



The India Cements Limited



THE INDIA CEMENTS LTD.

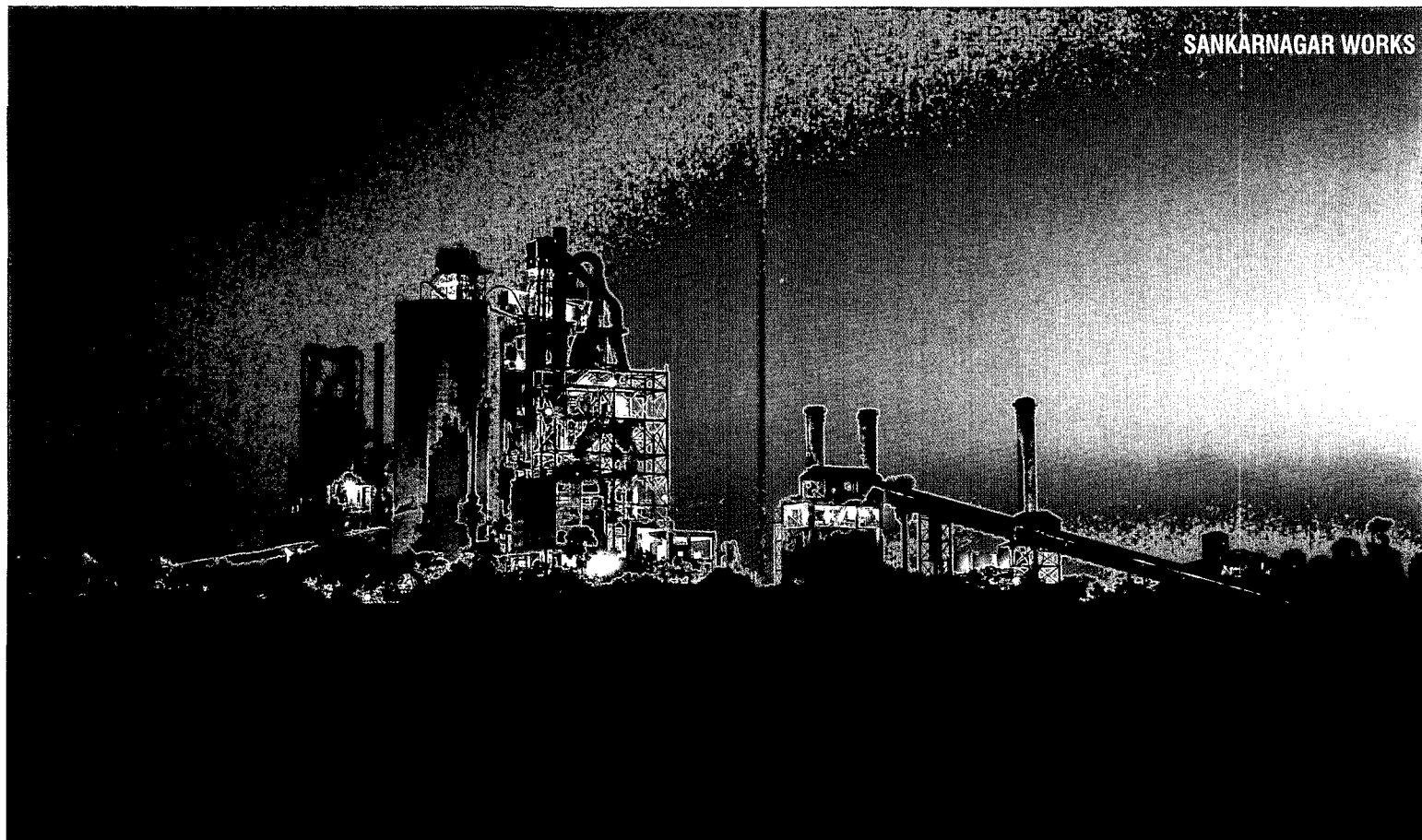
ANNUAL REPORT 2010



SANKAR CEMENT

INDIA CEMENTS NEW CORPORATE OFFICE

SANKARNAGAR WORKS





THE INDIA CEMENTS LIMITED

Registered Office : Dhun Building, 827, Anna Salai, Chennai – 600 002.

Corporate Office: 'Coromandel Towers', 93, Santhome High Road

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

ATTENDANCE SLIP

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

Name and address of the Shareholder

Folio No :

Dp id. :

Client id. :

No of Shares held :

I hereby record my presence at the Sixtyfourth Annual General Meeting of the Company at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K Road, Alwarpet, Chennai – 600 018 on Monday, the 2nd August 2010 at 10.00 A.M.

Signature of the Member/Proxy

Name :



THE INDIA CEMENTS LIMITED

Registered Office : Dhun Building, 827, Anna Salai, Chennai – 600 002.

Corporate Office: 'Coromandel Towers', 93, Santhome High Road

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

PROXY FORM

I/WE
of

Folio No :

Dp id. :

Client id. :

No.of shares held :

being a member/members of THE INDIA CEMENTS LIMITED do hereby appoint _____

of _____

(or failing him _____ of _____) as my/our proxy

and to vote for me/us on my/our behalf at the Sixtyfourth Annual General Meeting of the Company to be held at 10.00 A.M on Monday, the 2nd August 2010 and at any adjournment thereof.

Signed this day of 2010.

N.B.

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member. This form duly completed should be deposited at the Registered Office of the Company at Chennai before 10.00 a.m. on Saturday, the 31st July 2010.

Affix
15 Paise
Revenue
Stamp



THE
INDIA CEMENTS
LIMITED

ANNUAL REPORT

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64th Annual General Meeting

Date : 2nd August 2010

Time : 10.00 A.M

Venue : Sathguru Gnanananda Hall
(Narada Gana Sabha)
No.314, T.T.K. Road
Alwarpet
Chennai 600 018

A REQUEST

The practice of distributing copies of Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. Shareholders are, therefore, requested to bring their copy of the Annual Report to the meeting.

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THE INDIA CEMENTS LIMITED



BOARD OF DIRECTORS

Sri N.Srinivasan	Vice Chairman & Managing Director
Mrs Chitra Srinivasan	
Ms Rupa Gurunath	Wholetime Director
Dr. B.S.Adityan	
Sri Arun Datta	
Sri R.K.Das	
Sri N.R.Krishnan	
Sri V.Manickam	(Nominee of Life Insurance Corporation of India)
Sri K.P.Nair	(Nominee of IDBI Bank Limited)
Sri A.Sankarakrishnan	
Sri N.Srinivasan	
Sri K.Subramanian	(Nominee of Housing and Urban Development Corporation Limited)

Auditors

Messrs Brahmayya & Co. and
Messrs P.S. Subramania Iyer & Co.,
Chartered Accountants
Chennai.

Registered Office

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

Corporate Office

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

Cement Factories

TAMIL NADU

Sankarnagar,
Tirunelveli District.

Sankari,
Salem District.

Dalavoi,
Perambalur District.

TAMIL NADU

Vallur Village,
Tiruvallur District.

ANDHRA PRADESH

Chilamakur & Yerraguntla,
Cuddapah District.

Vishnupuram,
Nalgonda District.

Malkapur,
Ranga Reddy District.

Grinding Units

MAHARASHTRA

Parli Vaijnath,
Beed District.



THE INDIA CEMENTS LIMITED

Registered Office: "Dhun Building", 827, Anna Salai, Chennai 600 002.

Corporate Office : "Coromandel Towers", 93, Santhome High Road,
Karpagam Avenue, R.A. Puram, Chennai 600 028.

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixtyfourth Annual General Meeting of The India Cements Limited will be held at 10.00 A.M. on Monday, the 2nd August 2010, at Sathguru Gnanananda Hall, (Narada Gana Sabha), No.314, T.T.K. Road, Alwarpet, Chennai 600 018, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, the accounts of the Company for the year ended 31st March 2010 and the Auditors' Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Sri V.Manickam who retires by rotation and is eligible for reappointment.
4. To appoint a Director in the place of Sri A.Sankarakrishnan who retires by rotation and is eligible for reappointment.
5. To appoint a Director in the place of Sri N.R.Krishnan who retires by rotation and is eligible for reappointment.
6. To appoint Auditors and fix their remuneration:

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

"RESOLVED THAT M/s.Brahmayya & Co. (Registration No. 000511S) and M/s.P.S.Subramania Iyer & Co., (Registration No. 004104S) Chartered Accountants, Chennai, be and are hereby appointed Auditors of the Company including its branch offices to hold office from the conclusion of the sixtyfourth Annual General Meeting until conclusion of the sixtyfifth Annual General Meeting and that their remuneration be and is hereby fixed at Rs.40,00,000/- each, exclusive of service tax and all travelling and out of pocket expenses which shall be reimbursed to them."

SPECIAL BUSINESS:

7. To appoint Sri Arun Datta as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri Arun Datta be and is hereby appointed as a Director of the Company subject to retirement by rotation."

8. To appoint Mrs.Chitra Srinivasan as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Mrs.Chitra Srinivasan be and is hereby appointed as a Director of the Company subject to retirement by rotation."

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

"RESOLVED THAT subject to the consent of the financial institutions, and other approvals as may be required and pursuant to the provisions of Sec.198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval and consent for the appointment of Ms.Rupa Gurunath as wholetime director of the Company for a period of 5 years with effect from 5th March, 2010 and for the payment of remuneration to her for her services as wholetime director, as set out hereunder:

SALARY : Rs.10 lakhs per month.

COMMISSION: Such percentage of commission (in addition to Salary, allowances, perquisites and benefits hereinafter stated) calculated with reference to the net profit of the Company for each financial

year as may be fixed by the Board of Directors which together with salary and monetary value of allowances, perquisites and benefits shall not exceed the ceiling laid down under Sec.309 of the Companies Act, 1956.

**ALLOWANCES
AND OTHER
PERQUISITES**

1. Housing: Rent free accommodation will be provided to the wholetime director for which 10% of salary will be recovered. In case no accommodation is provided by the Company, house rent allowance at 30% of salary, shall be paid. In addition, the wholetime director shall be allowed free use of the Company owned furniture and other consumer durables, as required.
2. The wholetime director will also be entitled to other allowances and perquisites together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel allowance for self and family, club fees, personal accident insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors with the wholetime director, so however, that the value of such perquisites and allowances will be subject to a maximum of 45% of the annual salary.

Perquisites and allowances shall be evaluated as per income-tax rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Provision for use of Company's car for official duties and telephone, tele-fax, audio/video conferencing and other communication facilities at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or together are not taxable under the Income-tax Act, gratuity payable as per the rules of the Company applicable to senior management personnel and encashment of leave at the end of tenure shall not be included in the computation of limits for the allowances or perquisites aforesaid."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary, from time to time the percentage and quantum of the commission payable to the wholetime director, provided that the total remuneration payable whether by way of salary, perquisites, commission, allowances and benefits, shall not exceed the ceiling laid down under Sec.309 of the Companies Act, 1956."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company will pay remuneration by way of salary, allowances, perquisites and benefits as specified above, subject to obtaining other requisite approvals."

"RESOLVED FURTHER THAT the scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged or varied by the Board of Directors, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 1956 and / or the rules and regulations made thereunder and /or such guidelines as may be announced by Government of India, from time to time."

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

"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and / or charging by the Board of Directors of the Company and / or conferring power to enter upon and to take possession of the assets of the Company in certain events to or in favour of Axis Bank Limited or the Security Trustee as may be instructed by the Bank to secure their External Commercial Borrowing (ECB) facility of US\$ 20 Million by way of a first mortgage and charge on pari passu basis on all the movable (other than current assets) and immovable assets of the Company together with all interest, liquidated damages, costs, charges and expenses and all other moneys



whatsoever due and payable by the Company to the aforesaid bank in terms of the letters of sanction / ECB loan agreement / Security Trustee agreement / hypothecation agreement entered into / to be entered into by the Company in respect of the said loan."

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

11. To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in pursuance of section 163 of the Companies Act, 1956, the Register of Members, the Index of Members, the Register and Index of Debentureholders and copies of all annual returns prepared under Section 159 of the Companies Act, 1956 together with copies of the certificates and documents required to be annexed thereto under Sections 160 and 161 and other applicable provisions of the Act, be shifted from "Tarapore Towers", First Floor, 826, Anna Salai, Chennai 600002 and kept at "Coromandel Towers", 93, Santhome High Road, Karpagam Avenue, R.A.Puram, Chennai 600028, the Corporate Office of the Company."

NOTES:

1. Explanatory Statement is annexed to the Notice of the Sixtyfourth Annual General Meeting of the Company as required by Section 173(2) of the Companies Act, 1956 in respect of item nos.7 to 11.
2. Details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment/ reappointment at the Annual General Meeting are separately annexed hereto for items no. 3 to 5 & 7 to 9.
3. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 28th July, 2010 to 2nd August, 2010 (both days inclusive).
5. The Equity dividend, if declared, will be paid on or before 31st August, 2010 to those Members (or their mandatees) whose names will appear in the Company's Register of Members as on 2nd August, 2010. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose.
6. Members are requested to contact the Registrar and Share Transfer Agent for all matters connected with the Company's shares at: Integrated Enterprises (India) Limited, 2nd Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai 600017. Tel.: 044-28140801 to 28140803 & Fax : 044-28142479 Email: corpserve@ieplindia.com

Members holding shares in physical form are requested to notify change of address, if any, to the Registrar and Share Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates for consolidation of their holdings into one folio. In order to provide protection against fraudulent encashment of dividend warrants, Members are requested to provide, if not already provided, their bank account number, name of the bank and address of the branch, quoting their folio numbers, to the Registered Office/Corporate Office of the Company or RTA.

7. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
8. Unclaimed dividends upto and including for the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants relating to financial year(s) upto 1994-95 may claim the same from the Registrar of Companies, Tamil Nadu-I, Chennai, No.26, Haddows Road, Chennai 600006, in the prescribed form which will be supplied by the Company/ RTA on request.

9. Unclaimed dividends for the financial years from 1995-96 to 2000-01 have been transferred to Investor Education and Protection Fund. Dividend for the financial years ended 31st March, 2007, 31st March, 2008 and 31st March, 2009 which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund established under Section 205C of the Companies Act, 1956. Shareholders who have not encashed the dividend warrant(s) so far for the financial years ended 31st March, 2007, 31st March, 2008 and 31st March, 2009 are requested to make their claim forthwith to the Registered / Corporate Office of the Company/ RTA. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, as above, no claim shall lie in respect thereof.
10. Under the provisions of Section 109A and 109B of the Companies Act, 1956, shareholder(s) is/are entitled to nominate in the prescribed manner, a person to whom his/her/their shares in the Company, shall vest after his/her/their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company/RTA.
11. The Company has been providing ECS facility to all shareholders, holding shares in electronic and physical forms. As per RBI's notification, with effect from 1st October 2009, the remittance of money through ECS has been replaced by National Electronic Clearing Service (NECS). NECS operates on the new and unique bank account number allotted by banks post implementation of the Core Banking Solutions (CBS). Pursuant to implementation of CBS, your bank account number may have undergone a change, which is required to be communicated by you to your Depository Participant (in case of shareholders holding shares in dematerialised form) or to the Company's Share Transfer Agent (in case of shareholders holding shares in physical form).
12. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transfer/transmission/transposition, is now mandatory.

(By order of the Board)
for THE INDIA CEMENTS LIMITED

Place: Chennai
Date : 30th April, 2010

G BALAKRISHNAN
President & Company Secretary

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / REAPPOINTED, VIDE ITEMS NO. 3 to 5 & 7 to 9 OF NOTICE DATED 30TH APRIL 2010.

(i) Name of the Director	: Sri V. Manickam
Date of Birth	: 1st April 1952
Date of appointment on the Board as Director	: 31st October 2008
Date of last reappointment as Director	: Not Applicable
Expertise in specific functional areas	: Investment
Qualification	: B.Sc., A.C.A.
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
List of outside Directorships held in Public Companies	: EID Parry (India) Limited
Chairman / Member of the Committees of Board of Directors of the Company	: Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
Relationship with other Directors	: Nil