

## Directors' Report

TO THE MEMBERS OF  
LUCKY MINMAT LIMITED

The Directors take pleasure in presenting the Thirty Eighth Annual Report on the business and operations of the Company and the Audited Accounts for the year ended December 31, 2013.

### 1. FINANCIAL RESULTS

Particulars	2013 ₹	2012 ₹
Revenue from Operations (Net) and Other Income	11,65,884	15,24,840
Profit/(Loss) before Tax	(41,93,499)	(57,28,250)
Provision for Taxation	–	–
Profit/(Loss) after Taxation	(41,93,499)	(57,28,250)
Balance brought forward from previous year	(1,48,37,405)	(91,09,155)
Balance carried forward to Balance Sheet	(1,90,30,904)	(1,48,37,405)

### 2. OPERATIONS

The total dispatches for the year ended December 31, 2013 were NIL as compared to 2,623.83 MT for the year ended December 31, 2012. The Company has stopped all mining operations from March 29, 2012 for want of the Forest and Environment Clearance by the Rajasthan State Pollution Control Board, Jaipur.

The Company has incurred a loss after tax of ₹ 41,93,499 for the year ended December 31, 2013 as compared to a loss after tax of ₹ 57,28,250 for the year ended December 31, 2012.

### 3. DIVIDEND

Your Directors do not recommend any dividend for the financial year ended December 31, 2013.

### 4. INDUSTRIAL RELATIONS

During the year under review, industrial relations at the Company's unit continued to remain cordial and peaceful.

### 5. DIRECTORS

Mr. Sankarsan Dasgupta who was appointed as a Director of the Company with effect from November 17, 2007 resigned as Director with effect from July 19, 2013. The Board has placed on record its appreciation of the valuable services rendered by Mr. Dasgupta during his tenure as a Director of the Company.

In accordance with the provisions of the Companies Act, 1956, Mr. Umesh Pratap and Mr. Rajiv Prasad retire by rotation and are eligible for re-appointment.

### 6. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 217 (2AA) of the Companies Act, 1956:

- i) that in the preparation of the Accounts for the year ended December 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of the affairs of the Company as at December 31, 2013, and of the loss of the Company for the year ended on that date;

- iii) 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;
- iv) that the accounts for the year ended December 31, 2013, have been prepared on a going concern basis.

## 7. AUDITORS

Messrs K S Aiyar & Co., Chartered Accountants, who are the Statutory Auditors of the Company, hold office up to the date of the ensuing Annual General Meeting and are eligible for re-appointment. As required under the provision of Section 224(1B) of the Companies Act, 1956, the Company has obtained written confirmation from Messrs K S Aiyar & Co., that their appointment, if made, would be in conformity with the Companies Act, 1956. The Members are requested to appoint Messrs K S Aiyar & Co., Chartered Accountants, as Auditors for the year 2014, and to authorize the Board of Directors to determine their remuneration.

## 8. AUDIT COMMITTEE

The Paid up Share Capital of the Company is less than Rupees Five Crores, and hence the Company is not required to constitute an Audit Committee under provisions of Section 292A of the Companies Act, 1956.

## 9. SECRETARIAL AUDIT

Pursuant to the provisions of Section 383A of the Companies Act, 1956, the Company has obtained certificate from Pramod S. Shah & Associates, Practising Company Secretaries, that the Company has complied with the provisions of the Companies Act, 1956. As required by the said Section the certificate is attached to this report.

## 10. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

There was no technology absorption and no foreign exchange earnings or outgo during the year under review. Hence, the information as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is NIL.

The Company has not entered into any technology transfer agreement.

## 11. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

## 12. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government and Company's Bankers. Your Directors also acknowledge the unstinted assistance and support received from ACC Limited, the holding Company, and all its employees for their valuable contribution during the year.

For and on behalf of the Board

B D Nariman  
Chairman

Jaipur  
January 30, 2014

Registered Office:  
G-9/C Kabir Marg,  
Bani Park,  
Jaipur 302 016

**Pramod S. Shah**

Mani Bhuvan, 1st Floor, Office No. 5, 54, Hughes Road  
(Opp : Dharam Palace), Mumbai - 400 007 (India)  
E-mail : saurabhshah361@gmail.com  
Tel.: (O) +91 (022) 2367 8570/2368 0263/2368 2139/2368 0256  
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**PRAMOD S. SHAH & ASSOCIATES**  
**Practising Company Secretaries**

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**Compliance Certificate**

*U/S 383A of the Companies Act, 1956 & Rule 3 of the  
Companies (Compliance Certificate) Rules, 2001*

**To,** **Nominal Capital: ₹ 32,500,000/-**  
**The Members,** **Registration No. : 001697**  
**Lucky Minmat Limited** **(31/12/2013)**

We have examined the registers, records, books and papers of **M/s. Lucky Minmat Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act), the notified Sections of the Companies Act, 2013, w.e.f. **12th September, 2013**, the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st December, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director Central Government, Company Law Board or other authorities within the time prescribed under the Companies Act, 1956, and the rules made thereunder.
3. The Company being a public limited Company, the provisions relating to Private Company are not applicable and therefore comments are not required.
4. The Board of Directors duly met 4. times on 01/02/2013, 26/04/2013, 19/07/2013, 17/10/2013 in respect of which meetings proper notice were given and the proceedings were properly recorded and signed including the circular resolution in the minutes books maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year.
6. The Annual General Meeting for the year ended on 31/12/2012 was held on 22/03/2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors or persons or firms or companies referred to under Section 295 of the Companies Act, 1956, or Section 185 of the Companies Act, 2013.
9. The Company has not entered into contracts falling within the purview of Section 297 of the Companies Act, 1956, in respect of contracts specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Companies Act, 1956, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
  - i. has not allotted / transmitted securities during the financial year and has delivered the Certificates for transfer in accordance with the provisions of the Companies Act, 1956.
  - ii. has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii. has not posted warrants to any members of the Company as no dividend was declared during the financial year.

- iv. was not required to transfer any amount to Investor Education & Protection Fund.
  - v. has duly-complied with the requirements of Section 217 of the Companies Act, 1956, regarding Boards Report.
14. The Board of Directors of the Company is duly constituted and the appointment of additional directors has been duly made.
  15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
  16. The Company has not appointed any sole-selling agents during the financial year.
  17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such other authorities prescribed under the various provisions of the Companies Act, 1956 or Companies Act, 2013 during the financial year.
  18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Companies Act, 1956, and the rules made thereunder.
  19. The Company has not issued any shares, debentures or other securities during the financial year.
  20. The Company has not bought back any shares during the financial year.
  21. There was no redemption of preference shares or debentures during the financial year.
  22. There were no transactions, which required the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
  23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Companies Act, 1956, during the financial year.
  24. The Company has not made any borrowings during the financial year ended 31st December, 2013.
  25. The Company has not made loans and investments or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Companies Act, 1956, and consequently no entries have been made in the register kept for the purpose.
  26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one state to another during the financial year under scrutiny.
  27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year.
  28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year.
  29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the financial year.
  30. The Company has not altered its Articles of Association during the financial year.
  31. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Companies Act, 1956 or Companies Act, 2013.
  32. The Company has not received any money as security from its employees during the financial year.
  33. The Company has no employee employed during the year. Hence, the deposit of both employee's and employers contribution to provident fund with authorities pursuant to Section 418 of the Companies Act, 1956, does not arise.

Signature:

Name of Company Secretary : Pramod S. Shah  
Partner  
C. P. No. : 3804

Place : Mumbai  
Date : 27/01/2014

**Annexure A**

The Company has been maintaining the following statutory records such as:

- 1) Minutes Book (Board Meeting)
- 2) Minutes Book (AGM & EGM)
- 3) Register of Members
- 4) Register of Director
- 5) Register of Director's shareholding
- 6) Register of Share Transfer
- 7) Register of Shareholders
- 8) Register of Loans
- 9) Register of Contracts
- 10) Register of Common Seal
- 11) Register of Application and Allotment

**Annexure B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st December, 2013.

Sr. No.	Form No.	Filed u/s (of the Companies Act, 1956)	For	Filed on	Whether filed within prescribed time Yes/No	If delay in filing, whether requisite additional fee paid Yes/No
1	Form 20B & Annual Return	159	31/12/2012	11/05/2013	Yes	N.A.
2	Form 23AC & 23ACA XBRL (Balance Sheet and Profit & Loss Account)	220	31/12/2012	19/04/2013	Yes	N.A.
3	Form 66	383A	31/12/2012	25/03/2013	Yes	N.A.
4	Form 32	260	Appointment of Additional Director	21/02/2013	Yes	N.A.
5	Form 32	264(2)	Change in Designation	20/04/2013	Yes	N.A.
6	Form 32	303(2)	Cessation of Director	06/08/2013	Yes	N.A.

## Independent Auditors' Report

### TO THE MEMBERS OF LUCKY MINMAT LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Lucky Minmat Limited** ('the Company'), which comprise the Balance Sheet as at December 31, 2013, the Statement of Profit and Loss and the 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') which shall continue to apply in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2013;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) 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 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said 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 subsection (3C) of section 211 of the Companies Act, 1956, which shall continue to apply in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs;
  - e) on the basis of the written representations received from the directors, as on December 31, 2013, and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on December 31, 2013 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

**For K. S. AIYAR & CO.**  
*Chartered Accountants*  
Firm Registration No. 100186W

**Sachin A. Negandhi**  
*Partner*  
Membership No.: 112888

Place: Mumbai  
Date: January 30, 2014



## Annexure to the Auditors' Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on December 31, 2013, of **Lucky Minmat Limited**)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) No fixed assets are disposed off during the year.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

- (v) (a) Based upon the audit procedures performed and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable.
- (vi) The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975 apply.
- (vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The rules made by the Central Government for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- (ix) (a) According to the records of the Company, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it have been regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Service tax, Sales-tax, Customs duty, Excise duty, Cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and cess which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
The Rajasthan Finance Act, 2008 & Rajasthan Environment & Health Cess Rules, 2008	Environment and Health Cess on Limestone	10,63,120	December 2008 - onwards	Supreme Court

- (x) The Company has accumulated losses at the end of the financial year and has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not taken any money from financial institution, bank or debenture holders and hence clause 4(xi) is not applicable.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not raised any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, no debentures were issued during the year.
- (xx) The Company has not raised any money by way of public issue during the year. Therefore, the provision of clause (xx) of the order is not applicable to the Company.
- (xxi) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

**For K. S. AIYAR & CO.**  
*Chartered Accountants*  
Registration No. 100186W

**Sachin A. Negandhi**  
*Partner*  
Membership No.: 112888

Place: Mumbai  
Date: January 30, 2014



## Balance Sheet as at December 31, 2013

Particulars	Note No.	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	3,25,00,000	3,25,00,000
Reserves and surplus	4	(1,81,95,986)	(1,40,02,487)
		1,43,04,014	1,84,97,513
<b>Current liabilities</b>			
Short term borrowings	5	1,00,00,000	30,00,000
Other current liabilities	6	2,99,231	2,66,764
Short-term provisions	7	13,41,665	14,27,174
		1,16,40,896	46,93,938
<b>TOTAL</b>		<b>2,59,44,910</b>	<b>2,31,91,451</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets:			
Tangible assets	8	37,380	41,675
Non-current investments	9	20,850	20,850
Long-term loans and advances	10	30,10,736	27,66,117
		30,68,966	28,28,642
<b>Current assets</b>			
Trade receivables	11	-	-
Cash and bank Balances	12	1,84,98,010	1,88,48,244
Short-Term loans and advances	13	41,23,152	12,69,635
Other current assets	14	2,54,782	2,44,930
		2,28,75,944	2,03,62,809
<b>TOTAL</b>		<b>2,59,44,910</b>	<b>2,31,91,451</b>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date For and on behalf of the Board of Lucky Minmat Limited.

**For K.S. AIYAR & CO.** **B.D.Nariman** **Rajiv Prasad**  
Chartered Accountants *Chairman* *Director*  
Firm Registration No :- 100186W

**Umesh Pratap** **K.M.Gupta**  
*Director* *Director*

**SACHIN A. NEGANDHI**

*Partner* **M G Damle**  
Membership No. 112888 *Director*

Mumbai, January 30, 2014

## Statement of Profit &amp; Loss for the year ended December 31, 2013

Particulars	Note No.	For the year ended December 31, 2013 ₹	For the year ended December 31, 2012 ₹
Revenue from Operations	15	-	5,39,723
Other Income	16	11,65,884	9,85,117
<b>Total Revenue</b>		<b>11,65,884</b>	<b>15,24,840</b>
<b>EXPENSES</b>			
Depreciation and amortization expense	8	4,295	4,295
Other expenses	17	53,55,088	72,48,795
<b>Total Expenses</b>		<b>53,59,383</b>	<b>72,53,090</b>
<b>Loss before Tax</b>		<b>(41,93,499)</b>	<b>(57,28,250)</b>
Tax expenses		-	-
<b>Loss for the Year</b>		<b>(41,93,499)</b>	<b>(57,28,250)</b>
Earnings per equity share (Face value of ₹ 100 each) (Refer Note - 19)			
Basic	₹	(12.90)	(17.63)
Diluted	₹	(12.90)	(17.63)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date For and on behalf of the Board of Lucky Minmat Limited.

**For K.S. AIYAR & CO.** **B.D.Nariman** **Rajiv Prasad**  
Chartered Accountants *Chairman* *Director*  
Firm Registration No :- 100186W

**Umesh Pratap** **K.M.Gupta**  
*Director* *Director*

**SACHIN A. NEGANDHI**

*Partner* **M G Damle**  
Membership No. 112888 *Director*

Mumbai, January 30, 2014

**Cash Flow Statement for the year ended December 31, 2013**

	For the year ended December 31, 2013 ₹	For the year ended December 31, 2012 ₹
A. Cash flow from operating activities		
1. Net Profit/(Loss) before taxation	(41,93,499)	(57,28,250)
Adjustments for:		
Depreciation	4,295	4,295
Interest Received	(11,65,884)	(9,85,117)
<b>Operating profit before working capital changes</b>	<b>(53,55,088)</b>	<b>(67,09,072)</b>
Movement in Working Capital		
2. Decrease/(Increase) in Sundry Debtors	-	5,39,133
3. Decrease/(Increase) in Inventories	-	-
4. Decrease/(Increase) in Other Current Assets	(28,86,399)	(12,54,011)
5. Increase/(Decrease) in Other Liabilities & Provisions	(53,042)	(11,31,990)
<b>Cash generated from operations</b>	<b>(82,94,529)</b>	<b>(85,55,940)</b>
6. Direct Taxes paid - (Net of Refunds)-	(2,44,619)	(2,94,182)
<b>Net Cash From Operating Activities</b>	<b>(85,39,148)</b>	<b>(88,50,122)</b>
B. Cash Flow From Investing Activities		
7. Interest Received	11,65,884	10,44,760
<b>Net Cash From Investing Activities</b>	<b>11,65,884</b>	<b>10,44,760</b>
C. Cash Flow From Financing Activities		
8. Inter Corporate Deposits from Holding company	70,00,000	30,00,000
<b>Net Cash Used in Financing Activities</b>	<b>70,00,000</b>	<b>30,00,000</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(3,73,264)</b>	<b>(48,05,362)</b>
Cash & cash equivalents at the beginning of the year	1,72,83,243	2,20,88,605
Cash & cash equivalents at the end of the year	1,69,09,979	1,72,83,243
Refer Note no 12 for details of Cash & Cash equivalents.		

As per our report of even date

**For K.S. AIYAR & CO.**  
Chartered Accountants  
Firm Registration No :- 100186W

**SACHIN A. NEGANDHI**  
Partner  
Membership No. 112888

Mumbai, January 30, 2014

For and on behalf of the Board of Lucky Minmat Limited.

**B.D.Nariman**  
Chairman

**Umesh Pratap**  
Director

**M G Damle**  
Director

**Rajiv Prasad**  
Director

**K.M.Gupta**  
Director

## Notes to the Financial Statements for the year ended December 31, 2013

### 1. CORPORATE INFORMATION

Lucky Minmat Limited is a wholly owned subsidiary of ACC Limited, Company domiciled in India and incorporated under the provision of Companies Act 1956. The Company is engaged in the extraction of limestone.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (A) Basis of preparation

- (i) The financial statements have been prepared in accordance with the accounting principles generally accepted in India and comply in all material aspects in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 („the Act) which as per a clarification issued by the Ministry of Corporate Affairs continue to apply under section 133 of the Companies Act 2013 (which has superseded section 211(3C) of the Companies Act 1956 w.e.f. 12 September 2013).
- (ii) Financial statements are based on historical cost and are prepared on accrual basis, except where impairment is made and revaluation is carried out.
- (iii) Accounting policies have been consistently applied by the Company.

#### (B) 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 end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### (C) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Sale of goods  
Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which is generally on dispatch of products and is stated net of returns.
- (ii) Interest  
Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### (D) Fixed assets

Fixed assets are stated at cost of acquisition or construction including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

#### (E) Depreciation

All assets are depreciated on the straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956, on a pro-rata basis.

#### (F) Impairment

The carrying amounts of assets are reviewed at each Balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value

in use the estimated future cash flows are discounted to the present value at the weighted average cost of capital. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

#### (G) Inventories

Inventories are valued after providing for obsolescence, as follows:

- (i) Raw Materials, Stores & Spare Parts, Packing Material and Fuels  
Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- (ii) Work-in-progress and Finished goods  
Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.  
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### (H) Investments

Current Investments are stated at lower of cost or fair value. Long term Investments are stated at cost. Provision for diminution in value is made only if decline is other than temporary.

#### (I) Income taxes

Tax expense comprises of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

#### (J) Contingencies / Provision

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

#### (K) Earnings per share

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

## Notes to the Financial Statements for the year ended December 31, 2013 (Contd.)

### (L) Segment Reporting

The Company is operating only in one significant business segment i.e. Extraction and sale of lime stone; hence segment information as per Accounting Standard 17 is not required to be disclosed. The Company is catering mainly to the need of the domestic market; as such there is no reportable Geographical Segments..

### (M) Current /Non Current

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

### 3. SHARE CAPITAL

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>AUTHORISED SHARES</b>		
3,25,000 (Previous Year: 3,25,000) equity shares of ₹ 100 each	3,25,00,000	3,25,00,000
	3,25,00,000	3,25,00,000
<b>ISSUED</b>		
3,25,000 (Previous Year: 3,25,000) equity shares of ₹ 100 each	3,25,00,000	3,25,00,000
	3,25,00,000	3,25,00,000
<b>SUBSCRIBED &amp; PAID-UP</b>		
3,25,000 (Previous Year: 3,25,000) equity shares of ₹ 100 each	3,25,00,000	3,25,00,000
<b>TOTAL</b>	3,25,00,000	3,25,00,000

#### Notes :

#### (a) Reconciliation of number of equity shares

	2013		2012	
	Number of shares	Amount ₹	Number of shares	Amount ₹
<b>Equity Shares</b>				
Number of shares outstanding at the beginning of the year	3,25,000	3,25,00,000	3,25,000	3,25,00,000
Movement during the reporting period	-	-	-	-
Closing balance at the end of the reporting period	3,25,000	3,25,00,000	3,25,000	3,25,00,000

#### (b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 100/- each. All equity shares carry similar voting rights of 1:1 and similar dividend rights

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be In proportion to the number of equity shares held by the shareholders.

#### (c) Equity shares held by holding company / ultimate holding and their subsidiaries

	2013		2012	
	Number of shares	Amount ₹	Number of shares	Amount ₹
<b>Holding company</b>				
ACC Limited	3,25,000	3,25,00,000	3,25,000	3,25,00,000
	3,25,000	3,25,00,000	3,25,000	3,25,00,000

#### (d) Details of shareholders holding more than 5% shares

	2013		2012	
	Number of shares	Amount ₹	Number of shares	Amount ₹
<b>Equity shares</b>				
ACC Limited	3,25,000	3,25,00,000	3,25,000	3,25,00,000

### 4. RESERVES AND SURPLUS

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>General Reserves</b>		
Surplus in the statement of profit and loss	8,34,918	8,34,918
Balance as per last Financial statements	(1,48,37,405)	(91,09,155)
Add: Loss for the year	(41,93,499)	(57,28,250)
	(1,90,30,904)	(1,48,37,405)
<b>TOTAL</b>	(1,81,95,986)	(1,40,02,487)

### 5. SHORT TERM BORROWINGS

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Loan &amp; Advances from related parties</b>		
From Holding Company - ACC Limited	1,00,00,000	30,00,000
<b>TOTAL</b>	1,00,00,000	30,00,000

### 6. OTHER CURRENT LIABILITIES

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Payable to Holding Co.</b>		
Other Payables	2,34,181	81,622
	65,050	1,85,142
<b>TOTAL</b>	2,99,231	2,66,764

### 7. SHORT-TERM PROVISIONS

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Provision for Environmental Cess on Limestone</b>		
Provision for Expenses	10,63,120	10,63,120
	2,78,545	3,64,054
<b>TOTAL</b>	13,41,665	14,27,174

**Notes to the Financial Statements for the year ended December 31, 2013 (Contd.)****8. FIXED ASSETS**

	GROSS BLOCK AT COST		DEPRECIATION / AMORTISATION		NET BLOCK		
	As at January 1, 2013 ₹	As at December 31, 2013 ₹	As at January 1, 2013 ₹	For the year ₹	As at December 31, 2013 ₹	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Tangible Assets :</b>							
1. Buildings	3,88,076	3,88,076	3,88,076	-	3,88,076	-	-
2. Plant and Machinery	43,680	43,680	7,588	2,075	9,663	34,017	36,092
3. Computer / Printer	13,700	13,700	8,117	2,220	10,337	3,363	5,583
<b>TOTAL</b>	<b>4,45,456</b>	<b>4,45,456</b>	<b>4,03,781</b>	<b>4,295</b>	<b>4,08,076</b>	<b>37,380</b>	<b>41,675</b>
Previous year	4,45,456	4,45,456	3,99,486	4,295	4,03,781	41,675	

**9. NON-CURRENT INVESTMENTS**

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Trade Investments</b> (valued at cost)		
National Saving Certificate	20,850	20,850
<b>TOTAL</b>	<b>20,850</b>	<b>20,850</b>

**10. LONG-TERM LOANS AND ADVANCES**

Unsecured, considered Good, unless otherwise stated

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Security deposit</b>		
Deposit with Holding Company	1,00,000	1,00,000
<b>Other loans and advances</b>		
Advances Payment against taxes	29,10,736	26,66,117
<b>TOTAL</b>	<b>30,10,736</b>	<b>27,66,117</b>

**11. TRADE RECEIVABLES**

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Unsecured, considered good unless stated otherwise</b>		
Receivable from holding company:		
Over six months	-	-
Others	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**12. CASH AND BANK BALANCES**

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Cash and Cash equivalents</b>		
Balances with banks:		
On current accounts	6,80,643	20,78,163
Deposits with original maturity of less than three months	1,62,29,336	1,52,05,080
	1,69,09,979	1,72,83,243
<b>Other Bank balances</b>		
Fixed deposit (Receipts are in the custody of mining department as security towards mines)	15,88,031	15,65,001
	15,88,031	15,65,001
<b>TOTAL</b>	<b>1,84,98,010</b>	<b>1,88,48,244</b>

**13. SHORT-TERM LOAN AND ADVANCES**

Unsecured, considered Good, unless otherwise stated

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Advances recoverable in cash or kind</b>		
Unsecured considered good	38,136	1,06,491
	38,136	1,06,491
<b>Other loans and advances</b>		
Advances recoverable or value to be received	40,85,016	11,63,144
<b>TOTAL</b>	<b>41,23,152</b>	<b>12,69,635</b>

**14. OTHER CURRENT ASSETS**

Unsecured, considered Good, unless otherwise stated

	As at December 31, 2013 ₹	As at December 31, 2012 ₹
<b>Interest Accrued but not due</b>		
	2,54,782	2,44,930
<b>TOTAL</b>	<b>2,54,782</b>	<b>2,44,930</b>

**Notes to the Financial Statements for the year ended December 31, 2013 (Contd.)****15. REVENUE FROM OPERATIONS**

	For the Year ended December 31, 2013 ₹	For the Year ended December 31, 2012 ₹
Sale of Products :		
Finished goods- Sale of Limestone	-	5,39,723
<b>TOTAL</b>	-	5,39,723

**16. OTHER INCOME**

	For the Year ended December 31, 2013 ₹	For the Year ended December 31, 2012 ₹
Interest on Bank deposits	11,65,884	9,85,117
<b>TOTAL</b>	11,65,884	9,85,117

**17.1 OTHER EXPENSE**

	For the Year ended December 31, 2013 ₹	For the Year ended December 31, 2012 ₹
Consumption of stores and spares	-	1,12,253
Travelling Expenses	2,81,559	2,64,094
Power and fuel	11,402	2,950
Repairs to other Items	80,406	12,800
Stationary Expenses	8,913	12,726
Royalties/dead Rent	38,71,594	46,36,757
Loading, Transportation and other mining expenses	3,75,416	14,69,362
Bank charges	2,032	895
Professional Expenses	2,98,788	3,01,046
Miscellaneous expenses	1,29,978	1,40,912
<b>TOTAL (A)</b>	50,60,088	69,53,795

**17.2 PAYMENT TO STATUTORY AUDITORS (excluding service tax)**

	For the Year ended December 31, 2013 ₹	For the Year ended December 31, 2012 ₹
<b>As Auditors</b>		
Audit fees	1,00,000	1,00,000
Audit fees for tax financial statements	70,000	70,000
For other services	1,25,000	1,25,000
<b>TOTAL (B)</b>	2,95,000	2,95,000
<b>TOTAL (A + B)</b>	53,55,088	72,48,795

**18. RELATED PARTY DISCLOSURE****A. Particulars of Related Parties, which control or are under common control with the Company:**

Name of Related Party	Nature of Relationship
ACC Limited	Holding Company

**B. Related Party Transactions**

Transaction with Holding Company	For the Year ended December 31, 2013 ₹	For the Year ended December 31, 2012 ₹
(i) Sales of Finished / Unfinished goods to ACC Limited (Net)	-	5,39,723
(ii) Inter corporate deposit received	70,00,000	30,00,000
(iii) TDS / VAT/ Service Tax / Royalty Paid on behalf of Lucky Minmat Limited By ACC Limited	1,52,559	1,72,617

**C. Closing Balances of Related Parties**

Holding Co - ACC Limited	As at December 31, 2013 ₹	As at December 31, 2012 ₹
ICD Taken	1,00,00,000	30,00,000
Security Deposit with ACC Limited - Given	1,00,000	1,00,000
Other Payables	2,34,181	81,621

**19. EARNINGS PER SHARE (EPS)**

	For the Year ended December 31, 2013 ₹	For the Year ended December 31, 2012 ₹
Profit/(Loss) after taxation as per Statement of Profit & Loss in Rupees	(41,93,499)	(57,28,250)
Weighted average number of Equity Shares Outstanding	3,25,000	3,25,000
Basic earnings per share (weighted average) ( Face Value – ₹ 100 per share)	(12.90)	(17.63)

(Basic and Diluted EPS are same)

**Notes to the Financial Statements for the year ended December 31, 2013 (Contd.)****20. TAXATION**

No provision for current tax is made in view of the losses for the year. In view of carried forward losses, the company has deferred tax assets ; however, as a matter of prudence and in view of the absence of virtual certainty of future taxable income, the same has not been recognized in the financial statements.

**21.** There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principle amount together with interest and accordingly no additional disclosures have been made.

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**22.** The Company has no employees on its payroll during the period.

**23.** With Regard to the application for renewal of consent to operate minor lease for production capacity 1,20,643 Tonnes per annum filed with the Rajasthan state Pollution control board (RSPCB), a show cause notice was received from the RSPCB in December 2011 which was suitably replied. Thereafter, the company received notice for closure of the mines in February, 2012 pursuant to which the company has stopped all mining operations from March 2012.

**24.** Additional information pursuant to the provisions of paragraph 5(viii)(c) of schedule VI of The Companies Act,1956 is either Nil or not applicable.

**25.** Previous year figures are regrouped / restated wherever necessary to make them comparable with current year figures.

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As per our report of even date

**For K.S. AIYAR & CO.**

*Chartered Accountants*

Firm Registration No :- 100186W

**SACHIN A. NEGANDHI**

*Partner*

Membership No. 112888

Mumbai, January 30, 2014

For and on behalf of the Board of Lucky Minmat Limited

**B.D.Nariman**

*Chairman*

**Umesh Pratap**

*Director*

**M G Damle**

*Director*

**Rajiv Prasad**

*Director*

**K.M.Gupta**

*Director*