

## Directors' Report

TO THE MEMBERS OF  
LUCKY MINMAT LIMITED

The Directors take pleasure in presenting the Thirty Seventh Annual Report on the business and operations of the Company and the Audited Accounts for the year ended December 31, 2012.

### 1. FINANCIAL RESULTS

Particulars	2012	2011
	₹	₹
Revenue from Operations (net) and Other Income	1,524,840	10,897,967
Profit / (Loss) before Tax	(5,728,250)	(2,600,938)
Provision for Taxation	-	-
Profit / (Loss) after Taxation	(5,728,250)	(2,600,938)
Balance brought forward from previous year	(9,109,155)	(6,508,217)
Balance carried forward to Balance Sheet	(14,837,405)	(9,109,155)

### 2. OPERATIONS

The total dispatches for the year ended December 31, 2012 were 2623.83 MT as compared to 51051 MT for the year ended December 31, 2011.

The Company has incurred a loss after tax of ₹ 5,728,250 for the year ended December 31, 2012 as compared to a loss after tax of ₹ 2,600,938 for the year ended December 31, 2011.

### 3. DIVIDEND

Your Directors do not recommend any dividend for the financial year ended December 31, 2012.

### 4. INDUSTRIAL RELATIONS

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

### 5. PROPOSED AMALGAMATION OF THE COMPANY WITH ACC LIMITED

The Scheme of Amalgamation of your Company with ACC Limited, the holding Company, is pending for want of certain regulatory approvals.

### 6. DIRECTORS

The Board of Directors has appointed Mr Umesh Pratap as an Additional Director of the Company with effect from April 13, 2012. As an Additional Director, Mr Umesh Pratap holds office till the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment is included at Item 5 of the Notice convening the Annual General Meeting.

The Board of Directors has appointed Mr Rajiv Prasad as an Additional Director of the Company with effect from February 1, 2013. As an Additional Director, Mr Rajiv Prasad holds office till the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director of the Company is included at Item 6 of the Notice convening the Annual General Meeting.

The Board of Directors has appointed Mr Madhav G Damle as an Additional Director of the Company with effect from February 1, 2013. As an Additional Director, Mr Madhav G Damle holds office till the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director of the Company is included at Item 7 of the Notice convening the Annual General Meeting.

Dr Samar Bahadur Singh who was appointed as a Director of the Company with effect from October 18, 2010 resigned as Director with effect from April 13, 2012. The Board has placed on record its appreciation of the valuable services rendered by Dr Singh during his tenure as a Director of the Company.

In accordance with the provisions of the Companies Act, 1956, Mr B D Nariman and Mr K M Gupta retire by rotation and are eligible for re-appointment.

### 7. 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:

- that in the preparation of the Accounts for the year ended December 31, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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, 2012, 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, 2012, have been prepared on a going concern basis.

#### **8. 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 2013, and to authorize the Board of Directors to determine their remuneration.

#### **9. AUDIT COMMITTEE**

The Company is not required to constitute an Audit Committee under the provisions of Section 292A of the Companies Act, 1956.

#### **10. 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.

#### **11. 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.

#### **12. PARTICULARS OF EMPLOYEES**

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

#### **13. 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  
February 1, 2013

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

**Pramod S. Shah**

B.A., B.Com., L.L.B., F.C.S., S.E.O.

Mani Bhuwan, 1st Floor, Office No. 5, 54, Hughes Road  
(Opp : Dharam Palace), Mumbai - 400 007 (India)  
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Fax : +91 (022) 2367 8571  
E-mail : saurabhshah361@gmail.com

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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: ₹ 3,25,00,000/-**  
**The Members,** **Registration No. : 11-001697**  
**Lucky Minmat Limited** **(31/12/2012)**

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) and 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 **31<sup>st</sup> December, 2012**. 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 as may be required within the time prescribed under the Act 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 01/02/2012, 13/04/2012, 23/07/2012, 15/10/2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolution passed in the Minutes book maintained for the purpose.
5. The Company has not closed its Register of Members / Debenture holders during the financial year.
6. The Annual General Meeting for the year ended on 31/12/2011 was held on 26/03/2012 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 Act.
9. The Company has not entered into contracts falling within the purview of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
  - i. has not allotted / transmitted securities during the financial year and has delivered the certificates received for transfer in accordance with the provisions of the Act.
  - 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 Act regarding Board's Report.
14. The Board of Directors of the Company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to be filled by casual vacancies have 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 of Companies and / or such other authorities prescribed under the various provisions of the Act 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 Act 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, right 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 during the financial year.
  24. The Company has not made any borrowings during the financial year ended 31st December, 2012.
  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 Act and has made necessary entries 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.
  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 imposed on the Company during the financial year, for offences under the Act.
  32. The Company has not received any money as security from its employees during the financial year.
  33. The Company has deposited both, employee's and employer's contribution to Provident Fund with the prescribed authorities pursuant to Section 418 of the Act.

Signature:

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

Place : Mumbai  
Date : 31/01/2013

**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 Directors
5. Register of Director's Shareholding
6. Register of Assets
7. Register of Investments
8. Register of Charges
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, 2012.

Sr. NO.	Form No.	Filed u/s	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	31/12/2011	11/05/2012	Yes	No
2	Form 23AC & 23ACA (Balance Sheet and Profit & Loss Account)	220	31/12/2011	25/04/2012	Yes	No
3	Form 66	383A	31/12/2011	29/03/2012	Yes	No
4	Form 32	260	31/12/2011	09/05/2012	Yes	No

Place : Mumbai

Date : 31/01/2013

# Auditors' Report

## TO THE MEMBERS OF LUCKY MINMAT LIMITED

1. We have audited the attached Balance Sheet of LUCKY MINMAT LIMITED, as at December 31, 2012, and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 purposes 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 the 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 dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) on the basis of the written representations received from the directors, as on December 31, 2012, and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified as on December 31, 2012 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2012;
    - ii) in the case of the Statement of Profit and Loss, of the loss of the Company 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.

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

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

Place: Mumbai  
Date: February 01, 2013

## Annexure to the Auditors' Report

(Referred to in paragraph 3 of our Report of even date on the Accounts for the year ended December 31, 2012 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 Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (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, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and Cess which have not been deposited on account of any dispute.
- (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  
Firm Registration No. 100186W

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

Place: Mumbai  
Date: February 01, 2013

**Balance Sheet as at December 31, 2012**

	Note No.	As at December 31, 2012	As at December 31, 2011
		₹	₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	3,25,00,000	3,25,00,000
Reserves and surplus	4	(1,40,02,487)	(82,74,237)
		1,84,97,513	2,42,25,763
<b>Current liabilities</b>			
Short term borrowings	5	30,00,000	-
Other current liabilities	6	2,66,764	17,75,928
Short-term provisions	7	14,27,174	10,50,000
		46,93,938	28,25,928
<b>TOTAL</b>		<b>2,31,91,451</b>	<b>2,70,51,691</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets:			
Tangible assets	8	41,675	45,970
Non-current investments	9	20,850	20,850
Long-term loans and advances	10	27,66,117	24,71,935
		28,28,642	25,38,755
<b>Current assets</b>			
Trade receivables	11.1	-	5,39,133
Cash and bank Balances	12	1,88,48,244	2,36,36,230
Short-Term loans and advances	10	12,69,635	33,000
Other current assets	11.2	2,44,930	3,04,573
		2,03,62,809	2,45,12,936
<b>TOTAL</b>		<b>2,31,91,451</b>	<b>2,70,51,691</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.**  
Chartered Accountants  
Firm Registration No. 100186W

**BURJOR D. NARIMAN**  
Chairman

**UMESH PRATAP**  
Director

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

**K.M. GUPTA**  
Director

**S DAS GUPTA**  
Director

Mumbai, February 01, 2013

Jaipur, February 01, 2013

**Statement of Profit & Loss for the year ended on December 31, 2012**

	Note No.	For the year ended December 31, 2012	For the year ended December 31, 2011
		₹	₹
Revenue from Operations	13	5,39,723	94,44,424
Other Income	14	9,85,117	14,53,543
<b>Total Revenue</b>		<b>15,24,840</b>	<b>1,08,97,967</b>
<b>EXPENSES</b>			
Depreciation and amortization expense	8	4,295	4,295
Other expenses	15	72,48,795	1,34,94,610
<b>Total Expenses</b>		<b>72,53,090</b>	<b>1,34,98,905</b>
<b>Loss before Tax</b>		<b>(57,28,250)</b>	<b>(26,00,938)</b>
Provision for Taxation		-	-
<b>Loss for the Year</b>		<b>(57,28,250)</b>	<b>(26,00,938)</b>
Earnings per equity share (Face value of ₹ 100 each) (Refer Note - 17)			
Basic & Diluted Earnings per Share (₹)		(17.63)	(8.00)
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.**  
Chartered Accountants  
Firm Registration No. 100186W

**BURJOR D. NARIMAN**  
Chairman

**UMESH PRATAP**  
Director

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

**K.M. GUPTA**  
Director

**S DAS GUPTA**  
Director

Mumbai, February 01, 2013

Jaipur, February 01, 2013



**Cash Flow Statement for the year ended December 31, 2012**

	For the year ended December 31, 2012	For the year ended December 31, 2011
	₹	₹
A. Cash flow from operating activities		
1. Net Loss before taxation	(57,28,250)	(26,00,938)
Adjustments for:		
Depreciation	4,295	4,295
Interest Received	(9,85,117)	(14,53,543)
Operating profit before working capital changes	(67,09,072)	(40,50,186)
Movement in Working Capital		
2. Decrease/(Increase) in Sundry Debtors	5,39,133	74,076
3. Decrease/(Increase) in Other Current Assets	(12,54,011)	1,62,503
4. Increase/(Decrease) in Other Liabilities & Provisions	(11,31,990)	(14,14,660)
<b>Cash generated from operations</b>	<b>(85,55,940)</b>	<b>(52,28,267)</b>
5. Direct Taxes paid - (Net of Refunds)	(2,94,182)	(2,38,766)
<b>Net Cash from operating activities</b>	<b>(88,50,122)</b>	<b>(54,67,033)</b>
B. Cash flow from investing activities		
6. Interest Received	10,44,760	17,65,247
<b>Net Cash from investing activities</b>	<b>10,44,760</b>	<b>17,65,247</b>
C. Cash flow from financing activities		
7. Inter Corporate Deposits from Holding company	30,00,000	-
<b>Net Cash used in financing activities</b>	<b>30,00,000</b>	<b>-</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(48,05,362)</b>	<b>(37,01,786)</b>
Cash & Cash equivalents at the beginning of the year	2,20,88,605	2,57,90,391
Cash & Cash equivalents at the end of the year	1,72,83,243	2,20,88,605

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 Regn. No. 100186W

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

Mumbai, February 01, 2013

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

**BURJOR D. NARIMAN**  
Chairman

**K.M. GUPTA**  
Director

Jaipur, February 01, 2013

**UMESH PRATAP**  
Director

**S DAS GUPTA**  
Director

**Notes to Financial Statement for the year ended December 31, 2012**

**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 principle generally accepted in India and comply in all material aspects with the Notified Accounting Standards specified in Companies (Accounting Standards) Rules, 2006 prescribed by the Central Govt. and the relevant provisions of the Companies Act, 1956.
- (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.
- (iv) Till the year ended December 31, 2011, the Company was using pre-revised Schedule VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended December 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company. The Company has reclassified previous year numbers to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of the financial statements. However, it significantly impacts the presentation and disclosure made in the financial statements, particularly presentation of balance sheet.

**(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.

Notes to Financial Statement for the year ended December 31, 2012 (contd.)

(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.

(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, 2012	As at December 31, 2011
	₹	₹
<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
<b>ISSUED</b>		
3,25,000 (Previous Year: 3,25,000) equity shares of ₹ 100 each	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>	<b>3,25,00,000</b>	<b>3,25,00,000</b>

Notes :

(a) Reconciliation of number of equity shares

	2012		2011	
	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

	2012		2011	
	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
	<b>3,25,000</b>	<b>3,25,00,000</b>	<b>3,25,000</b>	<b>3,25,00,000</b>

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

	2012		2011	
	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, 2012		As at December 31, 2011	
	₹	₹	₹	₹
<b>General Reserves</b>		8,34,918		8,34,918
<b>Surplus in the statement of profit and loss</b>				
Balance as per last Financial statements	(91,09,155)		(65,08,217)	
Add: Loss for the year	(57,28,250)		(26,00,938)	
		(1,48,37,405)		(91,09,155)
<b>TOTAL</b>		<b>(1,40,02,487)</b>		<b>(82,74,237)</b>

5. SHORT TERM BORROWINGS

<b>Unsecured</b>	As at December 31, 2012	As at December 31, 2011
	₹	₹
Loan & Advances from related parties		
From Holding Company - ACC Limited	30,00,000	-
<b>TOTAL</b>	<b>30,00,000</b>	<b>-</b>

6. OTHER CURRENT LIABILITIES

	As at December 31, 2012	As at December 31, 2011
	₹	₹
Payable to Holding Co.	81,622	-
Other Payables	1,85,142	17,75,928
<b>TOTAL</b>	<b>2,66,764</b>	<b>17,75,928</b>

Notes to Financial Statement for the year ended December 31, 2012 (contd.)

7. SHORT-TERM PROVISIONS

	As at December 31, 2012	As at December 31, 2011
	₹	₹
Provision for Environmental Cess on Limestone	10,63,120	10,50,000
Provision for Expenses	3,64,054	-
<b>TOTAL</b>	<b>14,27,174</b>	<b>10,50,000</b>

8. FIXED ASSETS

	GROSS BLOCK AT COST		DEPRECIATION / AMORTISATION		NET BLOCK		
	As at January 1, 2012	As at December 31, 2012	As at January 1, 2012	Additions/ Adjustments	As at December 31, 2012	As at December 31, 2012	As at December 31, 2011
	₹	₹	₹	₹	₹	₹	₹
<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	5,513	2,075	7,588	36,092	38,167
3. Computer /Printer	13,700	13,700	5,897	2,220	8,117	5,583	7,803
<b>TOTAL</b>	<b>4,45,456</b>	<b>4,45,456</b>	<b>3,99,486</b>	<b>4,295</b>	<b>4,03,781</b>	<b>41,675</b>	<b>45,970</b>
Previous year	4,45,456	4,45,456	3,95,191	4,295	3,99,486	45,970	

9. NON-CURRENT INVESTMENTS

	As at December 31, 2012	As at December 31, 2011
	₹	₹
<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. LOANS AND ADVANCES

	Non-current	Current	Non-current	Current
	As at December 31, 2012	As at December 31, 2012	As at December 31, 2011	As at December 31, 2011
	₹	₹	₹	₹
<b>Security deposit</b>				
Deposit with Holding Company	1,00,000	-	1,00,000	-
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	-	1,06,491	-	33,000
<b>Other loans and advances</b>				
Advances Payment against taxes	26,66,117	-	23,71,935	-
Advances recoverable or value to be received	-	11,63,144	-	-
<b>TOTAL</b>	<b>27,66,117</b>	<b>12,69,635</b>	<b>24,71,935</b>	<b>33,000</b>

11.1 TRADE RECEIVABLES AND OTHER ASSETS

Trade receivables

	As at December 31, 2012	As at December 31, 2011
	₹	₹
Unsecured, considered good unless stated otherwise		
Receivable from holding company:		
Over six months		-
Others	-	5,39,133
<b>TOTAL</b>	<b>-</b>	<b>5,39,133</b>

11.2 OTHER CURRENT ASSETS

Unsecured, considered good unless stated otherwise

	As at December 31, 2012	As at December 31, 2011
	₹	₹
Interest Accrued but not due	2,44,930	3,04,573
<b>TOTAL</b>	<b>2,44,930</b>	<b>3,04,573</b>

Notes to Financial Statement for the year ended December 31, 2012 (contd.)

12. CASH AND BANK BALANCES

	As at December 31, 2012	As at December 31, 2011
	₹	₹
<b>Cash and Cash equivalents</b>		
Balances with banks:		
On current accounts	20,78,163	22,63,416
Deposits with original maturity of less than three months	1,52,05,080	1,98,25,189
	1,72,83,243	2,20,88,605
<b>Other Bank balances</b>		
Fixed deposit (Receipts are in the custody of mining department as security towards mines)	15,65,001	15,47,625
<b>TOTAL</b>	<b>1,88,48,244</b>	<b>2,36,36,230</b>

13. REVENUE FROM OPERATIONS

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Sale of Products :		
Finished goods- Sale of Limestone	5,39,723	94,44,424
<b>TOTAL</b>	<b>5,39,723</b>	<b>94,44,424</b>

14. OTHER INCOME

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Interest on Bank deposits	9,85,117	14,53,543
<b>TOTAL</b>	<b>9,85,117</b>	<b>14,53,543</b>

15. 1 OTHER EXPENSES

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Consumption of stores and spares	1,12,253	11,05,480
Travelling Expenses	2,64,094	3,42,474
Power and fuel	2,950	18,200
Repairs to other Items	12,800	6,480
Stationary Expenses	12,726	26,030
Royalties/dead Rent	46,36,757	52,11,128
Loading, Transportation and other mining expenses	14,69,362	59,79,140
Bank charges	895	947
Legal Expenses	-	46,386
Professional Expenses	3,01,046	2,74,077
Miscellaneous expenses	1,40,912	1,56,209
Corporate social Responsibility	-	33,059
<b>TOTAL (A)</b>	<b>69,53,795</b>	<b>1,31,99,610</b>

15.2 PAYMENT TO STATUTORY AUDITORS (EXCLUDING SERVICE TAX)

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
<b>As Auditors</b>		
Audit fees	100,000	1,00,000
Audit fees for tax financial statements	70,000	70,000
In other matters - Certification	1,25,000	1,25,000
<b>TOTAL (B)</b>	<b>2,95,000</b>	<b>2,95,000</b>
<b>TOTAL (A + B)</b>	<b>72,48,795</b>	<b>1,34,94,610</b>

16. 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, 2012	For the Year ended December 31, 2011
	₹	₹
(i) Sales of Finished / Unfinished goods to ACC Limited (Net)	5,39,723	94,44,424
(ii) Inter corporate deposit received	30,00,000	-
(iii) TDS / VAT/ Service Tax / Royalty Paid on behalf of Lucky Minmat Limited By ACC Limited	1,72,617	9,62,669

C. Closing Balances of Related Parties

Holding Co - ACC Limited	As at December 31, 2012	As at December 31, 2011
	₹	₹
ICD Taken	30,00,000	-
Security Deposit with ACC Limited - Given	1,00,000	1,00,000
Other Payables	81,621	-
Receivable	-	5,39,133

**Notes to Financial Statement for the year ended December 31, 2012 (contd.)**

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

	For the Year ended December 31, 2012	For the Year December 31, 2011
	₹	₹
Loss after taxation as per Statement of Profit & Loss	(57,28,250)	(26,00,938)
Weighted average number of Equity Shares Outstanding	3,25,000	3,25,000
Basic earnings per share (weighted average ) ( Face Value – ₹ 100 per share)	(17.63)	(8.00)

(Basic and Diluted EPS are same.)

**18. 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.

**19.** 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.

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

**21.** The Company has filed a scheme in the High Court of Bombay in June 2011 and hearing has been held by the said Court for amalgamation of the company with ACC Limited (Holding company)

**22.** 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 .

**23.** 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.

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

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, February 01, 2013

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

**BURJOR D. NARIMAN**  
*Chairman*

**UMESH PRATAP**  
*Director*

**K.M. GUPTA**  
*Director*

**S DAS GUPTA**  
*Director*

Jaipur, February 01, 2013