

Directors' Report

TO THE MEMBERS OF
NATIONAL LIMESTONE COMPANY PRIVATE LIMITED

The Directors take pleasure in presenting the Thirty Second 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	1,130,534	13,167,961
Profit / (Loss) Before Tax	(1,944,433)	(275,244)
Provision for Taxation	-	-
Profit / (Loss) after Taxation	(1,944,433)	(275,244)
Balance brought forward from previous year	(1,692,884)	(1,417,640)
Balance carried forward to Balance Sheet	(3,637,317)	(1,692,884)

2. OPERATIONS

The total dispatches for the year ended December 31, 2012 were 2767.22 MT as compared to 34822 MT for the year ended December 31, 2011.

The Company has incurred a loss after tax of ₹ 1,944,433 for the year ended December 31, 2012 as compared to a loss after tax of ₹ 275,244 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 Sankarsan Dasgupta and Mr Krishan Mohan 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:

- i) 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;
- 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, 2012, and of the loss of the Company for the period 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 period 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 provisions of Section 292A of the Companies Act, 1956.

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 Sec 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
February 1, 2013

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

Auditors' Report

TO THE MEMBERS OF THE NATIONAL LIMESTONE COMPANY PRIVATE LIMITED

1. We have audited the attached Balance Sheet of NATIONAL LIMESTONE COMPANY PRIVATE 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) We draw attention to note 27 of the notes to financial statements regarding preparation of accounts on "Going concern" basis in spite of the net worth of the company being negative in view of the reasons detailed therein.
 - g) 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 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 NATIONAL LIMESTONE COMPANY PRIVATE 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 accumulated losses of the Company exceed 50% of its net worth. The Company 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 funds raised on short-term basis aggregating to ₹ 35,60,363 have been utilised for financing the cash losses.
- (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
		₹	₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	8,65,000	8,65,000
Reserves and Surplus	4	(32,15,192)	(12,70,759)
		(23,50,192)	(4,05,759)
Current liabilities			
Short Term Borrowings	5	1,78,54,039	1,56,78,850
Other Current Liabilities	6	26,10,774	43,82,420
Short-Term Provisions	7	2,46,296	2,28,873
		2,07,11,109	2,02,90,143
TOTAL		1,83,60,917	1,98,84,384
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible Assets	8	6,24,141	6,51,025
Long-Term Loans and Advances	9	5,86,030	2,92,128
		12,10,171	9,43,153
Current assets			
Inventories	12	36,31,906	46,36,697
Trade Receivables	10	6,90,713	9,93,446
Cash and Bank balances	13	15,02,648	21,25,387
Short-Term Loans and Advances	9	1,13,22,616	1,11,82,838
Other Current Assets	11	2,863	2,863
		1,71,50,746	1,89,41,231
TOTAL		1,83,60,917	1,98,84,384
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
National Lime Stone Company
Private Limited,

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

BURJOR D. NARIMAN UMESH PRATAP
Chairman Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

K.M. GUPTA S DAS GUPTA
Director Director

Mumbai, February 01, 2013 Jaipur, February 01, 2013

Statement of Profit and Loss for the year ended December 31, 2012

	Note No.	For the year ended December 31, 2012	For the year ended December 31, 2011
		₹	₹
Revenue from Operations	14	11,30,534	1,31,65,098
Other Income	15	-	2,863
Total revenue		11,30,534	1,31,67,961
EXPENSES			
Cost of material Consumed	16	-	81,26,141
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	17	10,04,791	(46,31,491)
Depreciation and amortization expense	8	26,884	27,521
Other expenses	18	20,43,292	99,21,034
Total Expenses		30,74,967	1,34,43,205
Loss before Tax		(19,44,433)	(2,75,244)
Provision for Taxation		-	-
Loss for the year		(19,44,433)	(2,75,244)
Earnings per equity share (Face value of ₹ 100 each) (Refer Note - 20)			
Basic & Diluted Earnings per Share (₹)		(224.79)	(31.82)
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
National Lime Stone Company
Private Limited,

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

BURJOR D. NARIMAN UMESH PRATAP
Chairman Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

K.M. GUPTA S DAS GUPTA
Director 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	(19,44,433)	(2,75,244)
Adjustments for:		
Depreciation	26,884	27,521
Interest Received	-	(2,863)
Operating profit before working capital changes	(19,17,549)	(2,50,586)
Movement in Working Capital		
2. Decrease/(Increase) in Sundry Debtors	3,02,733	(9,93,446)
3. Decrease/(Increase) in Inventories	10,04,791	(46,31,491)
4. Decrease/(Increase) in Other Current assets	-	(6,09,684)
5. Decrease/(Increase) in Loans & Advances	(4,33,680)	(2,81,623)
6. Increase/(Decrease) in Other Liabilities & Provisions	(5,79,034)	66,16,420
Cash generated from operations	(16,22,739)	(1,50,410)
7. Direct Taxes paid - (Net of Refunds)	-	(5,847)
Net Cash from operating activities	(16,22,739)	(1,56,257)
B. Cash flow from investing activities		
8. Interest Received	-	2,863
Net Cash from investing activities	-	2,863
c. Cash flow from financing activities		
9. Inter Corporate Deposits from Holding Company	10,00,000	-
Net Cash from financing activities	10,00,000	-
Net increase / (decrease) in cash & cash equivalents	(6,22,739)	(1,53,394)
Cash & Cash equivalents at the beginning of the year	15,15,704	16,69,098
Cash & Cash equivalents at the end of the year	8,92,965	15,15,704

Refer Note no 13 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, February 01, 2013

For and on behalf of the Board of National Lime Stone Company Private 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

National Limestone Company Private Limited is 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 with the Notified Accounting Standards specified in Companies (Accounting Standards) Rules, 2006 prescribed by the Central Government 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) 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.

(H) 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.

(I) Contingencies / Provisions

A provision is recognised when an enterprise has a present

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

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.

(J) 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.

(K) 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.

(L) 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.

(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

Particular	As at December 31, 2012	As at December 31, 2011
	₹	₹
AUTHORISED SHARES		
50,000 (Previous Year: 50,000) equity shares of ₹ 100 each	50,00,000	50,00,000
ISSUED		
8,650 (Previous Year: 8,650) equity shares of ₹ 100 each	8,65,000	8,65,000
SUBSCRIBED & PAID-UP		
8,650 (Previous Year: 8,650) equity shares of ₹ 100 each	8,65,000	8,65,000
	8,65,000	8,65,000

Notes :

(a) Reconciliation of number of equity shares

	2012		2011	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Equity Shares:				
Number of shares outstanding at the beginning of the year	8,650	8,65,000	8,650	8,65,000
Movement during the reporting period	-	-	-	-
Closing balance at the end of the reporting period	8,650	8,65,000	8,650	8,65,000

(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 ₹
ACC Limited	8,650	8,65,000	8,650	8,65,000
	8,650	8,65,000	8,650	8,65,000

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

	2012		2011	
	Number of shares	Amount ₹	Number of shares	Amount ₹
ACC Limited	8,650	8,65,000	8,650	8,65,000
	8,650	8,65,000	8,650	8,65,000

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

4. RESERVES AND SURPLUS

	As at December 31, 2012		As at December 31, 2011	
	₹	₹	₹	₹
General Reserves		4,22,125		4,22,125
Surplus in the statement of Profit and Loss				
Balance as per last Financial statements	(16,92,884)		(14,17,640)	
Add: Loss for the year	(19,44,433)		(2,75,244)	
		(36,37,317)		(16,92,884)
TOTAL		(32,15,192)		(12,70,759)

5. SHORT TERM BORROWINGS

	As at	As at
	December 31, 2012	December 31, 2011
	₹	₹
Unsecured :		
From Holding Company (payable on demand & Interest free):		
Inter corporate deposits	10,00,000	-
Others Advances	1,68,54,039	1,56,78,850
TOTAL	1,78,54,039	1,56,78,850

6. OTHER CURRENT LIABILITIES

	As at	As at
	December 31, 2012	December 31, 2011
	₹	₹
Security Deposits	8,62,689	-
Other Payables	7,65,763	43,82,420
Advance from Customers	9,82,322	-
TOTAL	26,10,774	43,82,420

7. SHORT-TERM PROVISIONS

	As at	As at
	December 31, 2012	December 31, 2011
	₹	₹
Provision for Expenses	2,46,296	2,28,873
TOTAL	2,46,296	2,28,873

8. FIXED ASSETS

	GROSS BLOCK AT COST		TOTAL DEPRECIATION / AMORTISATION			NET BLOCK	
	As at	As at	As at	For the year	As at	As at	As at
	01-01-2012	31-12-2012	01-01-2012		31-12-2012	31-12-2012	31-12-2011
Tangible Assets :							
1. Freehold Land	3,80,154	3,80,154	-	-	-	3,80,154	3,80,154
2. Leasehold Land	47,977	47,977	-	-	-	47,977	47,977
3. Factory Building	7,19,591	7,19,591	5,60,194	24,032	5,84,226	1,35,365	1,59,397
4. Tubewell	35,283	35,283	14,237	576	14,813	20,470	21,046
5. Office building	43,459	43,459	11,516	708	12,224	31,235	31,943
6. Plant & machinery	40,000	40,000	38,736	1,264	40,000	-	1,264
7. Weight Machine	57,161	57,161	57,161	-	57,161	-	-
8. Magazine/ Explosive Warehouse	18,554	18,554	9,310	304	9,614	8,940	9,244
TOTAL	13,42,179	13,42,179	6,91,154	26,884	7,18,038	6,24,141	6,51,025
Previous Year	13,42,179	13,42,179	6,63,633	27,521	6,91,154	6,51,025	

9. 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
	₹	₹	₹	₹
Security deposit				
Deposit with Mining department	-	1,04,25,437	-	1,07,65,576
Deposit with Holding company- ACC Limited	50,000	-	50,000	-
Advances recoverable in cash or kind				
Unsecured considered good	-	8,97,179	-	4,17,262
Other loans and advances				
Advances Payment against taxes	5,36,030	-	2,42,128	-
TOTAL	5,86,030	1,13,22,616	2,92,128	1,11,82,838

10. TRADE RECEIVABLES

	As at	As at
	December 31, 2012	December 31, 2011
	₹	₹
Unsecured, considered good		
More than 6 months	6,90,713	1,26,847
Others	-	8,66,599
TOTAL	6,90,713	9,93,446

11. OTHER CURRENT ASSETS

	As at	As at
	December 31, 2012	December 31, 2011
	₹	₹
Interest Accrued but not due	2,863	2,863
TOTAL	2,863	2,863

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

12. INVENTORIES (At cost or net realisable value whichever is lower)

	As at December 31, 2012	As at December 31, 2011
	₹	₹
Finished Goods :		
Limestone	11,377	11,377
Crushed Limestone	36,16,555	46,21,346
Explosives	3,974	3,974
TOTAL	36,31,906	46,36,697

13. CASH AND BANK BALANCES

	As at December 31, 2012	As at December 31, 2011
	₹	₹
Cash and Cash equivalents		
Balances with Banks:		
On Current Accounts	8,92,965	15,15,704
Other Bank balances:		
Fixed deposit (receipts are in the custody of mining department as security towards mines)	6,09,683	6,09,683
TOTAL	15,02,648	21,25,387

14. REVENUE FROM OPERATIONS

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Sale of Products :		
Finished goods- Sale of Crushed Limestone	11,20,063	98,97,367
Finished goods- Sale of Limestone	10,471	32,67,731
TOTAL	11,30,534	1,31,65,098

15. OTHER INCOME

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Interest on Bank deposits	-	2,863
TOTAL	-	2,863

16. COST OF MATERIALS CONSUMED

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Purchase of Crushed limestone	-	81,26,141
TOTAL	-	81,26,141

17. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Inventories at the end of the year		
Finished Goods	36,31,906	46,36,697
	36,31,906	46,36,697
Inventories at the beginning of the year		
Finished Goods	46,36,697	5,206
	46,36,697	5,206
(Increase)/Decrease	10,04,791	(46,31,491)

18. OTHER EXPENSE

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Stores & spares consumed	4,490	1,50,195
Power & fuel	6,581	2,265
Crushing charges	-	29,66,082
Royalties	8,02,413	22,63,442
Loading, transportation, Mines expenses & other charges	5,20,951	24,51,045
Rates and taxes	-	16,904
Travelling Expenses	2,91,028	2,35,960
Outward Transportation	-	9,92,823
Bank charges	1,801	5,067
Professional Charges	1,82,644	3,00,884
Legal Expenses	15,000	2,86,780
Stationary Expenses	30,973	12,125
Miscellaneous expenses	56,411	1,06,462
TOTAL (A)	19,12,292	97,90,034

18.1 PAYMENT TO STATUTORY AUDITORS (EXCLUDING SERVICE TAX)

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
As auditors:		
Audit fees	50,000	50,000
Audit fees for tax financial statements	25,000	25,000
In other matters - Certification	56,000	56,000
TOTAL (B)	1,31,000	1,31,000
TOTAL (A + B)	20,43,292	99,21,034

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

19. RELATED PARTY DISCLOSURE

Particulars of Related Parties, which control or are under common control with the Company:

(a) Details of Related parties after acquisition by ACC Limited are as follows.

Name of Related Party	Nature of Relationship
ACC Limited	Holding Company
ACC Concrete Limited	Fellow Subsidiary Company upto 27/10/2012

(b) Transaction with Related Party

Transaction with Holding company	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
(i) Sale to ACC Limited	10,995	8,25,331
(ii) Dead Rent / Land tax Paid on behalf of National Limestone Company Private Limited By ACC Limited	1,75,238	6,92,167
(iii) Inter Corporate Deposits Received	10,00,000	-

(c) Transaction with Fellow Subsidiary

Transaction with Related Parties	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
(i) Sale to ACC Concrete Limited	-	18,52,523
(ii) Freight Charges	-	16,53,276
(iii) Outstanding balance (Net) to ACC Concrete Limited	-	8,22,698

(d) Closing Balances of Related Parties

	As at December 31, 2012	As at December 31, 2011
	₹	₹
(i) Holding Co- ACC Limited		
Security Deposit with ACC Limited- Given	50,000	50,000
Other Payables	1,68,54,039	1,56,78,860
ICD taken	10,00,000	-
(ii) Fellow subsidiary- ACC Concrete	-	8,22,698

20. EARNINGS PER SHARE-[EPS]

	For the Year ended December 31, 2012	For the Year ended December 31, 2011
	₹	₹
Loss after taxation as per Statement of Profit & Loss	(19,44,433)	(2,75,244)
Weighted average number of Equity Shares Outstanding	8,650	8,650
Basic earnings per share (weighted average) (Face Value – ₹ 100 per share)	(224.79)	(31.82)

(Basic and diluted earning per share are the same)

21. 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.

22. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and 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 regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

23. The Company has no employees on its payroll during the year.

24. Contingent Liability not provided for :

Demand for land tax

Year	2012		2011	
	For the year	Cumulative	For the year	Cumulative
Amount (in ₹)	38,50,000	1,92,50,000	38,50,000	1,54,00,000

25. The Company has filed a petition against the Order / Notices of Mining Authorities towards a demand of ₹ 99, 25,437 /- (Previous Year ₹ 99,25,437/-) as additional Royalty on Limestone extracted in earlier years which in view of Company is legally unsustainable and the Company does not expect any liability in this matter.

26. In February 2012, the Company has received a Demand Notice of ₹ 19,87,17,776/- from DMG Department, Kotputli, Rajasthan, for Limestone extracted in the period from 1962 to 1986 without payment of Royalty. In the opinion of the Management, this demand is not sustainable and the Company has filed an appeal with Additional Director of Mines, Department of Mines and Geology, Jaipur, Rajasthan, praying for cancellation of the same and hence no provision is made for the same.

27. The Company has accumulated losses at December 31, 2012, and the net worth is negative. The company has obtained support from ACC Limited (Holding Company) assuring continuous support to finance the operation of the company which being turned after acquisition. Hence the accounts are prepared on going concern basis.

28. 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).

29. 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

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

Signatures to Notes 1 to 30 per our report of even date

For and on behalf of the Board of National Lime Stone Company Private 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