

**26th**  
**ANNUAL REPORT**  
**2012-2013**



**TRINETRA CEMENT LIMITED**

## **26<sup>th</sup> Annual General Meeting**

Date : 27<sup>th</sup> September 2013

Time : 3.00 P.M.

Venue : 'Coromandel Towers',  
93, Santhome High Road,  
Karpagam Avenue,  
R.A.Puram,  
Chennai 600028.

### **A REQUEST**

Shareholders are requested to bring their copy of the Annual Report to the meeting.

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# TRINETRA CEMENT LIMITED

## BOARD OF DIRECTORS :

Sri N.Srinivasan, Chairman  
Dr. B.S.Adityan (till 19.04.2013)  
Sri Arun Datta  
Sri R.K.Das  
Sri N.R.Krishnan  
Sri A.Sankarakrishnan (till 09.04.2013)  
Sri L.Sabaretnam  
Sri T.S.Raghupathy  
Sri PL.Subramanian  
Sri R.Srinivasan  
Sri V.M.Mohan  
Sri N.Srinivasan (from 20.05.2013)

## AUDITORS :

M/s. Chaturvedi SK & Fellows,  
Chartered Accountants,  
410, Dev Plaza, SV Road,  
Andheri West,  
Mumbai - 400 058.

## REGISTERED OFFICE :

'Dhun Building',  
827, Anna Salai,  
Chennai - 600 002.

## CORPORATE OFFICE :

'Coromandel Towers',  
93, Santhome High Road,  
Karpagam Avenue, R.A.Puram,  
Chennai - 600 028.

## CEMENT PLANT :

Nokhla Village,  
Wajwana Post,  
Banswara District,  
Rajasthan.

# TRINETRA CEMENT LIMITED

**Registered Office:** 'Dhun Building', 827, Anna Salai, Chennai - 600 002.

**Corporate Office:** 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue, R.A.Puram, Chennai 600028.

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twentysixth Annual General Meeting of Trinetra Cement Limited will be held at 3.00 P.M. on Friday, the 27<sup>th</sup> September, 2013 at 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue, R.A.Puram, Chennai 600028 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the accounts of the Company for the year ended 31<sup>st</sup> March 2013 and the Auditors' Report thereon.
2. To appoint a Director in the place of Sri PL.Subramanian who retires by rotation and is eligible for reappointment.
3. To appoint a Director in the place of Sri R.Srinivasan who retires by rotation and is eligible for reappointment.
4. To appoint a Director in the place of Sri V.M.Mohan who retires by rotation and is eligible for reappointment.
5. To appoint Auditors and fix their remuneration:

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT M/s.Chaturvedi SK & Fellows (Registration No.112627W) Chartered Accountants, Mumbai, be and are hereby appointed Auditors of the Company to hold office from the conclusion of the Twentysixth Annual General Meeting until conclusion of the Twentyseventh Annual General Meeting and that their remuneration be and is hereby fixed at Rs.5,00,000/- exclusive of service tax, all travelling and out of pocket expenses which shall be reimbursed to them."

### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification(s), the following resolutions as ORDINARY RESOLUTIONS:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 387 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the said Act (including any statutory modification(s) thereto and/or re-enactment(s) thereof for the time being in force) and subject to such other approvals as may be

required, approval of the Company be and is hereby accorded for the appointment of Sri T.S.Raghupathy, Director, as 'Manager' of the Company for a period of three years with effect from 12<sup>th</sup> November, 2013 without any remuneration and on the terms and conditions as set out in the Explanatory Statement attached to the Notice convening the Twentysixth Annual General Meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolutions as ORDINARY RESOLUTIONS:

"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and / or charging by the Board of Directors of the Company by way of second and subservient mortgage/charge of all / or any of the immovable and movable properties of the Company, wheresoever situate, present and future, ranking pari passu and /or conferring power to enter upon and to take possession of the assets of the Company in certain events to or in favour of Axis Bank Limited to secure additional financial facilities of Rs.30 Crores (Rupees Thirty Crores only) availed / to be availed for working capital and other requirements of the Company, together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, costs, charges, expenses and other monies payable by the Company to the aforesaid Bank in terms of its heads of agreement(s) / loan agreement(s) / hypothecation agreement(s) / letter of sanction / memorandum of terms and conditions entered into / to be entered into by the Company in respect of the said facilities."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the aforesaid Bank the documents for creating the aforesaid mortgage and / or charge and to do all such acts and things as may be necessary for giving effect to the above resolution."



NOTES:

1. Explanatory Statement is annexed to the Notice of the Twenty-sixth Annual General Meeting of the Company as required by Section 173(2) of the Companies Act, 1956 in respect of items no.6 and 7.
2. Details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking reappointment at the Annual General Meeting are annexed hereto for items no.2 to 4.
3. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 20<sup>th</sup> September 2013 to 27<sup>th</sup> September 2013 (both days inclusive).
5. Members are requested to contact the Registrar and Share Transfer Agent (RTA) for all matters connected with the Company's shares at Integrated Enterprises (India) Limited, 2<sup>nd</sup> Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai 600017. Tel. : 044-28140801 to 28140803 & Fax:044-28142479 Email: corpseiv@integratedindia.in
6. Members holding share certificate(s) in the name of Indo Zinc Limited are requested to send the same to the RTA to get the new name viz. 'Trinetra Cement Limited', affixed on the share certificate(s).
7. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the members to dematerialize the equity shares of the Company. The ISIN Number allotted by NSDL and CDSL for dematerializing the Company's shares is INE031L01014.
8. Members holding shares in physical form are requested to notify change of address, if any, to the RTA. Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates for consolidation of their holdings into one folio.
9. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
10. Under the provisions of Sections 109A and 109B of the Companies Act, 1956, shareholder(s) is/are entitled to nominate in the prescribed manner, a person to whom his/her/their shares in the Company, shall vest after his/her/their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company/RTA.
11. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN card of the transferee(s), surviving holder(s), legal heir(s) and jointholder(s) respectively, along with necessary documents at the time of lodgement of request for transfer / transmission / transposition, is now mandatory.
12. The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance allowing paperless compliance by Companies through electronic mode. In line with the Green Initiative of the MCA, your Company has decided to send all correspondence like notices of general meetings, abstracts, audited financial statements (Annual Report) through electronic means to the Registered e-mail addresses of the Shareholders. In case any Shareholder desires to receive the above document(s) in Physical form, such Shareholder is required to send an e-mail to corpseiv@integratedindia.in quoting DP ID and Client ID Number in case the shares are held in electronic form and Folio Number in case the shares are held in physical form. Members, who have not registered their e-mail addresses and wish to receive the above mentioned documents through electronic mode, are requested to register their e-mail addresses with (i) the Depository Participants if the shares are held in electronic form and (ii) with the Company / Registrar & Share Transfer Agent of the Company if the shares are held in physical form.

(By order of the Board)  
for TRINETRA CEMENT LIMITED

S. SRIDHARAN  
Company Secretary

Place : Chennai  
Dates : 20<sup>th</sup> May, 2013 &  
12<sup>th</sup> August, 2013

## TRINETRA CEMENT LIMITED

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE REAPPOINTED, VIDE ITEMS NO. 2 to 4 OF NOTICE DATED 20<sup>th</sup> MAY 2013 & 12<sup>th</sup> AUGUST 2013.

(i)	Name of the Director	: Sri PL.Subramanian
	Date of Birth	: 16 <sup>th</sup> May 1945
	Date of appointment on the Board as Director	: 9 <sup>th</sup> October 2009
	Date of last reappointment as Director	: 30 <sup>th</sup> September 2010
	Expertise in specific functional areas	: Technical
	Qualification	: B.E.(Mechanical)
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 50
	List of outside Directorships held in Public Companies	: 1. Andhra Pradesh Gas Power Corporation Limited 2. Coromandel Electric Company Limited 3. India Cements Infrastructures Limited 4. Trishul Concrete Products Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Coromandel Electric Company Limited Audit Committee - Member
	Relationship with other Directors	: Nil
(ii)	Name of the Director	: Sri R.Srinivasan
	Date of Birth	: 4 <sup>th</sup> April 1956
	Date of appointment on the Board as Director	: 9 <sup>th</sup> October 2009
	Date of last reappointment as Director	: 30 <sup>th</sup> September 2010
	Expertise in specific functional areas	: Finance
	Qualification	: A.C.A.
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 50
	List of outside Directorships held in Public Companies	: 1. Biosynth Life Sciences India Limited 2. Coromandel eServices Limited 3. Coromandel Infotech India Limited 4. Coromandel Travels Limited 5. ICL Financial Services Limited 6. ICL Securities Limited 7. India Cements Infrastructures Limited 8. Industrial Chemicals & Monomers Limited 9. Jhunjhunu Cement Limited



	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
	Relationship with other Directors	: Nil
(iii)	Name of the Director	: Sri V.M.Mohan
	Date of Birth	: 19 <sup>th</sup> May 1956
	Date of appointment on the Board as Director	: 9 <sup>th</sup> October 2009
	Date of last reappointment as Director	: 30 <sup>th</sup> September 2010
	Expertise in specific functional areas	: Finance
	Qualification	: B.Com., A.C.A., A.C.S., AICWAI
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: 50
	List of outside Directorships held in Public Companies	: 1. Coromandel eServices Limited 2. Coromandel Infotech India Limited 3. Coromandel Travels Limited 4. Jhunjhunu Cement Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
	Relationship with other Directors	: Nil

## TRINETRA CEMENT LIMITED

### EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE TWENTYSIXTH ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEMS NO.6 AND 7 OF THE NOTICE DATED 20<sup>TH</sup> MAY 2013 & 12<sup>TH</sup> AUGUST 2013

#### Item No.6:

Pursuant to the provisions of the Companies Act, 1956, the Board of Directors at its meeting held on 12.11.2010 appointed Sri Karan Vashisht as 'Manager' of the Company for a period of three years with effect from 12.11.2010 and the same was approved by the Shareholders by way of Postal Ballot on 21.02.2011. The period of office of Sri Karan Vashisht as 'Manager' will expire by the close of office hours of 11.11.2013.

The Board of Directors of the Company have at their meeting held on 12<sup>th</sup> August, 2013 appointed Sri T.S.Raghupathy, Director, as 'Manager' of the Company for a period of three years with effect from 12<sup>th</sup> November, 2013 without any remuneration, subject to the approval of the Shareholders of the Company in this Annual General Meeting.

Sri T.S.Raghupathy shall, subject to the superintendence, control and direction of the Board of Directors, perform such duties and services and exercise such powers as may from time to time be entrusted to or conferred on him, by the Board.

Sri T.S.Raghupathy is presently the Senior Executive President of The India Cements Limited and has rich and varied experience in various capacities for about 3 decades in Cement Industry. He has been on the Board of Directors of the Company since October, 2009.

The Board of Directors accordingly recommends the ordinary resolution set out at Item No.6 of the accompanying Notice for the approval of the Shareholders.

This explanatory statement together with the accompanying notice may be treated as an abstract of the terms and conditions of appointment of Sri T.S.Raghupathy as Manager pursuant to Section 302 of the Companies Act, 1956.

#### Interest of Directors:

Sri T.S.Raghupathy may be deemed to be interested in the resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

#### Item No.7:

The Company has been sanctioned additional financial facilities aggregating to Rs.30 Crores by Axis Bank Limited for meeting the working capital and other requirements of the Company. One of the terms and conditions set out by the Bank is that the said financial assistance is required to be secured, inter alia, by way of second and subservient mortgage/charge of all/any of the immovable and movable properties of the Company wheresoever situate, present and future.

Section 293(1)(a) of the Companies Act, 1956, provides, inter alia, that the Board of Directors of a public company shall not, without the consent of such public company in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking. Since the mortgaging by the Company of its immovable and movable properties as aforesaid may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass a resolution under Section 293(1)(a) of the Companies Act, 1956, for creation of the said mortgage / charge. Hence the resolution.

#### Inspection of Documents:

Copies of Letter(s) of sanction received from Axis Bank Limited are available for inspection by the shareholders at the Registered Office / Corporate Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

#### Interest of Directors:

No Director of the Company is directly or indirectly concerned or interested in this resolution.

(By order of the Board)  
for TRINETRA CEMENT LIMITED

S. SRIDHARAN  
Company Secretary

Place : Chennai  
Dates : 20<sup>th</sup> May, 2013 &  
12<sup>th</sup> August, 2013





## DIRECTORS' REPORT

Your Directors have pleasure in presenting their Twentysixth Annual Report together with the audited accounts for the year ended 31<sup>st</sup> March 2013.

### FINANCIAL RESULTS

	(Rs. in Lakhs)	
	For the year	
	ended 31 <sup>st</sup> March	
	2013	2012
Profit/(Loss) before Interest & Depreciation	<b>8432.61</b>	2680.57
Less: Interest	<b>5075.22</b>	3543.22
Less: Depreciation	<b>3663.17</b>	2820.78
Less: Forex Fluctuation Loss	<b>266.22</b>	497.62
Profit / (Loss) before Tax	<b>(572.00)</b>	(4181.05)
Provision for Tax	<b>0.00</b>	0.00
Profit / (Loss) after Tax	<b>(572.00)</b>	(4181.05)

### DIVIDEND

In view of the loss incurred, your Directors do not recommend any dividend for the year ended 31<sup>st</sup> March 2013.

### SHARE CAPITAL

During the year, the Authorised Share Capital of the Company increased from Rs.675 Crores to Rs.875 Crores. The Company has allotted 90,00,000 - 9% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs.100/- each fully paid-up, at par, amounting to Rs.90 crores to The India Cements Limited, the holding company, in November 2012, on adjustment of outstanding loans / advances.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors make the following statement in terms of Section 217 (2AA) of the Companies Act, 1956:

"We confirm

1. That in the preparation of the accounts for the year ended 31<sup>st</sup> March 2013, the applicable Accounting Standards have been followed.
2. That such Accounting Policies have been selected and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs

of the Company as at 31<sup>st</sup> March 2013 and of the loss of the Company for the year ended on that date.

3. That proper and sufficient care has been taken 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.
4. That the annual accounts for the year ended 31<sup>st</sup> March 2013 have been prepared on a going concern basis."

### OPERATIONS

The performance of the Company has been discussed in detail in the "Management Discussion and Analysis" section.

The Company achieved further improvement in the operations of the plant during the second full year of operations. The unit achieved its highest clinker production during the month of March 2013 at 0.96 lakh tons. The overall clinker production for the year was 8.92 lakh tons (7.80 lakh tons) with a growth of 14% while the cement production further improved to 11.38 lakh tons (10.07 lakh tons) and the sale of cement was brisk at 11.28 lakh tons as compared to 10.08 lakh tons in the previous year with a growth of 12%. The operating parameters further improved during the year resulting in lower power and fuel consumption with the stabilized operations of the plant.

With the usage of low cost petcoke at the plant, the fuel cost has been substantially brought down and the unit has turned into profit during the last quarter of the financial year.

With regard to acquisition of additional lands for expansion and for mining lease, the applications are processed by the State Government and the modalities are being worked out.

### 20 MW POWER PLANT

On 19<sup>th</sup> April 2013, there was a mechanical problem in the chain link conveyor feeding coal to the boiler which resulted in the breakdown of the power plant after a minor explosion. After complete investigation by the experts, necessary orders have been placed for replacing the damaged parts. Based on delivery time of the pressure parts and time required for dismantling

## TRINETRA CEMENT LIMITED

and re-erection, it is expected that the power plant will be ready in another 4 to 5 months time. The Company has made necessary insurance claim covering this. The Company does not foresee any shortage of power due to the stoppage of power plant as there is sufficient quota available from State Electricity Board and also from the power exchange and private power producers.

### MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis Report is given as addition to this report.

### CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, a report on Corporate Governance along with Auditors' Certificate of its compliance is included as part of the Annual Report of the Company.

### FINANCIAL POSITION

The Company was discharged from the purview of SICA/BIFR by the Board for Industrial and Financial Reconstruction (BIFR), vide its order No.277/98 dated 17<sup>th</sup> March 2009. However, as per the audited annual accounts as on 31<sup>st</sup> March 2010, the Company had become a potentially sick company in terms of Section 23 of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and the prescribed form was filed with BIFR on 11th October 2010. Even at the time of discharge of the Company from the purview of SICA, the accumulated losses were more than 50% of the peak network.

Consequent to the issue of Preference Share Capital during the years 2010-11 to 2012-13 aggregating to Rs.705 Crores in favour of The India Cements Limited, the holding company, the network of the Company has increased substantially and the same was intimated to BIFR.

### PUBLIC DEPOSITS

During the year under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Also there were no outstanding public deposits at the beginning or end of the year.

### CONSERVATION OF ENERGY, ETC.

The prescribed details, as required under Section 217(1)(e) of the Companies Act, 1956, are set out in the Annexure 'A'.

### PERSONNEL

Industrial relations were cordial during the year.

The Company has no employee drawing a salary of Rs.5 lakhs per month or above or which in aggregate was not less than Rs.60 lakhs during the year.

### DIRECTORS

With profound grief, the Board condoles the demise of Dr.B.S.Adityan and Sri A.Sankarakrishnan, Directors of the Company, on 19<sup>th</sup> April, 2013 and 9<sup>th</sup> April, 2013 respectively. The Board records the excellent contribution made by Dr.B.S.Adityan and Sri A.Sankarakrishnan during their tenure as Directors of the Company.

Sri N.Srinivasan (Retd. Sr. Partner M/s. Fraser & Ross) was appointed as a casual vacancy director in the place of Sri A.Sankarakrishnan with effect from 20.05.2013.

Sri PL.Subramanian, Sri R.Srinivasan and Sri V.M.Mohan, retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

Brief particulars of Directors eligible for reappointment in terms of Clause 49 of the Listing Agreement are annexed to the Notice convening the 26<sup>th</sup> Annual General Meeting.

### AUDITORS

M/s.Chaturvedi SK & Fellows, Chartered Accountants, Mumbai, Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Sri S.A.Murali Prasad, Cost Accountant, Chennai, has been appointed as Cost Auditor for the year 2013-14 subject to approval by the Government of India.

M/s.Brahmayya & Co., Chartered Accountants, Chennai, have been appointed as Internal Auditors for the year 2013-14.

### ACKNOWLEDGEMENT

The Directors are thankful to the Bankers for their continued support. The Directors also thank the Central Government and the State Governments for their support. The Directors are appreciative of the performance of the stockists during the year. The continued dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

for and on behalf of the Board

Place: Chennai  
Date : 20<sup>th</sup> May, 2013

N.SRINIVASAN  
Chairman



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## ANNEXURE 'A' TO DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

### A. Conservation of Energy:

The plant has started stabilizing in its second full year of operations.

(a) Energy conservation measures undertaken:

- i. Power factor improved to 0.98 in stages.
- ii. Exhaustive process optimization studies undertaken resulting in stabilized running and improvements in outputs resulting in reduction in power consumption.
- iii. Power plant got stabilization during the year yielding sizeable saving in cost.
- iv. Usage of petcoke resulting in substantial saving in cost.
- v. Energy management system installed to closely monitor the energy consumption in all the sections.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- i. Further installation of HT and LT capacitors for power factor improvement.
- ii. Mechanical feeding arrangements for fly ash including compressor with drier for unloading of fly ash.
- iii. Continuous process improvement studies to optimize the power consumption further.
- iv. Thrust on alternate fuel usage like waste sludge to reduce the cost of energy.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:

The power consumption during the year has come down substantially by 11 units and the heat consumption by 6 k.cals per kg. of clinker.

(d) Total energy consumption and energy consumption per unit of production:

Given in Form 'A' annexed.

### B. Technology Absorption:

Efforts made in technology absorption:

Particulars given in Form 'B' annexed.

### C. Foreign exchange earnings and outgo:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

There was no significant export sales during the year under review.

(b) Total foreign exchange used and earned:

	Current Year	Previous Year
Used Rs.Lakhs	—	—
Earned Rs.Lakhs	—	—

# TRINETRA CEMENT LIMITED

## FORM A

### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Current Year	Previous Year
<b>A. POWER &amp; FUEL CONSUMPTION</b>			
<b>1. Electricity</b>			
(a) Purchased			
Units - KWH - Lakhs		<b>311.04</b>	1069.49
Total amount - Rs.Lakhs		<b>2080.16</b>	5477.54
Rate per unit - Rs.		<b>6.69</b>	5.12
(b) Own Generation			
Through Steam Turbine / Genset			
Units - KWH - Lakhs		<b>833.97</b>	Nil
Cost per unit - Rs.		<b>5.09</b>	Nil
<b>2. Coal for Kilns (various grades including Lignite)</b>			
Quantity	Tonnes	<b>107423</b>	109825
Total Cost	Rs.Lakhs	<b>7516</b>	8393
Average Rate	Rs./Tonne	<b>6997</b>	7642
<b>3. HSD/Furnace Oil for Kilns</b>			
Quantity	K.Litres	<b>205.04</b>	242.65
Total Cost	Rs.Lakhs	<b>80.67</b>	88.58
Average Rate	Rs. / K.Litre	<b>39342</b>	36505
<b>4. Consumption per unit of Production</b>			
	Standards (if any)		
Electricity (KWH / Tn of Cement)	110	<b>96.66</b>	107.19
Coal Consumption Per Tn of Clinker (Depending on Quality of Coal)	20-25	<b>12.04</b>	14.08
Diesel Oil/Furnace Oil per Tn of Cement (Litres)		<b>0.18</b>	0.20



**FORM B**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION**

**Research and Development (R & D) :**

- |   |   |   |
|---|---|---|
| 1. Specific areas in which R & D carried out by the Company   | : | ] Nil   |
| 2. Benefits derived as a result of above R & D                | : |   |
| 3. Future plan of action                                      | : |   |
| 4. Expenditure on R & D:                                      |   |   |
| (a) Capital   | : | Nil   |
| (b) Recurring   | : | A sum of Rs.8.51 lakhs has been contributed to National Council for Cement and Building Materials (NCCBM) which carries out Research on behalf of the Industry. |
| (c) Total   | : | Rs.8.51 lakhs   |
| (d) Total R & D expenditure as a percentage of total turnover | : | 0.02  |

**Technology absorption, adaptation and innovation:**

- |  |   |                  |
|--|---|------------------|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation.   | : | ] Not Applicable |
| 2. Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.                       | : |                  |
| 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished | : |                  |
| (a) Technology imported  | : |                  |
| (b) Year of Import   | : |                  |
| (c) Has technology been fully absorbed   | : |                  |
| (d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action.  | : |                  |

# TRINETRA CEMENT LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMY - AN OVERVIEW

The GDP growth for the year 2012-13 recorded the decade's low of 5% as compared to 6.2% in the previous year. The crisis in the Euro zone, the downturn in the US market and a host of disturbing developments on the domestic front like high commodity prices, high inflation, sovereign downgrading by S&P's, high interest cost, higher fiscal deficit, dip in Rupee value, infrastructure constraints and uncertainty in politics and policies all of which crippled the economic activity.

The industry growth has come down to a mere 1.1%, farming sector growth at a low of 1.8% while the service sector is estimated to have clocked a marginal growth of 6.6%.

While the exports came down to US\$ 300 billion from the US\$ 306 billion in the previous year, the imports grew marginally resulting in the increase in trade deficit. However, the year 2013-14 has begun on a promising note for the economy and a host of favourable macro economic data in the recent weeks augur well for reversing the slowdown and regaining the growth momentum.

### CEMENT INDUSTRY

While the capacity addition of the industry has slowed down over the last year, the supply side pressures mounted resulting in subdued selling prices caused by poor demand. As per the data released by Department of Industrial Policy and Promotion (DIPP), the industry is estimated to have grown by 5.6% during the year 2012-13 much lesser than the close to double digit growth recorded for years before. This situation has forced the industry to operate at a lower capacity on an all India level of around 65% to 70% only. The slowing down of construction sector with an uneven monsoon at various parts of the country resulting in surplus and deficiencies and drought like situation in certain states coupled with high interest costs affected the industry resulting in this sluggish growth. The industry also faced shortages of essential construction material like sand, bricks and water. On the infrastructure front, the power supply situation worsened further in many of the states in India however with a respite in northern states. The industry also has to bear the brunt of escalating costs of inputs and services

through increased freight cost on account of petroleum products hike, higher pay outs to workers on account of increase in cost of living index. The industry as such have to operate on this background of higher operating cost and lower demand in the market.

### COMPANY PERFORMANCE

Given the situation as explained above, your company has performed better with a growth in clinker production of 14% to 8.92 lakh tons (7.8 lakh tons), cement grinding up by 13% at 11.38 lakh tons (10.07 lakh tons) and a sales volume of 11.28 lakh tons as opposed to 10.08 lakh tons in the previous year.

### OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Cement business is a long term play and the industry has witnessed the cycles of low and high growths before. With the latest indications given by the RBI as well as PM's Economic Advisory Council (PMEAC) regarding the revival of economy, the industry can be expected to bounce back to its normal growth level of 8% to 10% in the short term. Even now there are regions of deficits for cement in the North and North East but movement bottlenecks are a deterrent. With the thrust being given in the latest budget, the industry can hope for better growth of the economy thereby the relevant sectors.

To overcome the constraints, if any, during summer months for the power availability, the Company has installed a 20 MW power plant.

In order to reduce the cost of fuel, the Company has taken proactive steps in using alternate fuels like pet coke which has given significant savings in cost of operations.

Transport of cement from this kind of new location was also an area of concern which the Company addressed through deployment of dedicated trucks which has helped it despatch over 1.1 million tons in its second year of operation.

The ever raising cost of inputs in the form of increase in the petroleum products, increase in the service charges of fly ash by the state electricity boards are also areas of concern but with more thermal plants in



the anvil in the government and private sectors, the availability of fly ash could soften the prices and it is expected with further marginal growth in the cement demand, the impact of increase in petroleum prices can be negated through a pass on to customers.

## **OUTLOOK**

The prospects for economic recovery appear to be good with PMEAC stating that even existing rates of investment should enable us to grow at around 7% and IMF has also pegged our GDP growth to 6% for the current year and World bank has expressed its views on India regaining economic momentum and growing at 6.1% this year. The government also appears to be focussed on development through fast track clearances for projects and FDI and RBI measures in reducing the lending rates together with the predicted normal monsoon can pave way for a revival of the economy which will augur well for the industry.

## **VALUE ENHANCING STRATEGIES**

- The plant has been installed at a strategic location to cater to the ever deficit areas of north and central India which has not seen any let up in demand.
- The company has installed collection systems for fly ash at the State Electricity Power station for ensuring uninterrupted supply of fly ash.
- To ensure continuous availability of power, a captive power plant has been installed.
- To reduce the cost of fuel, petcoke is used upto 100% in the overall fuel mix and the Company is also exploring the possibility of using it in the power plant to ensure cost savings.
- The Company is also gradually increasing the proportion of blended cement in the overall mix to ensure cost reduction.
- The manpower at this unit is also one of the lowest in the industry with multi tasking for various staff and workers.

## **HUMAN RESOURCES & INDUSTRIAL RELATIONS**

The industrial relations remained cordial throughout the year.

## **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

Your Company has a well defined internal control system to support efficient business operations and statutory compliance. Reputed external auditors carry out internal audit of all the plants and offices adds to the stability of the internal control systems. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides for checks and balances at every stage. The Company has a strong system of budgetary control which covers all aspects of operations, finance, and capital expenditure at a macro level on a monthly basis reporting directly to top management. All the physical performances and efficiency parameters are monitored on a daily basis and actions are taken then and there. The Company has an Audit Committee of Directors to review financial statements to shareholders. The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement with Stock Exchanges and Section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors from time to time.

## **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

# TRINETRA CEMENT LIMITED

## CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement with the Stock Exchanges)

### A. MANDATORY REQUIREMENTS

#### 1. COMPANY'S PHILOSOPHY:

The Company's Philosophy on Corporate Governance aims at the attainment of the highest levels of transparency, accountability and responsibility in all operations and all interactions with its Shareholders, Investors, Lenders, Employees, Government and other stakeholders.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value consistently over a sustained period of time.

#### 2. BOARD OF DIRECTORS:

The Board consists of 9 non-executive Directors including a non-executive Chairman.

The Board functions both as a full Board and through Committees. The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with Board, while the Committees oversee operational issues.

The Board has constituted four Committees viz., Audit Committee, Share Transfer Committee, Shareholders'/Investors' Grievance Committee and Share Issue Committee.

During the year 2012-13, 4 Board Meetings were held on 25.04.2012, 13.08.2012, 05.11.2012 and 14.02.2013.

The composition of Directors, attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee memberships are given below:

Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.2012 to 31.03.2013)	Attendance at last AGM	No. of other Directorships held in public Companies	No. of Membership(s) (M)/ Chairmanship(s) (C) in other Board Committee(s)*
					(As on 31.03.2013)	
1.	Mr.N.Srinivasan Chairman	Promoter, Non-Executive Director	4	Yes	13	2(M) & 4(C)
2.	Dr.B.S.Adityan* <sup>1</sup>	Independent, Non-Executive Director	2	No	N.A.	N.A.
3.	Mr.Arun Datta	Independent, Non-Executive Director	4	No	3	2(M)
4.	Mr.R.K.Das	Independent, Non-Executive Director	4	No	8	1(M)
5.	Mr.N.R.Krishnan	Independent, Non-Executive Director	4	No	4	2(M) & 1(C)
6.	Mr.A.Sankarakrishnan* <sup>2</sup>	Independent, Non-Executive Director	4	No	N.A.	N.A.
7.	Mr.L.Sabaretnam	Independent, Non-Executive Director	4	No	3	2(C)
8.	Mr.T.S.Raghupathy	Promoter, Non-Executive Director	4	Yes	14	1(M)
9.	Mr.PL.Subramanian	Promoter, Non-Executive Director	3	Yes	4	1(M)
10.	Mr.R.Srinivasan	Promoter, Non-Executive Director	4	Yes	9	Nil
11.	Mr.V.M.Mohan	Promoter, Non-Executive Director	4	Yes	4	Nil

\* Only Audit Committee and Shareholders'/Investors' Grievance Committee are considered for the purpose.

\*<sup>1</sup> Ceased to be a Director of the Board w.e.f. 19.04.2013 consequent to his demise.

\*<sup>2</sup> Ceased to be a Director of the Board w.e.f. 09.04.2013 consequent to his demise.

#### 3. AUDIT COMMITTEE:

The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred to by the Board of Directors from time to time.





The Audit Committee met 4 times during the year on 25.04.2012, 13.08.2012, 05.11.2012 and 14.02.2013.

The composition and attendance of the Audit Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1	Mr.A.Sankarakrishnan, Chairman *	4	4
2	Mr.N.R.Krishnan	4	4
3	Mr.T.S.Raghupathy	4	4

\* Ceased to be a Director and hence a Member w.e.f. 09.04.2013.  
The Company Secretary is also Secretary to the Audit Committee.

#### 4. REMUNERATION COMMITTEE:

The Company has no Managing Director / Executive Director.

During the year ended 31<sup>st</sup> March, 2013, the Company has not paid any remuneration either in the form of commission or sitting fee to its non-executive Directors. Hence, the Remuneration Committee was not reconstituted.

There are no stock options available / issued to any Director of the Company.

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the year 2012-2013.

There are no convertible instruments issued to any of the Non-Executive Directors of the Company. The details of Equity Shares held by the Non-Executive Directors as on 31<sup>st</sup> March, 2013 are as follows:

Name of the Director	No. of Equity shares
Mr.N.Srinivasan	NIL
Dr.B.S.Adityan	NIL
Mr.Arun Datta	NIL
Mr.R.K.Das	NIL
Mr.N.R.Krishnan	NIL
Mr.A.Sankarakrishnan	NIL
Mr.L.Sabaretnam	NIL
Mr.T.S.Raghupathy	50
Mr.PL.Subramanian	50
Mr.R.Srinivasan	50
Mr.V.M.Mohan	50

#### 5 a) SHARE TRANSFER COMMITTEE:

The shares received for transfer were registered in favour of transferees and certificates despatched within reasonable time, wherever the documents received were in order and complete.

The Committee, during the year, met 5 times on 04.06.2012, 11.08.2012, 03.09.2012, 07.01.2013 and 06.03.2013 and approved the transfer of 3,600 equity shares in favour of transferees.

The composition and attendance of the Share Transfer Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1	Mr.N.Srinivasan, Chairman	5	5
2	Mr.T.S.Raghupathy	5	5

#### b) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

During the year 2012-13, 14 complaints were received from shareholders and investors. All the complaints received during the year have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts / Forums where they are pending.

During the year, the Shareholders' / Investors' Grievance Committee met four times on 09.04.2012, 02.07.2012, 29.10.2012 and 22.01.2013.

The composition and attendance of the Shareholders' / Investors' Grievance Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1	Mr.N.Srinivasan, Chairman	4	4
2	Mr.T.S.Raghupathy	4	4

Mr.S.Sridharan, Company Secretary is the Compliance Officer.

#### c) SHARE ISSUE COMMITTEE:

Share Issue Committee has been constituted for administration of further issue of securities.

No Share Issue Committee meeting was held during the year.

The composition of the Share Issue Committee of Board of Directors is given below:

Sl. No.	Name of the Member
1	Dr.B.S.Adityan, Chairman*
2	Mr.N.Srinivasan
3	Mr.T.S.Raghupathy
4	Mr.V.M.Mohan

\* Ceased to be a Director and hence a Member w.e.f. 19.04.2013.

## TRINETRA CEMENT LIMITED

### 6. ANNUAL GENERAL MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue	Special Resolution passed in the AGM by the shareholders
2009-2010	30.09.2010	4.00 p.m.	Chembur Mahila Samaj Hall, Near Hotel Malhar, D K Sandu Marg, Chembur, Mumbai - 400 071	No
2010-2011	30.11.2011	11.00 a.m.	Coromandel Towers, 93, Santhome High Road, Karpagam Avenue, R.A. Puram, Chennai - 600 028	Yes
2011-2012	05.09.2012	11.00 a.m.	Coromandel Towers, 93, Santhome High Road, Karpagam Avenue, R.A. Puram, Chennai - 600 028	Yes

No special resolution was required to be put through postal ballot during 2012-13.

No item of business requiring voting by postal ballot is included in the Notice convening the 26<sup>th</sup> Annual General Meeting of the Company.

### 7. DISCLOSURES:

- a. During the year, there were no transactions of material nature with the Directors or relatives that had potential conflict with the interest of the Company. Related Party transactions are disclosed in the Notes to the Financial Statements forming part of this Annual Report.
- b. A certificate regarding review of the financial statements and cash flow statements for the financial year ended 31<sup>st</sup> March 2013 and a declaration on Code of Conduct as required under Clause 49(V) & 49(I)(D) respectively of the Listing Agreement are annexed.
- c. During the year, there were no instances of non-compliance on any matter relating to the capital market.
- d. The Company was discharged from the purview of SICA/BIFR by the Board for Industrial and Financial Reconstruction (BIFR) vide its order No.277/98 dated 17<sup>th</sup> March 2009. As per the audited annual accounts as on 31<sup>st</sup> March 2010 the Company had become a potentially sick company in terms of Section 23 of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and the prescribed form was filed with BIFR on 11<sup>th</sup> October 2010. Even at the time of discharge of the Company from the purview of SICA, the accumulated losses were more than 50% of the peak net worth and the status has been continuing since then. During the year 2010-11 to 2011-12, the Company issued and allotted Preference Shares aggregating to Rs.615 Crores in favour of The India Cements Limited, the holding Company, on adjustment of outstanding loans/advances. Consequently, the net worth of the Company has

increased substantially and the same was intimated to BIFR in February 2012.

During the year 2012-13, the Company has issued and allotted Preference Shares aggregating to Rs.90 Crores in favour of The India Cements Limited, the ultimate holding Company, as a result of which the net worth of the Company has further increased.

- e. Presently, the Company does not have a Whistle Blower Policy.
- f. The Company has complied with all mandatory requirements of the Clause 49 of the listing agreement. As regards the non-mandatory requirements, the extent of compliance has been stated in Part B of this report.
- g. Details of information on reappointment of directors: A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or for other person on a beneficial basis, names of companies in which the person already holds directorship, membership of committees of the Board and relationship with other directors, forms part of the Notice convening the 26<sup>th</sup> Annual General Meeting.
- h. Code of Conduct for Prevention of Insider Trading: The Company has adopted and implemented the Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended. The code prohibits purchase/sale of securities of the Company by an 'insider' including Directors, Designated Employees etc., while in possession of unpublished price sensitive information.



i. Code of Conduct for Directors and Senior Management:

The Company has framed and implemented Code of Conduct for its Directors and Senior Management. Affirmation on compliance of Code of Conduct for the financial year 2012-13 has been received from all the Directors and Senior Management personnel of the Company.

j. Transfer to Investor Education and Protection Fund:

There is no amount due to be transferred to Investor Education and Protection Fund established by the Central Government.

k. Unclaimed Shares:

The Company does not have any share(s) remaining unclaimed, issued pursuant to public / other issues.

l. Subsidiary Company:

The Company does not have a subsidiary.

m. Cost Auditor and Cost Audit Report 2011-2012:

Name, Membership number & address of Cost Auditor:  
Mr.S.A.Murali Prasad, Membership No.2730,  
4 (New), Brindavan Street, Chennai 600 004.

Filing of Cost Audit Report 2011-2012 with the Central Government:

Due date of filing : 28<sup>th</sup> February 2013

Actual date of filing : 26<sup>th</sup> February 2013

**8. MEANS OF COMMUNICATION:**

Quarterly, half yearly and annual / yearly financial results of the Company are filed with the stock exchanges and also published in the proforma prescribed by Stock Exchanges in the English newspaper 'Business Standard' and Tamil newspaper 'Dinamani' for investors' information. As the Company publishes the audited annual results within the stipulated period of 60 days from the close of the financial year as required by the Listing Agreement with Stock Exchanges, the unaudited results for the last quarter of the financial year are not published.

**9. GENERAL INFORMATION FOR SHAREHOLDERS:**

- i. Date, time and venue : 27<sup>th</sup> September 2013  
of the Annual General Meeting : at 3.00 P.M.  
Meeting : at 'Coromandel Towers'  
93, Santhome High Road  
Karpagam Avenue  
R.A. Puram  
Chennai 600028.

ii. Financial Year -

**1<sup>st</sup> April to 31<sup>st</sup> March**

(Provisional) : Will be published on or before

- Results for the quarter ending June 30, 2013 : 14<sup>th</sup> August 2013
- Results for the quarter ending September 30, 2013 : 14<sup>th</sup> November 2013
- Results for the quarter ending December 31, 2013 : 14<sup>th</sup> February 2014
- Results for the quarter ending March 31, 2014 (audited) : 30<sup>th</sup> May 2014

iii. Dates of Book Closure : 20<sup>th</sup> September 2013 to 27<sup>th</sup> September 2013 (both days inclusive)

iv. Dividend Payment Date : Not Applicable

v. Listing on Stock Exchanges:

- a. The Company's Equity Shares are listed on the following Stock Exchanges:
1. BSE Limited,  
P.J. Towers, Dalal Street, Fort,  
Mumbai - 400 001 (Stock Code: 513428).
  2. The Delhi Stock Exchange Limited,  
DSE House, 3/1 Asaf Ali Road,  
New Delhi - 110 002 (Stock Code: 6574).
  3. Ahmedabad Stock Exchange Limited,  
Kamadhenu Complex,  
Opp. Sahajanand College, Panjarapole,  
Ambawani, Ahmedabad - 380 015  
(Stock Code: 26480).
  4. Madhya Pradesh Stock Exchange Limited,  
201, 'Palika Plaza', Phase-II,  
M.T.H. Compound, Indore - 452 001  
(Stock Code: 146).
- b. The Company's equity shares are traded in Group "T" category in BSE Limited (BSE).
- c. The Company has paid the Listing Fees for the year 2013-2014 to all Stock Exchanges where the Company's equity shares are listed.

## TRINETRA CEMENT LIMITED

### vi. Market Price Data:

The market price data at BSE (Scrip Code 513428) are given below. There was no trading in other Stock Exchanges.

(In Rupees)

Month	BSE Limited	
	High	Low
April 2012	17.10	15.45
May 2012	16.90	16.25
June 2012	17.00	15.40
July 2012	17.00	11.45
August 2012	13.65	10.06
September 2012	13.65	11.76
October 2012	16.45	12.97
November 2012	33.52	15.75
December 2012	34.80	29.80
January 2013	61.50	34.00
February 2013	46.75	39.00
March 2013	53.95	47.00

### vii. Dematerialisation of Equity Shares:

As on 31<sup>st</sup> March 2013, 67% of the Company's Equity Shares have been dematerialized.

The ISIN Number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerializing the Company's shares is INE031L01014.

During the year 2012-13, the Company received 80 requests for dematerialization of shares. The Company has acted upon all valid requests received for dematerialization during the year 2012-13.

### viii. Registrar and Share Transfer Agent (RTA):

The Company has appointed Integrated Enterprises (India) Limited, Chennai, as Registrar and Share

Transfer Agent (RTA). Shareholders / Investors / Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the RTA at the following address:

Integrated Enterprises (India) Limited,  
2<sup>nd</sup> Floor, "Kences Towers",  
No.1, Ramakrishna Street, North Usman Road,  
T. Nagar, Chennai - 600017.  
Phone : 044-28140801 to 28140803  
Fax : 044-28142479  
Email : corpseiv@integratedindia.in

### ix. Share Transfer System:

Shares lodged in physical form with the Company/ RTA are processed and returned, duly transferred, within reasonable time from the date of receipt, if the documents submitted are in order and complete. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

### x.a) Distribution of Equity Shareholding as on 31<sup>st</sup> March, 2013:

No. of Shares	No. of Shareholders	% of share-holders	No. of Shares held	% of share holding
Upto 500	3716	91.62	581104	12.98
501-1000	208	5.13	177465	3.97
1001-2000	70	1.72	110095	2.46
2001-3000	12	0.30	30300	0.68
3001-4000	13	0.32	48488	1.08
4001-5000	4	0.10	19827	0.44
5001-10000	15	0.37	107101	2.39
10001 and above	18	0.44	3401220	76.00
<b>TOTAL</b>	<b>4056</b>	<b>100.00</b>	<b>4475600</b>	<b>100.00</b>



b) Pattern of Equity Shareholding as on 31<sup>st</sup> March, 2013:

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	No. of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII)/(IV) x 100
<b>(A)</b>	<b>Promoter and Promoter Group</b>							
<b>(1)</b>	<b>Indian</b>							
(a)	Individuals / Hindu Undivided Family	-	-	-	-	-	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	1	2739874	2739874	61.22	61.22	2295600	83.78
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>1</b>	<b>2739874</b>	<b>2739874</b>	<b>61.22</b>	<b>61.22</b>	<b>2295600</b>	<b>83.78</b>
<b>(2)</b>	<b>Foreign</b>							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>1</b>	<b>2739874</b>	<b>2739874</b>	<b>61.22</b>	<b>61.22</b>	<b>2295600</b>	<b>83.78</b>
<b>(B)</b>	<b>Public shareholding</b>						N.A	N.A
<b>(1)</b>	<b>Institutions</b>						N.A	N.A
(a)	Mutual Funds/UTI	3	97600	-	2.18	2.18	-	-
(b)	Financial Institutions / Banks	1	400	-	0.01	0.01	-	-
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>4</b>	<b>98000</b>	<b>-</b>	<b>2.19</b>	<b>2.19</b>	<b>-</b>	<b>-</b>
<b>(2)</b>	<b>Non-institutions</b>						N.A.	N.A.
(a)	Bodies Corporate	54	247751	26451	5.53	5.53	-	-
(b)	Individuals -							
	i) Individual shareholders holding nominal share capital up to Rs.1 lakh.	3961	977743	159203	21.85	21.85	-	-
	ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	10	385846	85146	8.62	8.62	-	-
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	Any Other (specify)							
	i. Directors	4	200	200	-	-	-	-
	ii. Resident Individual - HUF	3	1598	1598	0.04	0.04	-	-
	iii. Non-Resident Individuals	19	24588	5488	0.55	0.55	-	-
	<b>Sub-Total (B)(2)</b>	<b>4051</b>	<b>1637726</b>	<b>278086</b>	<b>36.59</b>	<b>36.59</b>	<b>-</b>	<b>-</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>4055</b>	<b>1735726</b>	<b>278086</b>	<b>38.78</b>	<b>38.78</b>	<b>N.A.</b>	<b>N.A.</b>
	<b>TOTAL (A)+(B)</b>	<b>4056</b>	<b>4475600</b>	<b>3017960</b>	<b>100.00</b>	<b>100.00</b>	<b>2295600</b>	<b>51.29</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>						N.A	N.A
	(1) Promoter & Promoter Group	-	-	-	-	-	-	-
	(2) Public	-	-	-	-	-	-	-
	<b>TOTAL (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N.A</b>	<b>N.A</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>4056</b>	<b>4475600</b>	<b>3017960</b>	<b>100.00</b>	<b>100.00</b>	<b>2295600</b>	<b>51.29</b>

## TRINETRA CEMENT LIMITED

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**xi. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity shares as on 31.03.2013:**

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company and hence, there would not be any impact on the equity.

**xii. Plant Location** : Nokhla Village, Wajwana Post, Banswara District, Rajasthan.

**xiii. Address for Correspondence** : Trinetra Cement Limited

**Registered Office:**

'Dhun Building',

827, Anna Salai, Chennai 600 002.

Tel. No. : (091) (044) 28521526 / 28572 100 / 400

Fax No. : (091) (044) 28517198

**Corporate Office:**

'Coromandel Towers', 93, Santhome High Road,

Karpagam Avenue, R.A.Puram, Chennai - 600 028.

Tel. No. : (091) (044) 28572100 / 28521526

Fax No. : (091) (044) 28517198

**For Investor Complaints**

Contact Person : Mr.S.Sridharan, Company Secretary

Email-Id : trinetracementltd@gmail.com

### B. NON-MANDATORY REQUIREMENTS

1. The Board - A Non-executive Chairman may be entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. : At present, the Non-executive Chairman does not have any office at the Company's expense. No reimbursement of expenses is made by the Company for performance of his duties.
- Independent Directors may have a tenure not exceeding, in the aggregate, a period of nine years, on the Board of a company. : No tenure has been fixed for independent directors.
- The company may ensure that the person who is being appointed as an independent director has the requisite qualifications and experience which would be of use to the company and which, in the opinion of the company, would enable him to contribute effectively to the company in his capacity as an independent director. : This is ensured.
2. Remuneration Committee : At present, the Company does not have a Remuneration Committee.
3. Shareholders Rights- A half-yearly declaration of financial performance including summary of the significant events in last six months, may be sent to each household of Shareholders. : As the Company's half yearly results are published in one English newspaper having circulation all over India and in a Tamil newspaper, the same are not sent to the Shareholders of the Company. There is no publication of second half-yearly results as the annual results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.
4. Audit qualifications - Company may move towards a regime of unqualified financial statements. : Nil
5. Training of Board Members - A Company may train its Board Members in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as directors and the best ways to discharge them. : At present, the Company does not have any such Training programme for Directors.



6. Mechanism for evaluating non-executive Board Members - : At present, the Company does not have any such mechanism for evaluating the performance of non-executive Board Members.  
The performance evaluation of non-executive directors could be done by a Peer Group comprising the entire Board of Directors, excluding the director being evaluated and Peer Group evaluation could be the mechanism to determine whether to extend / continue the terms of appointment of non-executive directors.
7. Whistle Blower Policy. : The Company does not have a Whistle Blower Policy.

The Ministry of Corporate Affairs, Government of India, has issued in December 2009 "Corporate Governance Voluntary Guidelines 2009". While the Board welcomes the issue of these guidelines intended for better governance of corporates, introduction of the recommended measures will be considered carefully at the appropriate time.

### CEO AND CFO CERTIFICATION

To

**The Board of Directors of Trinetra Cement Limited**

In compliance with Clause 49(V) of the Listing Agreement with the Stock Exchanges, we hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended 31<sup>st</sup> March 2013 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2012-2013, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have not observed any deficiencies in the design or operation of internal controls.
- (d) We have indicated to the Auditors and the Audit Committee that there are:
- (i) no significant changes in the internal control during the year;
  - (ii) no significant changes in accounting policies during the year; and
  - (iii) no instances of significant fraud where the involvement of management or an employee having a significant role in the Company's internal control system have been observed.

Place : Chennai  
Date : 20<sup>th</sup> May, 2013

R.Srinivasan  
Director

T.S.Raghupathy  
Director

### CODE OF CONDUCT - DECLARATION UNDER CLAUSE 49(I)(D)

This is to certify that:

1. In pursuance of the provisions of Clause 49(I)(D) of the Listing Agreement with Stock Exchanges, a Code of Conduct for the Board members and the Senior Management Personnel of the Company has been approved by the Board in its meeting held on 14<sup>th</sup> April 2010.
2. All Board members and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the period ended 31<sup>st</sup> March 2013.

Place: Chennai  
Date : 20<sup>th</sup> May, 2013

T.S.Raghupathy  
Director

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## **CHATURVEDI SK & FELLOWS**

CHARTERED ACCOUNTANTS

410, Dev Plaza, SV Road, Andheri West, Mumbai - 400 058.

Phone: (+9122) 66943452 Fax: (+9122) 66943453. E-mail: cskfelos@cskfelos.in

### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of Trinetra Cement Limited

We have examined the compliance of conditions of Corporate Governance by Trinetra Cement Limited for the year ended on 31<sup>st</sup> March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants

Firm Registration No. 112627W

**SRIKANT CHATURVEDI**

Partner

Membership No. 070019

Place : Chennai

Date : 20<sup>th</sup> May, 2013



**CHATURVEDI SK & FELLOWS**  
**CHARTERED ACCOUNTANTS**

410, Dev Plaza, SV Road, Andheri West, Mumbai - 400 058.  
Phone: (+9122) 66943452 Fax: (+9122) 66943453  
E-mail: cskfelos@cskfelos.in

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF TRINETRA CEMENT LIMITED

**Report on the Financial Statements**

We have audited the accompanying financial statements of **TRINETRA CEMENT LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2013, 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 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.

**Auditors' 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 the Management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2013;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") 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 paragraph 4 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 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 CHATURVEDI SK & FELLOWS**  
Chartered Accountants  
Firm Registration No. 112627W

**SRIKANT CHATURVEDI**  
Partner

Place : Chennai  
Date : 20<sup>th</sup> May, 2013

Membership No. 070019

## ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of **TRINETRA CEMENT LIMITED** for the year ended 31<sup>st</sup> March 2013.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified by the management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, the management has verified a portion of fixed assets during the year. According to information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company has not disposed off substantial part of its fixed assets during the year.
2. (a) According to the information given to us, physical verification of inventory was conducted by the management during the year at reasonable intervals.
  - (b) In our opinion, 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. According to the information and explanations given to us, no material discrepancies were noticed on physical verification of inventories.
3. (a) The Company has not granted any loans, secured and unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Order are not applicable.
  - (b) In our opinion and according to the information and explanations given to us, the Company has not taken any loans from the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and the explanations given to us, we have neither come across nor have been informed of any

continuing failure to correct major weaknesses in the aforesaid internal control system.

5. According to the information and explanations given to us, the Company did not do any transactions that needed entry in the register maintained under Section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. The provisions of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder are not applicable.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. In our opinion and according to the information and explanations given to us, the Company has made and maintained the cost records as required by the Rules for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for Cement industry. We have however not made detailed examination of the said records to verify correctness or completeness of the said records.
9. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Income-tax, Sales-tax, Custom duty, Excise duty, Provident Fund and other statutory dues applicable to it. According to the information and explanations given to us, provisions of Employees' State Insurance Scheme were not applicable to the company during this year. According to the information and explanations given to us, no undisputed amounts of above mentioned statutory dues were in arrears as at 31.03.2013 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, following amount of tax, duty or cess was under dispute hence not paid:

Nature of dues	Period	Amount Rs. in lakhs	Forum where the dispute is pending
Rajasthan Entry Tax	2009-13	254.42	Rajasthan High Court
Excise duty	2010-11	1328.20	Appellate Tribunal*

\* Company has decided to file appeal against the Order of the Commissioner of Central Excise. Last date for filing of appeal is in July 2013.

10. The Company is registered for a period of more than five years. Its accumulated losses at the end of the

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financial year were less than fifty per cent of its net worth. The Company incurred cash losses during the immediately preceding financial year. It has earned cash profit during the current financial year.

11. In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in repayment of dues to the financial institutions or banks or the debenture holders during the year.
12. The Company has not granted loans and advances on the basis of security of shares, debentures and other securities.
13. The Company is not engaged in the business of chit funds, nidhi, mutual benefit fund or mutual benefit society.
14. The Company is not dealing or trading in shares, securities, debentures or other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others.
16. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans availed by the Company during the year were applied for the purpose for which they were obtained.
17. 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.

18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The Company did not have any outstanding secured debentures as on the date of the balance sheet.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For CHATURVEDI SK & FELLOWS**

Chartered Accountants  
Firm Registration No. 112627W

**SRIKANT CHATURVEDI**

Partner  
Membership No. 070019

Place : Chennai  
Date : 20<sup>th</sup> May, 2013

# TRINETRA CEMENT LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2013

	Note No.	2013 Rs. Lakhs	2012 Rs. Lakhs	2012 Rs. Lakhs
<b>EQUITY AND LIABILITIES</b>				
1. Shareholders' Funds :				
a. Share Capital	3	70948.78		61948.78
b. Reserves and Surplus	4	(5681.34)	65267.44	(5109.34) 56839.44
2. Share Application money pending allotment			0.00	14491.37
3. Non-Current Liabilities :				
a. Long-term borrowings	5	29340.05		25293.85
b. Other Long-term liabilities	6	704.10		706.93
c. Long-term provisions	7	232.05	30276.20	188.05 26188.83
4. Current Liabilities :				
a. Short-term borrowings	8	3635.46		2116.23
b. Trade Payables	9	11267.58		9847.71
c. Other Current Liabilities	10	6953.93	21856.97	7600.35 19564.29
			<u>117400.61</u>	<u>117083.93</u>
<b>ASSETS</b>				
1. Non-Current Assets :				
a. Fixed Assets	11			
i. Tangible Assets		62319.68		63821.75
ii. Intangible Assets		181.18		231.11
iii. Capital Work-in-Progress		943.11		1920.25
		<u>63443.97</u>		65973.11
b. Long-term loans and advances	12	46801.36	110245.33	46602.61 112575.72
2. Current Assets :				
a. Inventories	13	4936.67		3076.47
b. Trade Receivables	14	1242.00		659.49
c. Cash and cash equivalents	15	29.20		25.63
d. Short-term loans and advances	16	947.41	7155.28	746.62 4508.21
			<u>117400.61</u>	<u>117083.93</u>
Notes to the Financial Statements	1 to 43			

As per our Report of even date.

**For CHATURVEDI SK & FELLOWS**  
Chartered Accountants

**N.SRINIVASAN**  
Chairman

**T.S.RAGHUPATHY**  
Director

**SRIKANT CHATURVEDI**  
Partner  
Firm Regn. No. 112627W  
Partner's Membership No. 070019

**R.SRINIVASAN**  
Director

**V.M.MOHAN**  
Director

Place : Chennai  
Date : 20<sup>th</sup> May, 2013

**S.SRIDHARAN**  
Company Secretary



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

	Note No.	2012-13 Rs. Lakhs	2011-12 Rs. Lakhs
<b>INCOME:</b>			
Revenue from Operations	17	44317.30	35232.73
Other Income	18	165.60	245.55
<b>Total Revenue</b>		<b>44482.90</b>	<b>35478.28</b>
<b>EXPENSES:</b>			
Cost of materials consumed	19	6606.10	4819.13
Purchases of stock-in-trade	20	1051.44	0.00
Changes in Inventories of finished goods, work-in-progress	21	(1519.02)	170.41
Employee benefits expense	22	2155.56	1768.96
Finance costs	23	5341.44	4040.84
Depreciation (Refer Note No.11)		3663.17	2820.78
<b>Other Expenses</b>			
Manufacturing and other Operating Expenses	24	15237.66	14776.45
Administration and Other Charges	25	584.32	562.59
Selling and Distribution Expenses	26	11934.23	10700.17
<b>Total Expenses</b>		<b>45054.90</b>	<b>39659.33</b>
Profit / (Loss) before extraordinary items and tax		(572.00)	(4181.05)
<b>Profit / (Loss) before tax</b>		<b>(572.00)</b>	<b>(4181.05)</b>
<b>Tax expense</b>			
Current Tax		0.00	0.00
<b>Profit / (Loss) after tax</b>		<b>(572.00)</b>	<b>(4181.05)</b>
Earnings / (Loss) per Equity Share (Face Value Rs.10/- per Equity Share):			
Basic (Rs.)	27	(15.13)	(95.76)
Diluted (Rs.)	27	(15.13)	(95.76)
Notes to the Financial Statements	1 to 43		

As per our Report of even date.

**For CHATURVEDI SK & FELLOWS**  
Chartered Accountants

**N.SRINIVASAN**  
Chairman

**T.S.RAGHUPATHY**  
Director

**SRIKANT CHATURVEDI**  
Partner  
Firm Regn. No. 112627W  
Partner's Membership No. 070019

**R.SRINIVASAN**  
Director

**V.M.MOHAN**  
Director

Place : Chennai  
Date : 20<sup>th</sup> May, 2013

**S.SRIDHARAN**  
Company Secretary

# TRINETRA CEMENT LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

	2012-13		2011-12	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
<b>A. Cash flow from operating activities:</b>				
Net Profit / (Loss) before tax and exceptional items		(572.00)		(4181.05)
Adjustments for non-operating and non-cash expenses:				
Depreciation	3663.17		2820.78	
Interest Expense	5341.44		4040.84	
Bad & doubtful advances written-off	0.00		0.00	
Loss on sale of fixed assets	0.00	9004.61	0.00	6861.62
		8432.61		2680.57
Adjustment for non-operating income:				
Profit on sale of fixed asset	0.00		0.00	
Other non-operating income	(99.01)		(232.31)	
Provisions no more required	0.00		0.00	
Interest received	(66.59)	(165.60)	(13.24)	(245.55)
Operating profit before working capital changes		8267.01		2435.02
Adjustment for changes in working capital:				
(Increase)/Decrease in inventories	(1860.20)		138.60	
(Increase)/Decrease in debtors	(582.51)		(34.72)	
(Increase)/Decrease in other receivables	(179.99)		1402.18	
Increase/(Decrease) in long-term liabilities & provisions	41.17		159.85	
Increase/(Decrease) in trade payable and other liabilities	793.98	(1787.55)	1808.38	3474.29
Cash generated from operations		6479.46		5909.31
Less: Direct taxes paid		(20.79)		(17.80)
Net cash from operating activities – A		6458.67		5891.51
<b>B. Cash flow from investing activities:</b>				
Interest received	66.02		12.71	
Other non-operating income	99.01		232.31	
Sale of fixed assets	135.31		0.00	
Capital advances	(198.75)		(10078.27)	
Purchase of fixed assets / Expenditure on cement project	(1269.34)		(1104.52)	
Net cash used in investing activities – B		(1167.75)		(10937.77)
<b>C. Cash flow from financing activities:</b>				
Issue of Preference Shares	9000.00		60500.00	
Loans adjusted towards issue of preference shares	0.00		(52542.27)	
Unsecured loans availed	10059.05		0.00	
Share application money refunded	(14491.37)		(3250.31)	
Term Loans received from Bank and others	0.00		3082.42	
Repayment of Term Loan to Banks and others	(4285.72)		(2142.87)	
Working capital finance from Banks	1519.23		2116.23	
Repayment of unsecured loans from others	(1727.15)		700.01	
Interest paid	(5361.97)		(3955.88)	
Share issue expenses	0.00		0.00	
Other unsecured loans	0.00		0.00	
Net cash from financing activities – C		(5287.93)		4507.33
<b>D. Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>		2.99		(538.93)
Cash and Cash equivalents at the beginning of the year		18.86		557.79
Cash and Cash equivalents at the end of the year		21.85		18.86

Note : Figures in brackets represent cash outflow.

As per our Report of even date.

**For CHATURVEDI SK & FELLOWS**  
Chartered Accountants

**SRIKANT CHATURVEDI**  
Partner  
Firm Regn. No. 112627W  
Partner's Membership No. 070019

Place : Chennai  
Date : 20<sup>th</sup> May, 2013

**N.SRINIVASAN**  
Chairman

**R.SRINIVASAN**  
Director

**S.SRIDHARAN**  
Company Secretary

**T.S.RAGHUPATHY**  
Director

**V.M.MOHAN**  
Director



## NOTES TO THE FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), includes generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned. GAAP comprises of mandatory Accounting Standards issued by the National Advisory Committee on Accounting Standards (NACAS) and The Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use.

During the year ended 31.03.2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company for preparation and presentation of its Financial Statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of Financial Statements. However, it has significant impact on presentation and disclosure made in the Financial Statements.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 2.2 Fixed Assets

- (a) Fixed assets are stated at cost of acquisition or construction. All costs including financing and applicable overheads incurred on specific projects are capitalised.
- (b) Expenditures and outlays of money on uncompleted projects of a capital nature are shown as capital works-in-progress until such time these projects are completed and put into commercial operation.
- (c) Depreciation on fixed assets is provided in the following manner:
  - (i) The Company provides depreciation on written down value method for Zinc division assets and Motor Vehicles.
  - (ii) Software development costs are capitalised and depreciated along with computers on Straight Line method as per Section 205(2)(b) of the Companies Act, 1956.
  - (iii) For all other assets Straight Line method as per Section 205(2)(b) of the Companies Act, 1956 is adopted.
  - (iv) Depreciation on additions is provided on pro rata basis for the period for which assets are put to use.
  - (v) Assets costing less than Rs.5000 are fully depreciated in the year of purchase.
  - (vi) Leasehold land is not amortised.
  - (vii) Fixed assets are tested for impairment and impairment loss, if any, is charged to the Profit and Loss Account.

#### 2.3 Sale / Turnover includes sale value of goods and excise duty thereon but excludes VAT recovered.

#### 2.4 Inventories

- (a) Valuation of inventories of raw materials, packing materials, stores, spares, fuels is at weighted average cost.
- (b) Work-in-Process (WIP) & Semi-finished goods are valued at cost or net realisable value whichever is lower. The value of WIP and Semi-finished goods does not include interest and other administrative overheads.
- (c) Finished goods are valued at cost or net realisable value whichever is lower. The value of finished goods includes excise duty and does not include interest and other administrative overheads.

#### 2.5 Borrowing Costs

Interest and other costs in connection with borrowing of funds to the extent related/attributed to the acquisition/construction of qualifying fixed assets are capitalised upto the end of the month in which such assets are put into commercial operation. Other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

#### 2.6 Claims / Incomes arising from price escalation and/or any other item of compensation and which are indeterminate are accounted on cash basis.

#### 2.7 Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis. Unavailed leave balances are accounted based on respective employee's earnings as at the balance sheet date.

#### 2.8 Foreign Currency Transactions

Foreign exchange transactions, on current account, are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Current assets and liabilities in foreign currencies are translated at values prevailing as at the balance sheet date. Gains/losses, if any, arising therefrom are recognised in the Statement of Profit & Loss.

## TRINETRA CEMENT LIMITED

3. SHARE CAPITAL	No. of Shares	Par Value per Share (Rs.)	2013 Rs. Lakhs	No. of Shares	Par Value per Share (Rs.)	2012 Rs. Lakhs
AUTHORISED:						
Equity Shares	60000000	10	6000.00	60000000	10	6000.00
Preference Shares	81500000	100	81500.00	61500000	100	61500.00
			<u>87500.00</u>			<u>67500.00</u>
ISSUED:						
Equity Shares	4500000	10	450.00	4500000	10	450.00
9% Non-Convertible Cumulative Redeemable Preference Shares	1000000	100	1000.00	1000000	100	1000.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares	69500000	100	69500.00	60500000	100	60500.00
			<u>70950.00</u>			<u>61950.00</u>
SUBSCRIBED AND PAID UP:						
Equity Shares - fully paid up	4475600	10	447.56	4475600	10	447.56
9% Non-Convertible Cumulative Redeemable Preference Shares - fully paid up	1000000	100	1000.00	1000000	100	1000.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares - fully paid up	60500000	100	60500.00	60500000	100	60500.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares - fully paid up	9000000	100	9000.00	0	0	0.00
Add : Amount paid on Forfeited Shares, not re-issued (other than directors)			1.22			1.22
Total			<u>70948.78</u>			<u>61948.78</u>

### Reconciliation of number of shares

Preference Shares:

Balance at the beginning of the year

9% Non-Convertible Cumulative Redeemable Preference Shares	1000000	100	1000.00	1000000	100	1000.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares	60500000	100	60500.00	60500000	100	60500.00

Add: Issued during the year

9% Non-Convertible Non-Cumulative Redeemable Preference Shares	9000000	100	9000.00	0	0	0.00
<b>Balance at the end of the year</b>			<u>70500.00</u>			<u>61500.00</u>

### Rights, preferences and restrictions attached to shares

The Company has only one class of Equity Shares. Each Share has a paid up value of Rs.10/-. Every shareholder is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees at the discretion of Board of Directors, subject to availability of profits. The Dividend proposed by the Board of Directors are subject to the approval of the shareholders at the Annual General Meeting.

During the year 2012-13, the Company issued 90,00,000, 9% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs.100 each fully paid up. These Preference Shares shall be redeemable at the end of six years commencing from 05.11.2012, the date of allotment.

During the year 2011-12, the Company issued 60,50,000, 9% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs.100 each fully paid up. These Preference Shares shall be redeemable at the end of six years commencing from 06.02.2012, the date of allotment.

During the year 2010-11, the Company issued 1,00,00,000, 9% Non-Convertible Cumulative Redeemable Preference Shares of Rs.100 each fully paid up. These Preference Shares shall be redeemable at the end of six years commencing from 14.03.2011, the date of allotment.





3. SHARE CAPITAL - (Contd.)	No. of Shares	Par Value per Share (Rs.)	2013 Rs. Lakhs	No. of Shares	Par Value per Share (Rs.)	2012 Rs. Lakhs
<b>Details of Shares held by holding company and subsidiary of holding company</b>						
<b>Equity Shares:</b>						
Held by ICL Financial Services Limited, wholly owned subsidiary of The India Cements Limited, the holding company.	2739874	10	273.99	2739874	10	273.99
<b>Preference Shares:</b>						
9% Non-Convertible Cumulative Redeemable Preference Shares - fully paid up						
Held by The India Cements Limited, the ultimate holding company.	1000000	100	1000.00	1000000	100	1000.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares - fully paid up						
Held by The India Cements Limited, the ultimate holding company.	60500000	100	60500.00	60500000	100	60500.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares - fully paid up						
Held by The India Cements Limited, the ultimate holding company.	9000000	100	9000.00	0	0	0.00
<b>Details of shares held by each shareholder holding more than 5% of shares</b>						
<b>Equity Shares:</b>						
1. ICL Financial Services Limited	2739874 61.22%	10	273.99	2739874 61.22%	10	273.99
2. Kamal Kumar G Jalan	262500 5.87%	10	26.25	262500 5.87%	10	26.25
<b>Preference Shares:</b>						
9% Non-Convertible Cumulative Redeemable Preference Shares						
The India Cements Limited	1000000 100%	100	1000.00	1000000 100%	100	1000.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares						
The India Cements Limited	60500000 100%	100	60500.00	60500000 100%	100	60500.00
9% Non-Convertible Non-Cumulative Redeemable Preference Shares						
The India Cements Limited	9000000 100%	100	9000.00	0.00	0	0.00
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash in the last 5 years.	NIL		NIL	NIL		NIL
Aggregate number and class of shares allotted as fully paid up by way of bonus shares in the last 5 years.	NIL		NIL	NIL		NIL
Aggregate number and class of shares bought back in the last 5 years.	NIL		NIL	NIL		NIL

## TRINETRA CEMENT LIMITED

	2013	2012
Rs. Lakhs	Rs.Lakhs	Rs.Lakhs
<b>4. RESERVES AND SURPLUS</b>		
Capital Investment Subsidy	15.00	15.00
Amalgamation Reserve	153.60	153.60
Securities Premium	265.07	265.07
General Reserve	3453.36	3453.36
<b>Debit balance of Statement of Profit and Loss</b>		
Opening Balance	(8996.37)	(4815.32)
Loss for the year	(572.00)	(4181.05)
Closing Balance	<u>(9568.37)</u>	<u>(8996.37)</u>
Total Reserves and Surplus	<u>(5681.34)</u>	<u>(5109.34)</u>
<b>NON-CURRENT LIABILITIES</b>		
<b>5. LONG-TERM BORROWINGS</b>		
1. Secured (Refer Note No.28)		
a. Term Loans from Banks	14138.15	17280.99
b. Others	5142.85	6285.71
2. Unsecured Loans		
a. The India Cements Limited, the ultimate holding company	10059.05	0.00
b. Others	0.00	1727.15
	<u>29340.05</u>	<u>25293.85</u>
<b>6. OTHER LONG-TERM LIABILITIES</b>		
Trade Deposits	704.10	706.93
	<u>704.10</u>	<u>706.93</u>
<b>7. LONG-TERM PROVISIONS</b>		
Provision for employee benefits (Refer Note No.41)	232.05	188.05
	<u>232.05</u>	<u>188.05</u>
<b>CURRENT LIABILITIES</b>		
<b>8. SHORT-TERM BORROWINGS</b>		
a) Cash Credit facilities from banks	2135.46	2116.23
(The fund based and non-fund based working capital facilities are secured by a first charge on all current assets and second charge on the fixed assets of the cement plant at Banswara, Rajasthan, on pari passu basis.)		
b) Unsecured loans from Banks	1500.00	0.00
	<u>3635.46</u>	<u>2116.23</u>
<b>9. TRADE PAYABLES</b>		
1. Creditors for Goods including Acceptances	6653.40	5117.21
2. Customer Credit balances	619.02	730.44
3. Other Trade Payables	3995.16	4000.06
	<u>11267.58</u>	<u>9847.71</u>



	2013 Rs.Lakhs	2012 Rs.Lakhs
<b>CURRENT LIABILITIES - (Contd.)</b>		
<b>10. OTHER CURRENT LIABILITIES</b>		
1. Current maturities of long-term debt - Secured (Refer Note No.28)	4285.71	4285.72
2. Interest accrued but not due on borrowings	141.84	162.35
3. Creditors for Capital Goods	176.61	1057.65
4. Retention Money towards Capital Goods	583.63	885.96
5. Employee Related Payables and Contributions	75.44	84.13
6. Other Liabilities	1690.70	1124.54
	<u>6953.93</u>	<u>7600.35</u>

#### NON-CURRENT ASSETS

##### 11. FIXED ASSETS

Rs. Lakhs

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at 31 <sup>st</sup> March 2012	Additions	Deductions	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012	Additions	Deductions	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
<b>Tangible Assets:</b>										
Land	81.66	0.00	0.00	81.66	0.00	0.00	0.00	0.00	81.66	81.66
Buildings	2596.99	316.15	0.00	2913.14	229.81	70.32	0.00	300.13	2613.01	2367.18
Plant and Machinery including Electrical installations *	64379.69	1890.55	149.47	66120.77	3172.76	3516.16	15.13	6673.79	59446.98	61206.93
Furniture and Fixtures	82.16	10.80	1.20	91.76	25.98	5.58	0.23	31.33	60.43	56.18
Office Equipments and Computers	125.72	10.94	0.00	136.66	30.68	16.24	0.00	46.92	89.74	95.04
Vehicles	21.78	18.04	0.00	39.82	7.02	4.94	0.00	11.96	27.86	14.76
Total Tangible Assets	67288.00	2246.48	150.67	69383.81	3466.25	3613.24	15.36	7064.13	62319.68	63821.75
<b>Intangible Assets:</b>										
Computer software	308.00	0.00	0.00	308.00	76.89	49.93	0.00	126.82	181.18	231.11
Total Tangible and Intangible Assets	67596.00	2246.48	150.67	69691.81	3543.14	3663.17	15.36	7190.95	62500.86	64052.86
Capital Work-in-Progress									943.11	1920.25
Total									<u>63443.97</u>	<u>65973.11</u>

\* Value of Plant and Machinery includes Rs.1207.15 Lakhs being cost of Plant and Machinery installed in the premises of third party on "License to use" basis. This amount is depreciated over the term of license / agreement.

During the year finance cost amounting to Rs.85.90 Lakhs has been capitalised. (Previous year:Rs. 795.35 Lakhs)

	2013 Rs.Lakhs	2012 Rs.Lakhs
<b>12. LONG-TERM LOANS AND ADVANCES</b>		
Unsecured and Considered good:		
Capital Advances	46393.84	46391.96
Other Loans and Advances:		
Housing Loan and other Loans to Employees	37.47	40.47
Electricity Board Deposit	729.85	529.98
	<u>47161.16</u>	<u>46962.41</u>
Less: Provision for Doubtful Advances	359.80	359.80
	<u>46801.36</u>	<u>46602.61</u>

# TRINETRA CEMENT LIMITED

	2013 Rs.Lakhs	2012 Rs.Lakhs
<b>CURRENT ASSETS</b>		
<b>13. INVENTORIES</b>		
Stores / Spares (including coal, fuel and packing material)	2571.88	2403.64
Raw Materials	451.75	278.81
Work-in-Process	89.27	113.02
Semi-finished Goods	1281.99	83.54
Finished Goods	541.78	197.46
	<u>4936.67</u>	<u>3076.47</u>
<b>14. TRADE RECEIVABLES</b>		
Outstanding for more than six months	8.25	0.13
Other debts	1233.75	659.36
Total Sundry Debtors, considered good	<u>1242.00</u>	<u>659.49</u>
<b>15. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	7.66	7.84
Cash at Banks	14.19	11.02
Total	<u>21.85</u>	<u>18.86</u>
Margin Deposits with banks	7.35	6.77
Total Cash and Cash Equivalents	<u>29.20</u>	<u>25.63</u>
<b>16. SHORT-TERM LOANS AND ADVANCES (Unsecured and considered good)</b>		
Advance for goods	409.11	162.56
Prepaid Expenses	40.40	21.23
Other Advances	481.04	546.91
Deposits	16.86	15.92
	<u>947.41</u>	<u>746.62</u>
	Rs. Lakhs	2012-13 Rs.Lakhs
<b>17. REVENUE FROM OPERATIONS</b>		
Sales including Excise Duty	50846.97	40194.66
Less: Excise Duty	(6529.67)	(4961.93)
	<u>44317.30</u>	<u>35232.73</u>
<b>18. OTHER NON-OPERATING INCOME</b>		
Rent Recovery	0.35	0.38
Profit on Sale of Assets	0.05	0.00
Foreign Exchange translation difference	2.24	48.46
Interest Income	66.59	13.24
Miscellaneous Income	96.37	183.47
Total Other Income	<u>165.60</u>	<u>245.55</u>
<b>19. COST OF MATERIALS CONSUMED</b>		
Raw Material consumed		
Opening Stock	278.81	106.32
Add: Purchases	5087.36	3413.42
Own Quarrying (Net) (Refer Note No.31)	1691.68	1578.20
Less: Closing Stock	451.75	278.81
Total Raw Materials consumed	<u>6606.10</u>	<u>4819.13</u>



	2012-13	2011-12
	Rs. Lakhs	Rs. Lakhs
<b>20. PURCHASES OF STOCK-IN-TRADE</b>		
Trade Purchases	1051.44	0.00
	<u>1051.44</u>	<u>0.00</u>
<b>21. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS</b>		
Opening Stock:		
Work-in-Process	113.02	67.64
Semi-finished Goods	83.54	196.78
Finished Goods	<u>197.46</u>	<u>300.01</u>
	394.02	564.43
Closing Stock:		
Work-in-Process	89.27	113.02
Semi-finished Goods	1281.99	83.54
Finished Goods	<u>541.78</u>	<u>197.46</u>
	1913.04	394.02
Total (Increase) / Decrease in stock	<u>(1519.02)</u>	<u>170.41</u>
<b>22. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	1835.70	1385.03
Contribution to Provident Fund	61.87	56.03
Gratuity	11.14	9.33
Superannuation	29.74	44.54
Employees' Provident Fund Administration Charges	5.69	5.13
Workmen and Staff Welfare Expenses	159.92	156.63
Unavailed leave / leave encashment	51.50	112.27
	<u>2155.56</u>	<u>1768.96</u>
<b>23. FINANCE COSTS</b>		
Interest expense	3668.85	2829.07
Other borrowing costs	1342.40	665.58
Bank Charges	63.97	48.57
Loss on foreign currency transactions and translation	266.22	497.62
	<u>5341.44</u>	<u>4040.84</u>
<b>24. MANUFACTURING AND OTHER OPERATING EXPENSES</b>		
Stores Consumed	375.17	308.39
Power and Fuel	13953.61	13992.79
Repairs & Maintenance	847.66	496.25
Excise Duty on stock adjustment	61.22	(20.98)
	<u>15237.66</u>	<u>14776.45</u>

## TRINETRA CEMENT LIMITED

	2012-13	2011-12
	Rs. Lakhs	Rs. Lakhs
<b>25. ADMINISTRATION AND OTHER CHARGES</b>		
Insurance	45.54	27.49
Rates and Taxes	35.22	37.63
Printing and Stationery	14.94	17.58
Postage, Telephones and Telegrams	28.94	28.49
Other Administration Expenses	403.37	415.97
Consultancy / Legal Fees	45.05	27.27
Auditors' Expenses:		
Statutory Audit Fees	5.00	3.00
Cost Audit Fees	1.00	1.00
Certifications / Others	2.24	2.30
Tax Audit / Other Services	1.16	0.60
Travel / out of pocket expenses	1.86	8.16
	<u>584.32</u>	<u>562.59</u>
<b>26. SELLING AND DISTRIBUTION EXPENSES</b>		
Packing Charges	1727.58	1585.24
Additional Sales Tax	135.92	59.42
Freight outwards	8444.06	7473.82
Advertisement	186.85	159.07
Others	1439.82	1422.62
	<u>11934.23</u>	<u>10700.17</u>
<b>27. COMPUTATION OF EARNINGS / LOSS PER SHARE (EPS)</b>		
<b>Earnings</b>		
Profit / (Loss) after tax but before extraordinary items (Rs. in lakhs)	(572.00)	(4181.05)
Less: Dividend on Preference Shares including Dividend Distribution Tax	(105.30)	(104.95)
Profit / (Loss) after tax and extraordinary items (Rs. in lakhs)	(677.30)	(4286.00)
No. of Equity Shares - Weighted average (in lakhs)	44.75	44.75
Earnings Per Share- Basic and Diluted (Face Value - Rs.10/- per share):		
Before extraordinary items (Rs.)	(15.13)	(95.76)
After extraordinary items (Rs.)	(15.13)	(95.76)



	Non-Current Portions		Current Maturities		Total	
	2013	2012	2013	2012	2013	2012
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
<b>28. SECURITY FOR SECURED BORROWINGS</b>						
<b>Secured</b>						
<b>Term Loans</b>						
<b>From Banks</b>						
Axis Bank Ltd	4816.72	5888.13	1071.42	1071.43	5888.14	6959.56
UCO Bank	3857.14	4714.29	857.14	857.14	4714.28	5571.43
Yes Bank Ltd	5464.29	6678.57	1214.29	1214.29	6678.58	7892.86
Total Secured Loans from Banks	14138.15	17280.99	3142.85	3142.86	17281.00	20423.85
<b>From Others</b>						
Infrastructure Development Finance Company Ltd	5142.85	6285.71	1142.86	1142.86	6285.71	7428.57
Total Secured Loans from Others	5142.85	6285.71	1142.86	1142.86	6285.71	7428.57
Total Secured long-term borrowings	19281.00	23566.70	4285.71	4285.72	23566.71	27852.42

The above secured long-term borrowings are repayable in 22 equal quarterly instalments. The last instalment falls due on 1<sup>st</sup> July, 2018.

#### SECURITY CLAUSE

Term Loans are secured in favour of Axis Trustee Services Limited, the Security Trustee for the Lenders, namely Yes Bank Limited, UCO Bank, Axis Bank Limited and Infrastructure Development Finance Company Limited by hypothecation of Company's movable properties, both present and future, including current assets, movable machinery, machinery spares, tools and accessories, tangible and intangible assets of the Company, subject to prior charges on current assets created / to be created in favour of Company's bankers for securing the working capital facilities and further secured by a first pari passu charge on all the fixed assets of the Cement Plant at Banswara, Rajasthan, pledge of shares held by Promoters and Corporate Guarantee from The India Cements Limited.

	2013	2012
	Rs.Lakhs	Rs.Lakhs
<b>29. Commitments</b>		
a. Estimated amounts of Capital Expenditure Commitments (Net of Advances)	71.86	454.92
b. Arrears of fixed cumulative dividend on Preference Shares	184.44	94.44
<b>30. Monies for which the Company is contingently Liabile</b>		
a. Letter of Credit opened by Bankers	0.00	0.00
b. Bank Guarantees Outstanding	111.17	167.91
c. Claims against the Company not acknowledged as debts		
(i) Tax demands under dispute	1676.91	145.27
(ii) Other Claims	0.00	119.82
<b>31. Raw Materials consumed</b>		
Own Quarrying includes:		
(i) Salaries & Wages	84.96	72.02
(ii) Stores Consumed	85.68	69.30
(iii) Royalty	805.49	733.74

## TRINETRA CEMENT LIMITED

	2013 Rs.Lakhs	2012 Rs.Lakhs
<b>32. Repairs and Maintenance includes Stores &amp; Spares</b>	<b>682.97</b>	347.11
<b>33. Detailed quantitative information of goods manufactured during the Report Period</b>		
(a) Installed capacity in Tonnes per annum (as certified by the Management and relied upon by the Auditors)	1500000	1500000
(b) Production in Tonnes	1138427	1006887
(c) Sales – Quantity in Tonnes - Cement (Excluding trade sales)	1128164	1008267
Sales – Quantity in Tonnes - Clinker	885.64	704.40
Sales – Value of Cement (Excluding trade sales)	43105.69	35217.04
Sales – Value of Clinker	22.12	15.68
(d) Opening Stock of Cement produced in Tonnes	6457.12	7836.91
Value	197.46	247.97
(e) Closing Stock of Cement produced in Tonnes	16720.12	6457.12
Value	541.78	197.46
<b>34. Value of import on CIF basis</b>		
(a) Raw Materials	184.65	Nil
(b) Fuel	6774.20	2698.79
(c) Spare Parts and Components	43.17	536.46
(d) Capital Goods	Nil	Nil
<b>35. Expenditure and earnings in Foreign Currency (on accrual basis)</b>	Nil	Nil
<b>36. Details of imported and indigenous materials consumed during the year</b>		
Raw materials:		
Imported	184.65	58.13
Indigenous	6421.45	4761.00
Total	<u>6606.10</u>	<u>4819.13</u>
Percentage to Total Consumption		
Raw materials:		
Imported	2.80%	1.21%
Indigenous	97.20%	98.79%
Total	<u>100.00%</u>	<u>100.00%</u>
Spare Parts and Components:		
Imported	26.50	3.88
Indigenous	128.37	164.73
Total	<u>154.87</u>	<u>168.61</u>
Percentage to Total Consumption		
Spare Parts and Components:		
Imported	17.11%	2.30%
Indigenous	82.89%	97.70%
Total	<u>100.00%</u>	<u>100.00%</u>
<b>37. Details of Raw Materials consumed</b>		
Quantity in Tonnes:		
Limestone	1246403	1099871
Gypsum	84647	71803
Others	321441	223640
Value:		
Limestone	1691.68	1578.20
Gypsum	1654.71	1074.79
Others	3259.71	2166.14
Total	<u>6606.10</u>	<u>4819.13</u>





38. There are no dues to Micro, Small and Medium Enterprises which are outstanding as at the Balance Sheet date and there were no delays as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 in payment of dues to such enterprises. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the Auditors.

### 39. Related Party Disclosures

(Related party relationships are identified by the Company and relied upon by the Auditors)

#### A. Names of the related parties and the nature of the relationship:

The India Cements Limited	Ultimate Holding Company and Holding Company of ICL Financial Services Limited
ICL Financial Services Limited	Holding Company
Trishul Concrete Products Limited	Fellow Subsidiary
Key Management personnel [KMP]:	
Mr.Karan Vashisht	Manager

	2013 Rs.Lakhs	2012 Rs.Lakhs
<b>B. Transactions with Related Parties:</b>		
Purchase of Goods	1037.53	Nil
Interest on Unsecured Loan	682.43	Nil
Loan Outstanding	10059.05	-
Corporate Guarantee	31500.00	31500.00
<b>Transactions with KMP:</b>		
Salary Paid in his capacity as plant head	32.92	26.65

### 40. Deferred Taxation

In view of the losses incurred by the Company during last few years, the Company has accumulated net deferred tax assets of Rs.2278.30 Lakhs as on 31.03.2013 (Rs.2036.57 lakhs as on 31.03.2012) in terms of provisions of Accounting Standard 22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India. However, following prudent accounting policy and the guidelines contained in paragraphs 15 to 18 of the said Accounting Standard, the management has decided not to make the adjustment in the books of accounts for the value of the said deferred tax assets until such time that there is reasonable certainty of realisation of the said deferred tax assets against sufficient future taxable income.

### 41. Employee Benefits

The details of parameters adopted for valuation of post-employment benefit plans and leave benefits, as per Accounting Standard 15 issued by ICAI, are as under:

(a) Leave of absence and encashment:

The Company has different leave plans including paid leave of absence plans and encashment of leave plans for employees at different grades and provision has been made in accordance with Accounting Standard 15. The total amount of provision available for the unavailed leave balances as at 31<sup>st</sup> March 2013 is Rs.232.05 Lakhs (as at 31<sup>st</sup> March 2012: Rs.188.05 Lakhs).

(b) Gratuity:

The Company has made a provision for Gratuity for Rs.10.36 Lakhs as per the actuarial valuation.

(c) Contribution to Pension fund:

The Company offers pension plans for managerial grade employees. Employees are eligible for Defined Contribution Plan of Pension. The total amount contributed under Defined Contribution Plan is Rs. 52.67 lakhs for year ended 31<sup>st</sup> March 2013 (year ended 31<sup>st</sup> March 2012: Rs.44.53 Lakhs).

42. Segment Results: The Company operates in single segment, i.e., Cement.

43. Previous year's figures have been regrouped wherever necessary.





# TRINETRA CEMENT LIMITED

Registered Office: 'Dhun Building' 827, Anna Salai, Chennai - 600 002.  
Corporate Office: 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue,  
R.A.Puram, Chennai - 600 028.

## ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Only members or their proxies are entitled to be present at the meeting.

Name and address of the Shareholder :  
Folio No. :  
Dp ID No. :  
Client ID No. :  
No of Shares held :

I hereby record my presence at the Twentysixth Annual General Meeting of the Company at 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue, R.A.Puram, Chennai 600028, on Friday, the 27<sup>th</sup> September 2013 at 3.00 P.M.

Signature of the Member/Proxy

Name :

---

**NO GIFTS WILL BE GIVEN AT THE AGM**

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# TRINETRA CEMENT LIMITED

Registered Office: 'Dhun Building' 827, Anna Salai, Chennai - 600 002.  
Corporate Office: 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue,  
R.A.Puram, Chennai - 600 028.

## PROXY FORM

I/We :  
of :  
Folio No. :  
Dp ID No. :  
Client ID No. :  
No. of shares held :

being a member/members of TRINETRA CEMENT LIMITED do hereby appoint .....  
..... of .....

(or failing him .....of .....) as my/our proxy  
and to vote for me/us on my/our behalf at the Twentysixth Annual General Meeting of the Company to be held  
at 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue, R.A.Puram, Chennai 600028, on Friday,  
the 27<sup>th</sup> September 2013 at 3.00 P.M. and at any adjournment thereof.

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

Affix  
15 Paise  
Revenue  
Stamp

### NOTE:

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member. This form duly completed should be deposited at the Registered Office of the Company before 3.00 P.M on Wednesday the 25<sup>th</sup> September 2013.

Please Tear Here

**BOOK-POST**

*If undelivered please return to:*

**TRINETRA CEMENT LIMITED**

'Coromandel Towers',  
93, Santhome High Road,  
Karpagam Avenue, R.A.Puram,  
Chennai 600028.