ our Proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday , the 7th August, 2013 and at any adjournment thereof.

Signed this..........................day of..........................2013

Signature ....

Please
Affix Re.1
Revenue
Stamp

NOTE;

i) The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

ii) The Proxy need not be a member.

FOR OFFICE USE ONLY: Proxy No...

Ledger Folio / DP-ID/Client ID No..............................

No.of Shares...