



**DECCAN
CEMENTS
LIMITED**

Board of Directors

M.B. Raju	Executive Chairman
Umesh Shrivastava	
D.R.K. Rao	
P. Venugopal Raju	
R.S. Agarwal	
J. Narayanamurthy	
P. Parvathi	Managing Director

Senior Executives

L. Jayashankar	President
Harish Chandra	Joint President
G.R. Ram	Senior Vice President
M. Krishnam Raju	Senior General Manager (Marketing)
C. Srinivasan	General Manager (Legal) & Company Secretary
H.V. Badri Narayana Murthy	General Manager (Finance)

Auditors

M. Bhaskara Rao & Co.
Chartered Accountants
5-D, 5th Floor,
6-3-652, Somajiguda,
Hyderabad - 500 082.

Bankers

State Bank of India
Andhra Bank

Registered Office

'DECCAN CHAMBERS'
6-3-666/B, Somajiguda,
Hyderabad - 500 082.
Tel: 040-23310561, 040-23310168

NOTICE

Notice is hereby given that the **THIRTIETH ANNUAL GENERAL MEETING** of the Members of **DECCAN CEMENTS LIMITED** will be held on Friday, the 13th day of August 2010 at 10.00 A.M. at "Bhaskara Auditorium", Birla Museum, Adarsh Nagar, Hyderabad - 500 063 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date and the Directors' and the Auditors' Reports thereon.
2. To declare a dividend on Equity shares.
3. To appoint a Director in place of Mr. Umesh Shrivastava, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. P Venugopal Raju, who retires by rotation and is eligible for re-appointment.
5. To appoint M/s. M Bhaskara Rao & Co., Chartered Accountants, as Statutory Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 106 of the Articles of Association of the Company, Mr. K P Singh be and is hereby appointed as a Director of the Company."

By Order of the Board

C. SRINIVASAN

Place: Hyderabad
Date : 28th May, 2010

General Manager (Legal) &
Company Secretary

Registered Office:

6-3-666/B
"Deccan Chambers"
Somajiguda, HYDERABAD-500 082

Notes:

- 1) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend instead of himself and such Proxy need not be a member of the Company. Proxies, in order to be effective, should be received by the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
- 2) Members are requested to notify immediately of any change in their address to the Company's Registered Office with their Folio Number(s).
- 3) The Register of Members and Share Transfer Books of the Company will be closed from 7th August 2010 to 13th August 2010 (both days inclusive).
- 4) Payment of dividend on shares, if declared at the meeting, will be made to those members whose names appear on the Company's Register of Members on 7th August 2010 and as per the list of Beneficial Ownership furnished by the Depositories for this purpose in case of shares held in Electronic form.
 - a) In terms of the provisions of Section 205A of the Companies Act, 1956, the Company has already transferred all unclaimed dividends up to and including the Financial Year ended 31st March, 2002.
 - b) Pursuant to the provisions of Section 205A of the Companies Act, 1956 as amended,

dividend for the financial year ended 31st March, 2003 and thereafter, which remains unpaid or unclaimed for a period of 7 years will be transferred to the "Investor Education and Protection Fund" of the Central Government. Members are advised to write to the Company regarding their unclaimed dividend

5) Stock Exchanges:

The Company's shares are listed with Mumbai Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 and National Stock Exchange Limited, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

6) Explanatory statement to the Special Business has been annexed to the Notice in terms of Section 173(2) of the Companies Act, 1956.

By Order of the Board

C. SRINIVASAN

General Manager (Legal) &
Company Secretary

Place: Hyderabad
Date : 28th May, 2010

Registered Office:

6-3-666/B
"Deccan Chambers"
Somajiguda,
HYDERABAD - 500 082

Annexure to the Notice :

Explanatory Statement under Section 173(2) of the Companies Act, 1956 :

Item 6 :

Mr. K P Singh, 62, was appointed as an Additional Director by the Board at its meeting held on 28th May 2010. In terms of provisions of Section 260 of the Companies Act, 1956, Mr. K P Singh holds office up to the date of the ensuing Annual General Meeting. The Company has since received a notice from a member, signifying his intention to propose the appointment of Mr. K P Singh as a Director. A deposit of Rs. 500/- as required under the provisions of Section 257 of the Companies Act, 1956, was also received from the above member.

Mr. K P Singh is a retired IAS Officer having worked in various departments of the Government of India and Karnataka Electricity Board and retired as Secretary, Defence Production. Mr. K P Singh has rich experience in Corporate Management and has served as a Director on various Public Sector Undertakings including as Chairman of Karnataka Electricity Board and Managing Director of Mass Rapid Transport System in Bangalore.

The Board considers that the Company will immensely benefit with the association of Mr. K P Singh as a Director and recommends the resolution to the members for their approval.

In terms of Clause 49(IV)(E)(V) of the Listing Agreement, Mr. K P Singh has disclosed his shareholding in the Company as 'Nil'.

None of the Directors is concerned or interested in the Resolution.

By Order of the Board

C. SRINIVASAN

General Manager (Legal) &
Company Secretary

Place: Hyderabad
Date : 28th May, 2010

Registered Office:

6-3-666/B
"Deccan Chambers"
Somajiguda
HYDERABAD - 500 082

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the Thirtieth Annual Report together with the Audited Accounts and Cash Flow Statement for the year ended 31st March, 2010.

Financial Results :

The Financial Results for the year ended 31st March, 2010 are summarized below:

	April, 2009 March, 2010	April, 2008 March, 2009
	Rs.in Lacs	Rs.in Lacs
Sale Income	29,621.04	18546.68
Other Income	276.57	147.52
Total	29,897.61	18694.20
Profit before		
Depreciation and Interest	7,673.39	6686.69
Less : Depreciation	2,380.95	701.14
Interest &		
Finance Charges	3,403.37	457.53
Profit before Tax and		
prior period items	1,889.07	5,528.02
Less : Provision for		
Taxation	320.97	626.27
Deferred Taxation	1,052.00	1,447.48
Fringe Benefit Tax	-	12.01
Prior Year Taxation	79.70	19.01
Wealth Tax	2.40	0.27
Net Profit after Tax	434.00	3,422.98
Profit brought forward		
from previous year	11,263.41	8,428.55
Profit available for		
appropriation	11697.41	11,851.53
Appropriations		
Proposed Dividend	210.11	210.11
Dividend Tax	34.90	35.71
General Reserve	43.40	342.30
Balance retained	11409.00	11,263.41

Results of Operations :

The performance of your Company for the year under review was satisfactory in spite of steep fall in cement

prices for over six months. Sales turnover was at Rs. 296.21 crore compared to Rs. 185.47 crore in the previous year mainly due to increase in capacity during the financial year. Net profit before tax for the year was lower at Rs. 18.89 crore (Rs. 55.28 crore) due to sluggish market demand coupled with excess supply of cement in the market which resulted in steep fall in selling prices. Your company's production and dispatches were also affected by the drop in government orders, flash floods, problems in logistics and civil unrest in the region that crippled the transportation industry which is vital for industry's incoming raw materials and outgoing finished products.

Appropriations :

Dividend :

In consonance with the Company's policy of rewarding the shareholders with a good return on their investments on a consistent basis, your Directors recommend a dividend of Rs. 3 per equity share (30%) for the year ended 31st March, 2010 which would entail a cash outflow of Rs. 210.11 Lacs and Dividend Distribution tax amounting to Rs. 34.90 Lacs.

Transfer to Reserves :

Your Directors propose to transfer Rs. 43.40 Lacs in compliance with the provisions of *The Companies (Transfer of Profits to Reserves) Rules, 1975*.

Capital Structure :

During the financial year under review, the share capital of your Company remained unaltered.

Fixed Deposits :

The aggregate amount of Deposits accepted by the Company as at 31st March, 2010 stood at Rs.637.66 Lacs. There are no matured and unclaimed Deposits as on 31st March, 2010.

Insurance :

All the assets of the Company are adequately covered by insurance.

Industrial Relations :

During the period under review, industrial relations continued to be cordial. Your Directors wish to place on record their appreciation for the dedicated services of its employees.

Corporate Governance :

A detailed report on Corporate Governance is annexed hereto which forms part of the report.

Transfer to Investor Education and Protection Fund

In terms of Section 205C of the Companies Act, 1956, the unclaimed dividend amount aggregating to Rs.1,44,741/- lying with the Company for a period of seven years pertaining to the year ended 31st March 2002, was transferred during the financial year to the *Investor Education and Protection Fund*, established by the Central Government.

Directors' Responsibility Statement :

Pursuant to the provisions of Section 217 (2AA) of the Companies Act 1956, it is confirmed that :

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts on a going concern basis.

Directors :

Mr. D R K Rao, Director, expressed his intention to retire from the Board for personal reasons which was accepted by the Board with regret, at its meeting held on 28th May 2010. The Board records the rich contributions made by Mr. D R K Rao during his long tenure on the board.

The Board appointed Mr. K P Singh as an Additional Director at its meeting held on 28th May 2010. In terms of Section 260 of the Companies Act, 1956, Mr. K P Singh will hold office up to the date of the ensuing Annual General Meeting. The Company has

received a notice from a member, signifying his intention to propose the appointment of Mr. K P Singh as a Director.

Pursuant to the provision of Section 255 of the Companies Act, 1956, Mr. Umesh Shrivastava and Mr. P Venugopal Raju, Directors retire by rotation and are eligible for reappointment.

Statutory Auditors :

M/s. M Bhaskara Rao & Company, Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the Annual General Meeting and are eligible for reappointment. The Audit Committee, in its meeting held on 28th May, 2010 has recommended the re-appointment of M/s. M Bhaskara Rao & Company.

Particulars of Research and Development, Conservation of Energy, Technology Absorption, etc.

Particulars as required under section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 are given in the annexure to the report.

Energy, Technology and Foreign Exchange :

Additional information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required to be disclosed in terms of Section 217 (1) (e) of the Companies, Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto which forms part of this report.

Particulars of Employees :

Particulars required pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, as amended, are annexed and forms part of this report.

Acknowledgement :

The Board expresses its grateful thanks to the Government of Andhra Pradesh, Banks, Customers and Dealers for their continued support to the Company.

for and on behalf of the Board

Hyderabad
Date: 28th May, 2010

M.B. Raju
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

We submit here the Management Discussion and Analysis Report on the Business of the Company as applicable and to the extent relevant.

1. INDUSTRY STRUCTURE AND DEVELOPMENT

Cement production in the Country during 2009-10 was 160 million tonnes compared to 143 million tonnes in the previous year, registering a growth of 11.89%. Cement dispatches for 2009-10 recorded a growth of 12.09% at 159.43 million tonnes, against the figure of 142.23 million tonnes in 2008-09.

2. OPPORTUNITIES AND THREATS :

Substantial capacity addition in Andhra Pradesh has resulted in excessive supply of cement resulting in drop in selling prices thereby affecting the margins. Andhra Pradesh currently has a capacity of 57 million tones of cement. With the expected addition of about 13 million tonnes capacity in the current financial year, capacity availability in Andhra Pradesh alone would work out to about 23% of the country's total capacity. According to the Ministry of Commerce and Industry, cement production could rise to 236.16 million tonnes in Financial Year 2011 and touch 262.61 million tonnes in Financial year 2012, whereas demand for cement would only touch 214.69 million tonnes and 238.74 million tonnes in 2011 and 2012 respectively.

While these country-specific data are not that encouraging, State-wise scenario may still show some imbalances.

The cost and quality of two major inputs namely, coal and power significantly affect the cost of production of Cement. The power situation in summer months was grim with frequent trippings and compulsory power cuts. To overcome this, the Company generated power through its Captive Power Plant to sustain production levels. Freight is another element of cost any increase of which will have an adverse impact on the margins.

3. SEGMENT WISE PRODUCTIVE PERFORMANCE :

Net power generation through Wind mills in Andhra Pradesh was satisfactory at 32 lakh units during

the year compared to 28 lakh units, during the previous year, registering an increase of 4 lakh units (14.85%). Wind power generation in Tamilnadu had also performed better at 93 lakh units during the year compared to 87 lakh units during the previous year. Power generation through Hydel unit was low at 190 lakh units compared to 206 lakh units generated in the previous year, the reduced generation being due to delayed onset of monsoon in the State.

4. OUTLOOK :

Based on the projected domestic demand and supply, read with the high input costs, the outlook for the cement industry, at least in Southern India where your Company operates, appears to be quite stressed during the first six months at least, affecting the margins.

5. RISKS AND CONCERNS :

The various risks generally associated with the cement manufacture namely, coal price and its availability, grid power fluctuations and trippings, excess supply of cement due to addition in capacities etc., are likely to be much more pronounced and your Company's revenues and bottom-line might be adversely affected.

6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY :

The Company has put in place an internal control system. Also, an external agency of Chartered Accountants has been appointed as Internal Auditors to independently audit the Company's accounts and operations. These Internal Auditors submit their reports and suggest remedial actions where required. An Audit Committee also involves itself in reviewing the reports of Internal Auditors and directs remedial action to the operating management.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATION PERFORMANCE :

The financial performance with respect to operation of the Company is discussed below:

The net sales and other income were at Rs. 29,621 Lacs against Rs. 18,547 Lacs in the previous year. The outgo on interest payments is Rs.3,403 Lacs as against Rs. 458 Lacs in the previous year mainly due to completion of the project with the Term Loan borrowing.

The Profit before tax of the Company was lower at Rs.1,889 Lacs as compared to Rs. 5,528 Lacs in the previous year, mainly due to poor price realization as well as higher interest payout and depreciation subsequent to completion of the project. The net profit after tax for the year was thus lower at Rs.434 Lacs against Rs. 3,423 Lacs in the previous year.

There has been no change in paid-up share capital during the Financial Year 2009-10 which stands at Rs.700.38 lacs

8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS INCLUDING NUMBER OF PEOPLE :

The Company believes that human resources are an invaluable asset. The Company takes special care to maintain cordial relationship with employees and staff.

9. CAUTIONARY STATEMENT :

Statements in the "Management Discussion & Analysis" which seek to describe the Company's objective, projections, estimates, expectations or predictions may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include demand-supply conditions, increase in installed capacities, prices of finished goods, feed stock availability and prices, cyclical demand, pricing in the Company's markets, changes in Government regulations, tax regimes, etc. besides other factors, such as litigations and labour related issues.

DISCLOSURE ABOUT RISK MANAGEMENT

1. Clause-49 of the Listing Agreement requires that the Board of Directors of the Company takes note of the risk factors in the operations and measures taken to mitigate the same.

2. Risks generally faced by the Company are as follows:

A. Business Risk

The risk which is specific to the industry and the market in which it operates.

B. Operational Risk

The operational risk including technology changes and obsolescence of plant and machinery.

C. Financial risks

The financial risks relates to loss on account of interest rate fluctuations on the Company's borrowings and Foreign Exchange fluctuations in import / export transactions.

D. Market risks

Market risk involves loss arising out of market price fluctuations or supply rejections and bad or doubtful recovery of receivables.

E. Legal and Statutory risks

These are risks associated with new legislations and impostures by the government, backed out contracts and risks due to non-compliance of various statutory requirements, etc.

F. Management risks

The risk in this area relates to defective internal control systems, poor recovery plans, Human Resource Management failures, etc.

DECLARATION ON CODE OF CONDUCT

28th May, 2010

This is to confirm that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March, 2010, as envisaged in clause 49 of the Listing Agreement entered into with the Stock Exchanges.

M B RAJU
EXECUTIVE CHAIRMAN

ANNEXURE TO DIRECTORS' REPORT

Disclosure of particulars with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

CEMENT DIVISION

a) Energy Conservation measures taken:

Optimization of productivity and ensuring better availability of the equipment, are given priority so as to achieve lower energy consumption.

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

Nil

c) Total energy consumption and energy consumption per unit of production.

The above information is given in the prescribed form 'A' annexed.

B. TECHNOLOGY ABSORPTION

Efforts made towards absorption of technology are given in the prescribed Form B annexed.

FORM A

(See Rule 2)

Form for disclosure of particulars with respect to conservation of energy

A) POWER AND FUEL CONSUMPTION	Current Year 2009-10	Previous Year 2008-09
1) ELECTRICITY :		
a) Purchased Units (KWH - Lacs)	604.65	561.82
Total Amount (Rs. in Lacs)	2,136.38	1,816.58
Average Rate per unit (Rs.)	3.53	3.23
b) Own Generation :		
(i) Through Diesel Generator :		
Units Generated (KWH Lacs)	1.07	6.48
Total Amount (Rs.Lacs)	17.09	80.20
Rate per unit (Rs.)	10.05	12.38
Units Per Litre of Diesel	3.83	2.71
(ii) Through Captive Power Plant :		
Units Generated (KWH Lacs)	535.46	NIL
Total Amount (Rs.Lacs)	2,174.61	NIL
Rate per unit (Rs.)	3.54	NIL
Units Per Litre of Diesel	10.88	NIL
2) Coal (C&D Grade) :		
Used as a fuel in Kiln :		
Quantity (Million K Cal)	838759	364520
Total Cost (Rs.in Lacs)	7,378.67	3,682.61
Average Rate (Rs./million K Cal)	879.71	1,010
B) POWER AND FUEL CONSUMPTION PER UNIT OF PRODUCTION		
Cement Division		
Electricity (KWH/Tonne of Cement)	91	91
Coal %	19.78	19.54
Slag Division		
Electricity (KWH/Tonne of Cement)	94	38*
Coal %	18.43	NIL

* relates for grinding only.

FORM B

(See Rule 2)

Form for Disclosure of Particulars with respect to Technology Absorption

A) RESEARCH AND DEVELOPMENT (R&D)	: NOT APPLICABLE
B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	: NOT APPLICABLE

C. Foreign Exchange Earnings and Outgo

- a) **Activities relating to exports, initiatives taken to increase export, development of new export market for production & services and export plans.**

The Company presently has no export business on hand.

- b) **Total foreign exchange used and earned.**

	Current year	Rs. in Lacs Previous Year
Used	NIL	855.78
Earned	NIL	NIL

INFORMATION AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2010.

Name, age and Qualification	Designation and nature of Duties	Date of commencement of employment	Experience in years	Remuneration (Rs. in Lacs)	Last Employment
M B RAJU 70 years B.E.	EXECUTIVE CHAIRMAN	31.07.1979	47	71.16	Chairman and Managing Director, DCL Polyesters Ltd
P. PARVATHI 44 years M.Com	MANAGING DIRECTOR	29.06.1993	21	72.13	Deputy Manager, Secretarial, DCL Polyesters Ltd.

1. Remuneration includes Salary, Commission, Company's contribution to Provident Fund, Superannuation Fund and Group Gratuity Scheme, reimbursement of Medical Expenses, Leave Travel Assistance and other perquisites.
2. Ms. P Parvathi, Managing Director and Mr. M B Raju, Executive Chairman are related to each other in terms of Schedule-I-A, read with Section 6(c) of the Companies Act, 1956,
3. The terms of employment of Mr. M B Raju and Ms. P Parvathi are contractual.

Place : Hyderabad
Date : 28th May, 2010

for and on behalf of the Board
M.B. Raju
Executive Chairman

CORPORATE GOVERNANCE REPORT

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance is set out below :

I COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Deccan Cements Limited believes that the Corporate Governance provides a structure through which -

- objectives of the Company are set, means for achieving and monitoring performance are determined ;
- long term value of the enterprise is maximized ;
- the business complies with legal and regulatory frameworks ; and
- offers better value to shareholders/ stakeholders and the society at large.

The Company has been consistently practicing good Corporate Governance. The Company creates an environment for the efficient conduct of the business, enables the management to meet its obligations towards all its stakeholders, including amongst others, customers, employees and the community in which the Company operates.

II BOARD OF DIRECTORS ("Board")

The Board comprises of the following seven Directors of whom two are Executive and five are Non-Executive Directors.

a) Composition of the Board:

Name of the Director	Status
Mr. M.B. Raju	Executive Chairman
Ms. P. Parvathi	Managing Director
Mr. Umesh Shrivastava	Independent and Non-executive

Name of the Director	Status
Mr. P. Venugopal Raju	Non-executive
Mr. D.R.K. Rao	Independent and Non-executive
Mr. R.S. Agarwal	Independent and Non-executive
Mr. J. Narayanamurthy	Independent and Non-executive

Mr. M B Raju, Ms. P Parvathi and Mr. P Venugopal Raju are related to each other in terms of the provisions of the Companies Act, 1956. No other Director is related to any other Director on the Board.

Appointment of Directors on various Committees is as per the guidelines of the Listing Agreement. The Directors have intimated from time to time, their membership in various Committees in other Companies including changes thereof.

b) Board Meetings:

Meetings of the Board of Directors are scheduled well in advance and generally held at the Registered Office of the Company at Hyderabad. Notice of the Board Meeting with the detailed agenda is sent at least seven days in advance to all the Directors. Senior members of the Management of the Company are invited to attend the Board Meetings, make presentations and provide clarifications as and when required. The Board meets at least once in a quarter to review the quarterly performance and unaudited provisional financial results.

i) Number of Board Meetings :

During the year 1st April, 2009 to 31st March, 2010 the Board met five times on the following dates.

23rd June, 2009, 29th July, 2009, 18th September, 2009, 30th October, 2009 and 29th January, 2010.

ii) Attendance of Directors :

Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last Annual General Meeting	No. of Directorships in other Boards as on 31.03.2010	No. of Memberships in other Board Committees as on 31st March, 2010
Mr. M.B. Raju	5	5	No	2	NIL
Ms. P. Parvathi	5	5	YES	NIL	NIL
Mr. Umesh Shrivastava	5	5	YES	4	NIL
Mr. P. Venugopal Raju	5	5	YES	5	NIL
Mr. D.R.K. Rao	5	5	YES	NIL	NIL
Mr. R.S. Agarwal	5	5	YES	10	NIL
Mr. J. Naryanamurthy	5	5	YES	1	NIL

III Committees of Directors :

The Board has constituted Committees in line with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

A) AUDIT COMMITTEE :

i) The Audit Committee comprises of the following non-executive Directors of the Board.

1. Mr. J. Narayanamurthy	Chairman
2. Mr. D.R.K. Rao	Member
3. Mr. P. Venugopal Raju	Member

ii) During the year Audit Committee has been reconstituted. The Audit Committee met four times on the following dates:

23rd June, 2009, 29th July, 2009, 30th October, 2009 and 29th January, 2010.

iii) Attendance of the members in the Audit Committee Meetings :

Name of the Director	No. of meetings held	No. of meetings attended
Mr. D.R.K. Rao	4	4
Mr. R.S. Agarwal	4	1
Mr. P. Venugopal Raju	4	4
Mr. J. Narayanamurthy	4	3

The terms of reference to the Audit Committee are in line with the Listing Agreement entered into with the Stock Exchanges.

B) SHARE TRANSFER & INVESTORS' GRIEVANCE COMMITTEE :

i) During the year, the Share Transfer and Investors' Grievance Committee has been reconstituted. The Committee, comprises of the following members of the Board.

1. Mr. Umesh Shrivastava,	Chairman
2. Mr. D.R.K. Rao,	Member
3. Ms. P. Parvathi,	Member

ii) Name of the Compliance Officer :

Mr. C Srinivasan, General Manager (Legal) & Company Secretary

iii) During the year from 1st April, 2009 to 31st March, 2010, the Share Transfer and Investors' Grievance Committee met four times on the following dates:

23rd June, 2009, 29th July, 2009, 30th October, 2009 and 29th January, 2010.

iv) **Attendance of the Directors in the Share Transfer & Investors' Grievance Committee Meetings :**

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Umesh Shrivastava	4	4
Mr. D.R.K. Rao	4	1
Ms. P. Parvathi	4	4
Mr. R.S. Agarwal	4	3

The terms of reference to the Share Transfer & Investors' Grievance Committee are in line with the Listing Agreement entered into with the Stock Exchanges.

v) Number of complaints received and pending with the Company :

During the year, 12 complaints were received and disposed of. There are no complaints pending to be responded as at 31st March, 2010.

C) REMUNERATION COMMITTEE :

a) The Remuneration Committee comprises of the following Non-executive and Independent Directors of the Board :

1. Mr. D.R.K. Rao,	Chairman
2. Mr. Umesh Shrivastava,	Member
3. Mr. J. Narayanamurthy,	Member

b) During the year 1st April, 2009 to 31st March, 2010 the Remuneration Committee met once on 18th September, 2009 which was attended by all the above members of the Committee.

The terms of reference to the Remuneration Committee are in line with the Listing Agreement entered into with the Stock Exchanges.

IV. Compensation to Non-executive Directors :

The Non-executive Directors of the Company are paid sitting fees for attending the meetings of the Board / Committees and Commission on profits at such rates as determined by the Shareholders in the General Meetings.

V. Details of Remuneration paid to the Directors during the Financial Year 2009-10 :

The Board comprises of seven Directors as on 31st March, 2010 of whom two are Executive and five are Non-executive Directors.

a) Executive Directors : (Rs. in lacs)

Name of the Director	Salary	Per-quisi-tes	Commi-ssion	Total
Mr. M.B. Raju	20.40	20.50	30.26	71.16
Ms. P. Parvathi	19.20	22.67	30.26	72.13

i) Terms of Contract :

Name of the Director	Date of Appointment	Expiry of the Contract
Mr. M.B. Raju	01.04.2007	31.03.2012
Ms. P. Parvathi	01.07.2008	30.06.2013

b) Non-executive Directors :

Name of the Director	Sitting fees paid (Rs.)
Mr. Umesh Shrivastava	22,000/-
Mr. D.R.K. Rao	23,000/-
Mr. P. Venugopal Raju	21,000/-
Mr. R.S. Agarwal	21,000/-
Mr. J. Narayanamurthy	21,000/-

Non-Executive Directors are collectively paid a Commission @ 1% of the net profits of the Company, subject to an overall ceiling of Rs.5 Lacs.

VI Code of Conduct :

The Company has evolved a Code of Conduct for the Directors and Senior Management personnel of the Company (one level below the Executive Directors including Heads of the Departments), which has been affirmed for adherence.

VII Subsidiaries :

There are no subsidiaries to the Company.

VIII Related Party Transactions : See below at item XI

IX Risk Factors : The Company has procedures for risk assessment and its mitigation. These procedures are continually evaluated, fine-tuned and placed before the Board for approval.

X General Body Meetings.

Annual General Meetings of the Company for the previous three years were held as under :

Financial Year	Date	Time	Place
2006-2007	25.07.2007	10.00 A.M.	Bhaskara Auditorium, Birla Museum, Adarsh Nagar, HYDERABAD - 500 063.
2007-2008	02.09.2008	10.00 A.M.	Bhaskara Auditorium, Birla Museum, Adarsh Nagar, HYDERABAD - 500 063.
2008-2009	18.09.2009	10.00 A.M.	Bhaskara Auditorium, Birla Museum, Adarsh Nagar, HYDERABAD - 500 063.

All the resolutions set out in the respective notices were passed by the Shareholders. No special resolutions were required to be put through the ballot in any of the above meetings.

XI. Disclosures :

Pecuniary disclosure with regard to interested Directors :

- a) Disclosures on materially significant related party transactions of the Company of material nature with the Promoters, Directors or their relatives, or the Senior Management personnel, etc., that may have potential conflict with the interests of the Company at large.

None of the business transactions with any of the related parties was in conflict with the interests of the Company during the financial year 2009-10.

- b) Details of non-compliance by the Company with any of the Listing Agreement clauses, penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority, on any matter related to Capital Markets during the last three years.

There were no instances of non-compliance of any matter related to Capital Markets during the last three years.

- c) The Managing Director and General Manager (Finance) of the Company have periodically given Certificates to the Board in pursuance to Clause 49 of the Listing Agreement entered into with the Stock Exchanges.
- d) In respect of non-mandatory clause of the Listing Agreement for implementation, the Company has constituted a Remuneration Committee to examine the issues of remuneration payable to Executive Directors, Statutory and Internal Auditors.
- e) There are no qualifications in the Auditor's report on the financial statements to the Shareholders of the Company.

XII. Means of Communication :

- a) Quarterly/ Half-yearly Financial Results of the Company are forwarded to the Stock Exchanges and published in News papers in line with the Listing Agreement requirements.
- b) The Financial Results or the official news of the Company are not displayed on the Website of the Company. They are sent to Electronic Data Information and Retrieval (EDIFAR).
- c) The Company has not made any presentations to any Institutional Investors/ Analysts during the last financial year.
- d) Shareholders may send their grievances for redressal, to the Company's Email address given below.

XIII. General Shareholder Information :

- a) Annual General Meeting : 30th Annual General Meeting
 Date : 13th August, 2010.
 Time : 10.00 A.M.
 Venue : "Bhaskara Auditorium", Birla Museum
 Adarsh Nagar, Hyderabad - 500 063
- b) Financial Year : 1st April to 31st March
- c) Date of Book Closure : 7th August, 2010 to 13th August, 2010
 (Both days inclusive)
- d) Dividend Payment : Within 30 days from the date of declaration
- e) Registered Office : DECCAN CEMENTS LIMITED
 6-3-666/B, "Deccan Chambers"
 Somajiguda, HYDERABAD - 500 082.
Email: secretarial@deccancements.com
- f) Listing on Stock Exchanges : a) The Bombay Stock Exchange Limited,
 Phiroj Jeejeebhoy Towers, Dalal Street,
 MUMBAI - 400 001.
 b) The National Stock Exchange Limited,
 Exchange Plaza, Bandra-Kurla Complex,
 Bandra East, MUMBAI - 400 051
- g) Code : BSE : 502137
 NSE : DECCANCE
- h) **Market Price Data** : **Bombay Stock Exchange Limited (BSE)**
National Stock Exchange Limited (NSE)

Year and Month	High (Rs.)		Low (Rs.)	
	BSE	NSE	BSE	NSE
2009 APRIL	168.00	171.45	131.00	129.00
MAY	220.00	244.80	150.00	150.25
JUNE	293.00	299.90	207.15	207.00
JULY	281.40	274.95	221.00	221.00
AUGUST	272.45	269.00	240.00	238.25
SEPTEMBER	270.00	272.00	230.00	232.00
OCTOBER	243.50	244.00	200.00	200.00
NOVEMBER	207.95	230.00	180.75	180.00
DECEMBER	216.95	218.00	184.00	186.00
2010 JANUARY	270.00	248.00	200.20	200.35
FEBRUARY	201.00	200.00	180.05	180.00
MARCH	200.00	222.95	175.00	175.00

i) **Address of Registrars (both for Physical and Dematerialised) and Share Transfer Agents :**

KARVY COMPUTERSHARE PVT. LTD.

17-24, Vital Road Nagar,
Madhapur, Hyderabad - 500 081.

j) **Share Transfer System :**

Transferred Securities in physical form are dispatched within thirty (30) days of receipt, provided the transfer documents are in order. The Managing Director has been delegated powers to approve transfers.

k) **Distribution of Shareholding as on 31st March, 2010**

Share Holding	Number of Shareholders	% to total	Number of Shares	% to total
01 - 5,000	4378	89.76	564,087	8.05
5,001 - 10,000	268	5.53	214,331	3.06
10,001 - 20,000	101	2.09	158,094	2.26
20,001 - 30,000	36	0.74	91,300	1.30
30,001 - 40,000	14	0.29	50,001	0.72
40,001 - 50,000	15	0.31	72,140	1.03
50,001 - 100,000	20	0.41	151,414	2.16
1,00,000 and above	42	0.87	5,702,383	81.42
		100.00	70,03,750	100.00

l) **Distribution of Shareholding as on 31st March, 2010**

Category	No of Shares Held	Percentage Shareholding
A Promoter's Holding	38,52,062	55.00
B Non-Promoter's Holding		
1. Institutional Investors		
a) Mutual Funds and UTI	3,850	0.05
b) Banks, Financial Institutions Insurance Companies (Central/ State Government Institutions, Non-Government Institutions)	788	0.01
2. Others		
a) Foreign Institutional Investors	1,950	0.03
b) Private Corporate Bodies	10,85,888	15.50
c) Indian Public	14,41,516	20.59
d) NRIs	6,17,696	8.82
GRAND TOTAL	70,03,750	100.00

- m) Outstanding GDR's / ADR's / Warrants or any Convertible instruments, conversion date and likely impact on equity :

The Company has not issued any of the above instruments and therefore the impact on equity does not arise.

- n) **Dematerialization of Shares :**

As of 31st March, 2010 - 34,79,889 number of shares were dematerialized with the following depositories :

a) National Securities Depositories Limited	27,22,474 shares
b) Central Depository Services Limited	7,57,415 shares
c) Physical	35,23,861 shares
Total	<u>70,03,750 shares</u>

Demat ISIN No. INE583C01013

- o) **LOCATION OF COMPANY'S PLANTS**

i) Cement Plant Bhavanipuram Mahankaligudem-508 218 Nalgonda Dist., A.P.	ii) Hydel Power Plant GBC-1, Head Regulator Nekarikallu Adda Road Narsaraopet - 522 601 Guntur Dist., A.P.	iii) Thermal Power Plant Bhavanipuram Mahankaligudem-508 218 Nalgonda Dist., A.P.
iv) Wind Farms 1) Polepalli Village Ramagiri Mandal Ananthapur Dist., Andhra Pradesh	2) Navaneethakrishnapuram Surandai Taluk Tirunulveli Dist., Tamil Nadu.	3) Udayathoor Village, Radhapuram Taluk, Tirunulveli Dist., Tamilnadu

- p) **Address for correspondence:**

Shareholders can correspond with the Registered Office of the Company at the following address :

"Deccan Chambers",
6-3-666/B,
Somajiguda,
Hyderabad - 500 082.

Persons to contact i) **Mr. C Srinivasan** : General Manager (Legal) & Company Secretary.
ii) **Mr. K A Padmanabham** : Manager (Secretarial & Legal)

Declaration on code of Conduct

This is to confirm that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March, 2010 as envisaged in clause 49 of the Listing Agreement with Stock Exchanges.

Place: Hyderabad
Date : 28th May, 2010.

M.B. Raju
Executive Chairman

AUDITORS' CERTIFICATE

To the Members of Deccan Cements Limited

We have examined the compliance of conditions of Corporate Governance by DECCAN CEMENTS LIMITED for the year ended 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management that there were no transactions of material nature with the management or by relatives that may have potential conflict with the interest of the company at large.

The Share Transfer Agent of the company has certified the number of complaints received from the investors and the number of complaints resolved during the financial year and that there are no complaints pending as at the year end as stated under serial No. III-B-V of the Company's report on Corporate Governance.

We certify that the company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **M BHASKARA RAO & CO.,**
Chartered Accountants
Firm Registration No. 00459S

ANIL KUMAR MEHTA
PARTNER
Membership No.14284

Place: Hyderabad
Date : 28th May, 2010

Auditors' Report

To
The Members of
DECCAN CEMENTS LIMITED

We have audited the attached Balance sheet of Deccan Cements Limited, as at March 31, 2010, the Profit & Loss Account and also Cash Flow Statement of the Company 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.

We conducted our audit in accordance with the 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 the Management, as well as evaluating overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) Order, (Amendment) 2004 issued by the Central Government 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.
2. Further to our comments in the Annexure referred to in paragraph (1) 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 those books;
 - c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt

with by this report are in agreement with the books of account;

- d) in our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of Companies Act, 1956;
- e) on the basis of written representations received from the Directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2010 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 read with "Significant Accounting Policies" and notes thereon 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 March 31, 2010;
 - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No. 00459S

Anil Kumar Mehta

Partner

Place : Hyderabad
Date : 28th May, 2010

Membership No. **14284**

**ANNEXURE TO THE AUDITOR'S REPORT
(STATEMENT REFERRED TO IN PARAGRAPH
(1) OF OUR REPORT OF EVEN DATE)**

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, the management has conducted physical verification of major fixed assets during the year, which in our opinion is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the company has not disposed off substantial part of fixed assets hence, reporting on the going concern status in this regard does not arise.
- ii) (a) The inventory has been physically verified during the year by the Management at reasonable intervals. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion and according to the information and explanations given to us and, on the basis of our examination of the inventory records, the Company is maintaining proper records. The discrepancies noticed on physical verification of inventory as compared to book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii) a) According to the information and explanations given to us, the company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub clauses (b), (c) and (d) of clause (iii) of this Order are not applicable.
- b) According to the information and explanations given to us, the company has taken unsecured loans from other parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the period and the outstanding balances of said loans aggregated to Rs.728.14 Lacs and Rs.728.14 Lacs respectively.
- c) The rate of interest and other terms and conditions of unsecured loans taken by the company, are not prima facie prejudicial to the interest of the company; and
- d) Payment of the principal amount and interest are regular.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business, with regard to the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of other parties are reasonable.
- vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public. No order has been passed by the Company Law

Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

- vii) The Internal Audit of the Company has been conducted by a Firm of Chartered Accountants. The scope and coverage of Internal Audit is commensurate with the size of the Company and nature of its business.
- viii) On the basis of records produced to us, we are of the opinion that, prima facie the cost records and accounts prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, have been maintained. However, we are not required to and, have not carried out any detailed examination of such accounts and records.
- ix) (a) According to the information and explanations given to us and according to the books and records as produced and

examined by us, in our opinion, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues as applicable, have been regularly deposited during the year with the appropriate authorities in India. There are no arrears of Statutory dues as at March 31, 2010 which are outstanding for a period more than 6 months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues on account of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, and Cess as at March 31, 2010 which have not been deposited on account of dispute except the following:

Name of the Statute	Nature of Dues	Assessment year to which the amount relates	Rs.in Lacs.	Forum where dispute is pending
Income Tax Act 1961	Disallowance of debenture issue expenses and bad debts	1997-98	6.46	Income Tax Appellate Tribunal, Hyderabad.
	Disallowance of deduction claimed u/s 80 I (A).	2006-07	359.03	
Andhra Pradesh General Sales Tax Act,/VAT Act.	Sales tax on packing materials	1993-94	11.52	High Court of Andhra Pradesh
	Sales tax on transfer of clinker from cement division to slag division	2001-02	9.30	High Court of A.P.
		2005-06	306.14	
	Dispute on input tax credit on coal	2004-05	16.13	High Court of Andhra Pradesh
	Sales tax demand for the deemed excess production based on energy audit	1999-2000 & 2000-01	85.68	Deputy Commissioner (Appeals) Hyderabad
Sales tax deferment on additional products manufactured	2001-02	168.97	High Court of Andhra Pradesh	
Others	Difference in voltage surcharge charged by AP Transco	1999-2000	42.33	High Court of Andhra Pradesh
	Dispute on water rates levied on the quantum of water used in the generation of power.	1997-98 To 2007-08	723.29	High Court of Andhra Pradesh
		2003-04 To 2008-09	316.23	

- x) The Company has no accumulated losses as on March 31, 2010. Further it has not incurred any cash losses in the financial year under report and in the immediately preceding financial year.
- xi) Based on our Audit procedures and on the information and explanations given by the Management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- xii) 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) The company is not a Chit Fund / Nidhi / Mutual Benefit Fund / Society. Therefore the provisions of clause 4(xiii) of this Order are not applicable to the company.
- xiv) In our opinion and according to information and explanations given to us, the Company does not deal or trade in shares, securities, debentures and other investments. All long term investments are held by the Company in its own name.
- xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for the loans taken by others from bank or financial institutions.
- xvi) The Company has obtained term loans during the financial year. The term loans obtained have been applied for the purpose for which they were obtained.
- xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis, which have been used for long-term investments by the Company.
- 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 during the year.
- xix) The company has not issued any debentures.
- xx) The company has not raised any money by public issue during the year.
- xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted practices in India and according to the information and explanations given to us we have neither come across any instances of fraud on or by the company, noticed or reported during the year nor have we been informed of such case by the management.

For **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No. 004595

Anil Kumar Mehta

Place : Hyderabad
Date : 28th May, 2010

Partner
Membership No. 14284

Balance Sheet as at 31st March,2010

	Schedule	As at 31st March,2010		As at 31st March,2009	
		Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	I	700.38		700.38	
Reserves and Surplus	II	16594.01		16405.02	
			17294.39		17105.40
LOAN FUNDS					
Secured Loans	III	30594.75		30120.51	
Unsecured Loans	IV	2751.29		2464.19	
			33346.04		32584.70
Deferred Tax Liability (Net)			4271.55		3219.56
TOTAL			54911.98		52909.66
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	V	52869.12		46473.33	
Less : Depreciation / Amortization		9189.45		6829.54	
Net Block		43679.67		39643.79	
Capital work-in-progress	VI	5421.70		8736.80	
			49101.37		48380.59
INVESTMENTS	VII		11.02		11.02
CURRENT ASSETS, LOANS & ADVANCES					
A. CURRENT ASSETS					
Inventories		2650.70		2279.12	
Banked Energy		26.67		23.47	
Sundry Debtors		1097.25		253.66	
Cash and Bank Balances		3372.89		1163.39	
B. Loans and Advances		3081.58		10028.13	
		10229.09		13747.77	
LESS:CURRENT LIABILITIES & PROVISIONS					
A. Current Liabilities					
B. Provisions		3083.90		4697.54	
		1345.60		4532.18	
		4429.50		9229.72	
Net Current Assets			5,799.59		4,518.05
Significant Accounting Policies & Notes to the Accounts	XIV				
TOTAL			54911.98		52909.66

As per our Report attached
For **M. Bhaskara Rao & Co.,**
Chartered Accountants

Anil Kumar Mehta
Partner

Place : Hyderabad
Date : 28th May, 2010

For and on behalf of the Board

M.B. Raju
Executive Chairman

C. Srinivasan
General Manager (Legal) &
Company Secretary

P. Parvathi
Managing Director

Profit and Loss Account for the Period ended 31st March,2010

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
INCOME				
Sales	X	37375.27	23885.13	
Less : Excise Duty & VAT		7754.23	<u>5338.45</u>	18546.68
Dividend on Investments		0.44		0.49
Profit on Sale of Fixed Assets		11.79		0.00
Other Income	XI	264.34		147.03
		29897.61		<u>18694.20</u>
EXPENDITURE				
Manufacturing, Administration, Selling and Other Expenses	XII	22944.39	12274.66	
Interest & Finance Charges		3403.37	457.53	
Stock Variation	XIII	(719.06)	(269.48)	
Depreciation/Amortization	V	2380.95	701.14	
		28009.65		<u>13163.85</u>
Profit before tax & prior period items		1887.96		5530.35
Prior year's adjustments (Net)		1.11		(2.33)
Profit before tax & after prior period items		1889.07		<u>5528.02</u>
Provision for				
Current Tax		320.97		626.27
Deferred Tax		1052.00		1447.48
Fringe Benefit Tax		-		12.01
Prior Years Tax adjustments		79.70		19.01
Wealth Tax		2.40		0.27
Net Profit after Tax		434.00		<u>3422.98</u>
Balance brought forward from previous year		11263.41		<u>8428.55</u>
Profit available for appropriation		11697.41		<u>11851.53</u>
APPROPRIATIONS				
Transfer to General Reserve		43.40		342.30
Provision for Dividend		210.11	210.11	
Corporate Dividend Tax		34.90	<u>35.71</u>	
		245.01		245.82
Balance carried to Balance Sheet		11409.00		<u>11263.41</u>
Significant Accounting Policies XIV & Notes to the Accounts		11697.41		<u>11851.53</u>
Additional Information: Basic and Diluted E P S (Equity Shares of face value of Rs.10/- each)		6.20		48.87

Earnings considered is Net Profit after Tax Rs.434.00 lacs (Previous Year Rs.3422.98 lacs) and Number of shares considered is 70.04 lacs (Previous Year 70.04 lacs) for Basic and Diluted EPS.
(as per Accounting Standard-20.)

As per our Report attached to the Balance Sheet
For **M. Bhaskara Rao & Co.,**
Chartered Accountants

Anil Kumar Mehta
Partner

For and on behalf of the Board

M.B. Raju
Executive Chairman

C. Srinivasan
General Manager (Legal) &
Company Secretary

P. Parvathi
Managing Director

Place : Hyderabad
Date : 28th.May, 2010

Cash Flow Statement for the Year Ended 31.03.2010

	Year Ended 31st March 2010		Year Ended 31st March 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) Before Tax and Prior period items	1887.96		5530.35	
Adjustments for :				
Depreciation	2380.95		701.14	
Interest and Finance charges	3403.37		457.53	
Dividends Received	(0.44)		(0.49)	
Interest Income	(99.38)		(45.03)	
Profit on Sale of Fixed Assets	(11.79)		-	
Profit on Sale of Investments	-		-	
Operating Profit Before Working Capital Changes	7560.67		6643.50	
Changes in Working Capital				
(Increase) / Decrease in Inventories	(371.58)		(1341.52)	
(Increase) / Decrease in Banked Energy	(3.20)		12.94	
(Increase) / Decrease in Sundry Debtors	(843.59)		(154.00)	
(Increase) / Decrease in Loans and Advances	3763.16		(3964.34)	
Increase / (Decrease) in Current Liabilities	(1615.79)		2798.12	
Cash Generated from Operations	8489.67		3994.70	
Direct Taxes Paid	(403.31)		(716.94)	
Cash Flow before Prior period Items	8086.36		3277.76	
Prior Year Income / (Expenditure)	1.11		(2.33)	
Net Cash Flow from Operating Activity		8087.47		3275.43
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Inflow / (Outflow)				
Dividends received	0.44		0.49	
Interest received	99.38		45.03	
Purchase of Fixed Assets	(6417.94)		(32556.27)	
(Increase) / Decrease in Capital Work in Progress	3315.10		11079.89	
Purchase of Land - (for afforestation)	-		(180.50)	
Purchase of Investments	-		(8.12)	
Sale of Investments	-		3.00	
Sale of Fixed Assets	12.89		-	
Net Cash Flow from Investing Activities		(2990.13)		(21616.48)
carried forward		5097.34		(18341.05)

Cash Flow Statement for the Year Ended 31.03.2009 (Contd.)

	Year Ended 31st March 2010		Year Ended 31st March 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
brought forward		5097.34		(18341.05)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Inflow / (Outflow)				
Dividend Paid (Including Dividend Tax)		(245.82)		(245.82)
Proceeds from Long Term Borrowings		287.10		594.69
Repayment of Long Term Borrowings		-		-
Long Term Loan Borrowings		(504.63)		14622.96
Interest Paid		(3403.37)		(457.53)
Increase / (Decrease) in Interest Accrued		-		-
Increase / (Decrease) in Cash Credit utilisation		978.88		<u>1131.71</u>
Net Cash Flow from Financing Activities		<u>(2887.84)</u>		<u>15646.01</u>
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS :		2209.50		(2695.04)
Cash and Cash Equivalents as at the commencement of the year		1163.39		<u>3858.43</u>
Cash and Cash Equivalents as at the close of the year		<u>3372.89</u>		<u>1163.39</u>
(includes Funds not available for use - Margin Money Rs. 97.18 lacs, Unclaimed Dividend Rs.17.74 lacs)				

Note : Previous year's figures have been regrouped wherever necessary to conform with current year's classification.

As per our Report attached
For **M Bhaskara Rao & Co.,**
Chartered Accountants

Anil Kumar Mehta
Partner

Place : Hyderabad
Date : 28th May, 2010

For and on behalf of the Board

M.B. Raju
Executive Chairman

C. Srinivasan
General Manager (Legal) &
Company Secretary

P. Parvathi
Managing Director

Schedule I: Share Capital

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.in Lacs		Rs.in Lacs	
Authorised Capital				
1,00,00,000 Equity Shares of Rs 10/- each		1000.00		1000.00
Issued and Subscribed				
70,03,750 Equity Shares of Rs.10/-each - fully paid		700.38		700.38
(Of the above shares 35,01,875 equity shares of Rs.10/- each were allotted on 2.1.1995 for a consideration other than cash as fully paid up bonus shares by capitalisation of Securities Premium / General Reserve.)				

Schedule II: Reserves and Surplus

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
Capital Reserve as per last Balance Sheet		40.24		40.24
Power Subsidy as per last Balance Sheet		99.28		99.28
Securities Premium Account as per last Balance Sheet		1250.14		1250.14
General Reserve as per last Balance Sheet	3751.95		3409.65	
Add : Transfer from Profit and Loss Account	43.40		342.30	
		3795.35		3751.95
Profit and Loss Account Balance as per Annexed Account		11409.00		11263.41
TOTAL		16594.01		16405.02

Schedule III: Secured Loans

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
State Bank of India (instalments due within one year Rs 464.00 lacs previous year Rs.232.00 lacs)	5,568.00		5,800.00	
Andhra Bank (instalments due within one year Rs.584.00 lacs previous year Rs 292.00 lacs)	7,008.00		7,222.67	
State Bank of Hyderabad (instalments due within one year Rs400.00 lacs previous year Rs.200.00 lacs)	4798.32		4794.82	
State Bank of Mysore (instalments due within one year Rs.240.00 lacs previous year Rs.120.00 lacs)	2880.00		2912.74	
State Bank of Sourashtra (instalments due within one year Rs.160.00 lacs previous year Rs.80.00 lacs)	1919.40		1976.83	
Indian Bank (instalments due within one year Rs.400.00 lacs previous year Rs.200.00 lacs)	4800.00		4771.40	
Interest Accrued and Due	265.27		265.16	
		27238.99		27743.62
Cash Credit from:				
State Bank of India	2442.26		1,824.36	
Andhra Bank	913.50		552.53	
		3355.76		2376.89
TOTAL		30594.75		30120.51

Schedule IV: Unsecured Loans

	As at 31st March, 2010		As at 31st March, 2009	
		Rs.in Lacs		Rs.in Lacs
Sales Tax Deferral Loan		2023.15		1854.78
Fixed Deposits (due within one year Rs. 64.50 lacs previous year Rs. 32.44 lacs) (includes Accrued Interest Rs.90.48 Lacs Previous Year Rs. 31.73 Lacs)		728.14		609.41
TOTAL		2751.29		2464.19



Schedule V: Fixed Assets

Rs.in Lacs

Description	GROSS BLOCK – AT COST				DEPRECIATION			NET BLOCK		
	As at 31st March 2009	Additions During the year	Deductions/ Adjustments during the year	As at 31st March 2010	Upto 31st March 2009	For the year	Deductions/ adjustments during the year	Upto 31st March 2010	As at 31st March 2010	As at 31st March 2009
A. TANGIBLE ASSETS										
Freehold Land	1431.06	409.61	-	1840.67	-	-	-	-	1840.67	1431.06
Compensatory Land for afforestation	180.50	3.22	-	183.72	-	-	-	-	183.72	180.50
Free Hold Land-Mining Buildings	28.87	-	-	28.87	5.77	1.44	-	7.21	21.66	23.10
	2390.34	164.29	4,301.11#	6855.74	559.06	205.14	-	764.20	6091.54	1831.28
Plant & Machinery	42082.24	5801.72	(4,323.27)#	43560.69*	6,020.29	2,145.81	21.04	8,145.06	35415.63	36061.95
Other Equipment	14.19	-	-	14.19	10.00	0.56	-	10.56	3.63	4.20
Furniture & Fixtures	70.21	8.87	-	79.08	52.22	3.66	-	55.88	23.20	17.99
Office Equipment	123.73	6.54	-	130.27	90.94	8.97	-	99.91	30.36	32.79
Vehicles	115.39	23.70	-	139.09	73.61	13.68	-	87.29	51.80	41.77
B. INTANGIBLE ASSETS										
Compensatory Land for Afforestation	36.80	-	-	36.80	17.65	1.69	-	19.34	17.46	19.15
TOTAL	@46473.33	6417.95	(22.16)	52869.12	6829.54	2380.95	21.04	9189.45	43679.67	39643.79
Total of Previous Year	13670.89	32556.27	-	@46227.16	6108.12	698.01	-	6806.13	39421.03	7562.78

* Includes cost of 33 KV line at Wind farm, Hydel Power Plant, Cement Div.and Slag Division aggregating to Rs. 128.04 lacs ownership of which vest with APTRANSCO.
Plant & Machinery and Buildings are regrouped.

@ Includes Rs. 246.19 lacs pursuant to re-grouping.

Schedule VI: Capital Work-in-Progress

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.in Lacs		Rs.in Lacs	
Works in progress - Civil & Others	5007.58		7533.65	
Advance on Capital Account (considered good)	4.71		362.53	
Pre operative Expenses (Vide Annexure 1)	409.41		840.62	
TOTAL	5421.70		8736.80	

Schedule VII: Investments

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
Long Term Investments (At Cost)				
a) Quoted - Fully Paid				
Industrial Development Finance Corporation Ltd. (884 Equity Shares of Rs.10/- each)	0.30		0.30	
Biocon Ltd. 300 Equity Shares of Rs.5/- each	0.47		0.47	
Tata Consultancy Services Ltd. 220 Equity Shares of Rs.1/- each (1 : 1 Bonus Shares Issued) (Previous Year 110 E. Shares of Rs.1/-)	0.47		0.47	
National Thermal Power Corporation Ltd. 2095 Equity Shares of Rs.10/- each	1.30		1.30	
Reliance Industries Limited 54 Equity Shares of Rs.10/- each (RPL Shares converted into RIL Shares) (1 : 1 Bonus Shares Issued) (P.Y. 434 Shares of RPL)	0.26		0.26	
Total (a)		2.80		2.80
b) Un Quoted - Fully paid				
DCFEMAC Co-operative Stores Limited (Previously known as DCL Employees Co-operative Stores Ltd.)	0.10		0.10	
Total (b)		0.10		0.10
C) Investments in Land		8.12		8.12
TOTAL (a + b + c)		11.02		11.02
Aggregate Market value of quoted investments		8.91		5.69

PRE-OPERATIVE EXPENDITURE
ANNEXURE - 1
(to schedule VI of Balance Sheet)

Rs. in lacs

Particulars	2009-10	2008-09
Opening Balance at the Beginning of the year	840.62	1031.30
Expenditure During the year		
AP Transco 132 KV Switch Yard	4.02	41.56
Power Demand Charges	-	51.50
Staff Salaries & Allowances	-	77.36
Vehicle Maintenance	-	2.93
Repairs to others	-	21.35
Electrical Maintanance	1.78	-
Insurance	-	4.71
Hire Charges	17.33	104.61
Printing & Stationery	-	0.27
Postage, Telephone, Telex	-	1.34
Recruitment Expenses	-	0.21
Advertisement & Business Promotion	-	0.96
Testing, Marking & Others	-	3.53
Legal & Professional Charges	-	107.00
Security Services	-	19.71
License Fees	-	0.45
Rest House Exp. Factory	-	3.25
Miscellaneous Expenses	0.72	2.54
Interest on Term Loan	158.22	2502.14
Cement	0.66	20.48
Abnormal Cost of Coal	-	46.01
Power Charges	-	40.19
Maintanance Charges - Captive Power Plant	-	14.50
Vehicle Maintenance	24.53	124.24
Total	1047.88	4222.14
Less : Capitalised During the year	638.47	3381.52
Balance to be capitalised	409.41	840.62

Schedule VIII: Current Assets, Loans and Advances

	As at 31st March, 2010			As at 31st March, 2009		
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
A. Current Assets						
a) Inventories						
Finished Goods		603.22			80.17	
Work-in-Process		664.47			468.46	
Raw Materials		98.02			303.80	
Packing Materials		90.36			66.09	
Other Materials		334.07			986.84	
Stores and Spares		860.56			373.76	
			2650.70			2279.12
b) Banked Energy			26.67			23.47
c) Sundry Debtors-Unsecured						
Debts outstanding for a period exceeding six months-considered Good		42.09			21.12	
Other debts-considered good		1055.16			232.54	
			1097.25			253.66
d) Cash and Bank balances						
Cash on hand		1.59			4.50	
Balances with Scheduled Banks:						
- In Current Accounts	1607.11			1008.70		
- In Deposit Accounts	1764.19			150.19		
		3371.30			1158.89	
(including margin money deposit of Rs.97.18 lacs (PY Rs.97.18 Lacs) carried forward			3372.89			1163.39
			7147.51			3719.64

Schedule VIII: Current Assets, Loans and Advances (Contd...)

	As at 31st March, 2010			As at 31st March, 2009		
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
brought forward			7147.51			3719.64
B. Loans and Advances-Unsecured Considered Good :						
a) Advances recoverable in cash or in kind or for value to be received						
Advances for purchase of Raw Materials and Coal		657.61		2741.65		
Advances for purchase of Stores and Spare parts		306.36			131.66	
Advances to Employees		5.95			6.98	
Other Advances		336.87			1937.10	
Prepaid Expenses		35.69			61.87	
Tax deducted at source		50.43			80.33	
Advance Income Tax Deposits		1163.70			4317.18	
- Central Excise	0.76			4.75		
- Others	502.90			<u>731.54</u>		
		503.66			<u>736.29</u>	
		3060.27			<u>10013.06</u>	
b) Interest accrued		21.31			<u>15.07</u>	
		3081.58			<u>10028.13</u>	
TOTAL			10229.09			<u>13747.77</u>

Schedule IX: Current Liabilities and Provisions

	As at 31st March, 2010			As at 31st March, 2009		
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
A. Current Liabilities						
Sundry Creditors :						
Micro, Small and Medium Enterprises	-			-		
(Includes on Capital A/c NIL (Previous Year Nil)						
Others (includes on Capital A/c Rs. Nil Previous Year Rs. 970.81 lacs)	<u>717.91</u>			<u>2684.72</u>		
Expenses		717.91			2684.72	
Advances/Deposits from Stockists and Others		596.82			1147.08	
Unclaimed Dividend		1702.84			805.29	
Other liabilities		17.74			16.51	
		48.59			43.94	
			3083.90			4697.54
B. Provisions						
For Taxation		961.92			4145.54	
For Proposed Dividend		210.11			210.11	
For Dividend Tax		34.90			35.71	
For Leave Encashment		61.24			51.27	
For Gratuity		77.43			89.55	
			1345.60			4532.18
TOTAL			<u>4429.50</u>			<u>9229.72</u>

Schedule X: Sales

	Year ended 31st March, 2010	Year ended 31st March, 2009
	Rs.in Lacs	Rs.in Lacs
Cement Sales	33113.60	22298.79
Clinker Sales	3401.22	3320.70
Income from Power Generation (Net of wheeling and banking charges)	860.45	1094.97
TOTAL	37375.27	26714.46
Less Internal transfers	-	2829.33
	<u>37375.27</u>	<u>23885.13</u>

Schedule XI: Other Income

	Year ended 31st March, 2010	Year ended 31st March, 2009
	Rs.in Lacs	Rs.in Lacs
Scrap Sales	125.80	75.33
Interest - Bank deposits (TDS Rs. 7.51 lacs, Previous year Rs. 7.64 lacs)	81.59	24.88
Other Interest (TDS Rs.1.66 lacs, Previous year Rs.2.50 lacs)	17.79	20.15
Rent (TDS Rs. Nil, Previous year Rs.1.03 Lacs)	0.03	4.54
Bad Debts Write Back	-	13.25
Miscellaneous Income	39.13	8.88
TOTAL	264.34	147.03

Schedule XII: Manufacturing, Administration, Selling and Other expenses

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
Consumption of Raw Materials				
(Includes Royalty and other levies of Rs. 901.61 lacs, previous year Rs.354.00 lacs)	2920.76		4858.05	
Less Internal transfers	-		2829.33	
		2920.76		2028.72
Consumption of Stores and Spares		1396.05		1065.83
Power and Fuel				
Power	2136.38		1807.26	
Coal	9553.28		3586.87	
Diesel	22.87		80.20	
		11712.53		5474.33
Salaries, Wages and Benefits				
Salaries, Wages and Bonus	982.24		825.33	
Contribution to Provident and Other funds	73.39		106.08	
Workmen and Staff Welfare Expenses	108.29		84.44	
		1163.92		1015.85
Repairs and Maintenance				
Buildings	30.10		13.20	
Plant and Machinery	433.07		214.29	
Vehicles	9.74		17.15	
Others	265.16		66.78	
		738.07		311.42
Administration Expenses				
Travelling and Conveyance	103.37		66.74	
Directors' Travelling and Conveyance	6.95		8.58	
Directors' Foreign Travel	0.40		0.00	
Directors' sitting fees	1.08		0.33	
Printing and Stationery	13.42		10.50	
Communication Expenses	26.91		18.24	
Legal and Professional charges	90.46		58.82	
Insurance	63.75		25.60	
Auditors' Remuneration	5.45		4.53	
Staff Recruitment and Training	6.62		5.69	
Rent	27.72		16.43	
Rates and Taxes	17.09		33.98	

Schedule XII: Manufacturing, Administration, Selling and Other expenses (Contd..)

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
Brought forward		17931.33		9896.15
Donations	20.78		11.92	
Sundry Expenses (Includes Rs.12.95 Lacs (PY NIL) cost of Land alienated for Transmission Lines)	145.60		84.90	
	—————	529.60	—————	346.26
Selling Expenses				
Consumption of Packing Materials	1200.45		721.32	
Advertisement and Publicity	29.01		27.30	
Freight, Packing and Forwarding charges	2284.93		968.06	
Testing and Marking fees	23.99		2.51	
Commission on Sales	174.71		58.76	
Other Selling expenses	770.37		254.30	
	—————	4483.46	—————	2032.25
TOTAL		22944.39		12274.66

Schedule XIII: Stock Variation

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs	Rs.in Lacs
Work-in-Process				
Opening Stock	468.46		193.86	
Closing Stock	664.47		468.46	
	—————	(196.01)	—————	(274.60)
Finished Goods				
Opening Stock	80.17		85.29	
Closing Stock	603.22		80.17	
	—————	(523.05)	—————	5.12
		(719.06)		(269.48)

Schedule XIV: Notes to the Accounts

1. Significant Accounting Policies :

a) System of Accounting :

- i) Financial Statements are based on historical cost.
- ii) The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.
- iii) Investment subsidy not specifically related to any fixed asset is credited to a specific reserve upon receipt and retained till the requisite conditions are fulfilled. On fulfillment of such conditions, the same is transferred to Capital Reserve.

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) Fixed Assets :

- i) All Fixed Assets are stated at their original cost of acquisition / installation less depreciation.
- ii) Capital Work-in-progress is stated at amount expended (including advance) up to the date of the Balance Sheet.
- iii) All the fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication the impairment loss, being the excess carrying value over the recoverable value of the assets, are charged to the profit & loss account in the respective financial years. The impairment loss recognized in the prior years is reversed in cases where the recoverable value exceeds the carrying value, upon the reassessment in the subsequent years.

d) Expenditure during construction period :

Expenditure during construction period is grouped under "Capital work in progress". Upon commencement of commercial production, the expenditure is allocated to buildings and plant and machinery in the ratio of their direct cost.

e) Depreciation :

Depreciation on Fixed Assets is provided in accordance with Schedule XIV of the Companies Act, 1956, on Straight Line Method in respect of Buildings, Plant and Machinery and on Written Down Value Method in respect of other Fixed Assets.

f) Amortization :

Cost of compensatory land (intangibles) transferred to Government of Andhra Pradesh in lieu of forest land diverted for mining and free hold land for mining is amortized over the tenure of the Mining lease.

g) Revenue Recognition :

i) Cement :

Revenue Sale of goods is recognized at the point of dispatch i.e when significant risk are transferred to customers.

ii) Power :

Revenue from sale of power is recognized net of Wheeling charges on power is supplied to Customers.

Schedule XIV: Notes to the Accounts (Contd...)

h) Inventory Valuation

- i) Raw Materials, Coal, Stores & Spares, and Packing Materials: At Weighted average Cost
- ii) **Materials in Transit** : At Cost
- iii) **Work in process** : At Weighted Average cost or Net Realisable Value, whichever is lower.
- iv) **Finished goods** : At Weighted Average cost or Net Realisable Value, whichever is lower. Cost comprises of cost of purchase, cost of conversion & other costs incurred in bringing the inventories to the present location & condition.

i) Power Subsidy :

The Power Subsidy granted by the Andhra Pradesh State Electricity Board pursuant to GO issued by the Department of Industries and Commerce is treated as a Capital Receipt.

j) Investments :

Investments are stated at cost of acquisition. Diminution in the value of investments other than temporary meant to be held for a long period of time is recognized.

k) Internal Consumption :

Internal consumption of the Company's products, which are otherwise marketable, is accounted for at transfer price and is included under sales.

l) Transfer price for Inter divisional transfer / consumption :

- i) **Cement** : Internal consumption is taken at cost plus statutory levies as applicable.
- ii) **Power
Hydel / Wind** : At cost of purchase from APCPDCL / TNEB by the division consuming such power

m) Retirement Benefits:

Provident Fund is administered through Regional Provident Fund Commissioner. The Superannuation and Gratuity Funds are administered through the scheme of Life Insurance Corporation of India. The contributions to the above said funds are charged against revenue. Provision for leave encashment is made on the basis of actuarial valuation.

n) Borrowing Costs :

Borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs incurred for acquiring and construction of assets are capitalised as part of the cost of such assets.

- o) **Taxation** : Provision for income tax is made for both current and deferred taxes. Provision for current Income tax is made at current tax rates based on assessable income. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of a change in tax rates is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

- p) **Contingencies** : The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of obligation. A disclosure for contingent liabilities is made in the notes to accounts when there is a possible obligation or a present obligation that may, but probably will not, require an out flow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.

Schedule XIV: Notes to the Accounts (Contd...)

- q) **Earning Per Share:** Earning share is calculated by dividing the net profit or loss for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the year.

2. Contingent Liabilities :

	Rs. in Lacs	
	Current Year	Previous Year
a) Monies for which the company is contingently Liable:		
i) Counter Guarantee	716.41	963.33
ii) Claims for non supply of cement by company's agent for the year 1995-96 pending in High Court of Andhra Pradesh	5.52	5.52
iii) Claims for difference in prices for the year 1994-95 filed by Metropolitan Transport Project, Chennai, matter pending with High Court of Chennai	6.83	6.83
b) Income Tax:		
i) For the Asst. Year 97-98 towards disallowance of Debenture issue expenses and bad debts. Matter pending in appeal before the Income Tax Appellate Tribunal, Hyderabad	6.46	6.46
ii) For the Asst. Year 06 - 07 towards disallowance of deduction claimed u/s 80 I (A). Matter pending with CIT (appeals).	359.03	359.03
c) Sales Tax:		
i) Regarding sales tax on packing materials in respect of Asst Year 1993-94 for which the company filed writ petition in the High Court of Andhra Pradesh and obtained stay on payment of 50% of the disputed demand	11.52	11.52
ii) Regarding sales tax on transfer of clinker from cement division to slag division for the years 2001-02 & 2005-06 The matter is pending in appeal before the Sales Tax Tribunal and stay has been obtained on payment of 50% of the disputed demand.	315.44	315.44
d) Difference in voltage surcharge charged by AP Transco Rs.42.33 lacs for the year 1999-2000 for which writ petition filed in the High Court of Andhra Pradesh and stay obtained. (Total Liability Rs. 84.66 Lacs)	42.33	42.33
e) Input tax Credit on coal for the year 2004 -05 was withdrawn by the AP Govt. with retrospective effect which was challenged by the company in A P High Court. 50 % of the amount demanded was deposited by the company. (Total Liability Rs. 32.27 Lacs)	16.13	16.13
f) Sales Tax Deferment for the year 2001-02 on the additional products manufactured, amounting to Rs. 168.97 Lacs stayed by the AP High Court.	168.97	168.97

Schedule XIV: Notes to the Accounts (Contd...)

		Rs. in Lacs	
		Current Year	Previous Year
g)	Sales Tax Demand for the deemed excess production based on the Energy Audit for the years 1999-2000 & 2000-2001	85.68	85.68
h)	The A.P. Government has issued a G.O. Ms. No 391 levying Water Rates on the quantum of water used in the generation of power and demanded payment of Rs. 723.29 lacs for the period 1997 to February 2008. Appeal is pending in the High Court.	723.29	723.29
i)	Duty on Electricity generated and consumed was levied by the AP Govt. at 25 paise per unit for the years 2003-04 to 2008-09. The High court has stayed the operation of AP Electricity Duty Amendment Act,2003.	316.23	316.23
3.	Estimated amount of contracts to be executed on capital account not provided for (net of advances) :	406.00	466.00
4. Secured Loans:			
A) Term Loans:			
i)	The Term Loans from Banks are secured by hypothecation of present and future immovable assets in favour of consortium of banks comprising of State Bank of India, State Bank of Hyderabad, State Bank of Mysore, State Bank of Saurashtra, Andhra bank and Indian Bank ranking pari passu charge except the current assets specifically charged to working capital lenders in respect of which second charge is created.		
ii)	The Term Loans are further secured by the personal guarantee of Mr. M B Raju, Chairman and Ms. P Parvathi, Managing Director till the additional mining rights are obtained to the satisfaction of the lenders.		
B) Working Capital:			
	Cash Credit facility with State Bank of India and Andhra Bank is secured by hypothecation of stocks of raw materials, stock in process, finished goods, spares and book debts and second charge on Fixed Assets and further secured by the personal guarantee of Mr. M B Raju, Chairman and Ms. P. Parvathi, Managing Director.		
5. Unsecured Loans:			
	The Government of Andhra Pradesh has extended to the company the incentive of:		
(a)	Sales Tax Deferral Scheme vide their proceedings No. 10/3/2000/0886/ID dt.6.6.2000, pursuant to which the Sales Tax attributable to the sales effected out of the production from the expansion pertaining to Cement Division from 600 TPD to 900 TPD is deferred (interest free) for a period of 14 years from 2000-01 or Rs.1631.54 lacs (whichever is earlier), and the Deferred Sales Tax of each year is repayable after the expiry of 14 years subject to fulfillment of conditions specified in the proceedings. Based on the Sales Tax returns, the company has availed deferment of Sales Tax during the year Rs.168.37 lacs (Previous year Rs.108.95 lacs). The Sales Tax so deferred aggregates to Rs.1277.17 lacs (previous year Rs.1108.80 lacs)		
(f)	Sales tax exemption scheme vide letter No.30/2/2002/0788/1357/FD dated 23.10.2002 issued by Commissionerate of Industries, Hyderabad pertaining to the sales effected out of production from the new Slag Cement Division which is exempted for a period of 7 years or Rs.3634.94 lacs (whichever is		

Schedule XIV: Notes to the Accounts (Contd...)

earlier). With the implementation of VAT w.e.f 01.04.2005 the said exemption amounting to Rs.745.98 lacs has been converted into deferment and the balance period has also been doubled. The Company has fully availed this deferment amount of Rs.745.98 lacs upto the year of 2006-07.

6. The amount of borrowing cost capitalized during the year is Rs.158.22 lacs (Land Nil, Buildings Rs. Nil lacs, Plant & Machinery Rs. 158.21 lacs and Others Rs.Nil lacs) (Previous year Rs. 2814.92).
7. The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
8. **Employee Benefits:**

A) Defined Benefit Plan

- a) Liability for retiring gratuity as on March 31st ,2010 is Rs.156.26 Lacs (31.03.2009; Rs.166.30 Lacs) of which Rs. 78.83 lacs (31.03.09 Rs. 76.75 lacs) is funded with the Life Insurance Corporation of India and the balance is included in provision for Gratuity. Liability for Gratuity and Cost of Compensated absences has been actuarially determined and provided for in the books.
- b) The details of the Company's post-retirement benefit plans for its employees including whole time Directors are given below which are certified by the actuary.

Particulars	Gratuity Rs. in Lacs		Compensated Absences Rs. in Lacs	
	2009-10	2008-09	2009-10	2008-09
(A) Net Assets/(Liability) recognised in the balance sheet As at 31st March,2009				
Present Value of Obligation	156.26	166.30	-	-
Fair Value of Plan Assets Liability/(Assets)	(78.83)	(76.75)	-	-
Unrecognised past service Cost	Nil	Nil	-	-
Liability/(Assets) recognised in the Balance Sheet	77.43	89.55	61.24	51.27
(B) Component of Employer's Expenses				
Current Service Cost	13.70	7.84	-	-
Interest Cost	12.56	10.44	-	-
Expected Return on Plan Assets	(6.57)	(4.62)	-	-
Net Actuarial Gain/(Loss) recognised.	(21.48)	33.85	-	-
Past Service Cost	-	-	-	-
Expenses Recognised in the Profit and Loss Account	(1.80)	47.51	-	-
Movement in the Net Liability recognised in the Balance Sheet				
Opening Net Liability as on 1st April, 2009	89.55	52.20	51.27	31.84
Expenses recognized in the Profit & Loss A/c.	(.04)	49.19	-	-
Employer contribution	(12.08)	(11.84)	-	-

Particulars	Gratuity Rs. in Lacs		Compensated Absences Rs. in Lacs	
	2009-10	2008-09	2009-10	2008-09
Payment made to employees on retirement Closing Net Liability as on 31st March, 2010	77.43	89.55	61.24	51.27
Actuarial Assumptions:				
Discount Rate (Per annum) (%)	8.25	7.20	8.25	7.20
Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
Expected Rate of return on Plan Asset (per annum) (%)	7.50	7.50	-	-
Salary Escalation rate (Per Annum) (%)	5.00	6.00	5.00	6.00
Valuation Method	Projected Unit cost method	Projected Unit cost method	Projected Unit cost method	Projected Unit cost method

Note: Actuarial valuation is worked out considering attrition rate and estimates of future salary increase taking in to account of inflation, Seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B) Defined contribution plan

Amount recognized as an expense and included in schedule XII under the head "contribution to provident and other funds" Rs.73.39 lacs (Previous year Rs.106.08 lacs).

9. Computation of net profits in accordance with Section 349 of the Companies Act,1956 for the purpose of calculating Directors' Commission.

	Rs.in Lacs	
	Current Year	Previous Year
Profit before Tax as per Profit & Loss Account	1889.07	5528.02
Add: Directors' Remuneration	140.30	253.17
Depreciation as per Accounts	2380.95	701.14
	2521.25	954.31
	4410.32	6482.33
Profit on sale of Fixed Assets	11.79	0.00
Depreciation u/s 350 of the Companies Act 1956	2380.95	701.14
Net Profit under Section 349 for the Year	2017.58	5781.19
Commission payable to Managing Director @ 1.50%	30.26	86.72
Commission payable to Executive Chairman @ 1.50%	30.26	86.72
Commission payable to Non - Wholetime		
Directors limited to	5.00	5.00
	65.52	178.44

Schedule XIV: Notes to the Accounts (Contd...)

	<u>Current Year</u>	<u>Previous Year</u>
	Rs. In Lacs	Rs. in Lacs
10. Directors' Remuneration :		
a) To Managing Director		
Salary	19.20	18.00
Accommodation /HRA	13.44	12.60
Provident & Other funds	5.18	4.86
Commission	30.26	86.72
Benefits	3.35	5.53
Gratuity	0.70	0.70
TOTAL	<u>72.13</u>	<u>128.41</u>
b) To Executive Chairman		
Salary	20.40	19.20
Accommodation /HRA	14.28	13.44
Provident & Other funds	2.45	2.30
Commission	30.26	86.72
Benefits	3.02	5.63
Gratuity	0.75	0.75
TOTAL	<u>71.16</u>	<u>128.04</u>
c) To Non - Whole time Directors		
Commission	5.00	5.00
11. Auditors' Remuneration		
Audit Fee	3.00	2.25
Certification Work	-	0.08
Corporate Governance	0.10	0.10
Tax Audit Fee	0.75	0.50
Reimbursement of Expenses	0.70	0.85
Limited Review Fee	0.90	0.75
TOTAL	<u>5.45</u>	<u>4.53</u>

12. Additional information pursuant to the provisions of paragraphs 3,4c and 4d of part II of Schedule VI of the Companies Act,1956.

	Current Year		Previous Year	
	Quantity (MT)	Rs. In Lacs	Quantity (MT)	Rs. in Lacs
a) Turnover:				
i) Cement Division :				
Cement (MT):				
Sale of Cement	297921	9156.74	255713	9562.07
Internal Consumption Cement	-	-	782	13.30
		9156.74		9575.37
ii) Slag Cement Division :				
Cement (MT):				
Sale of Cement	777840	23912.29	344510	12577.81
Sale of Clinker	127693	3401.22	18353	491.37
Internal Consumption of Cement	2661	44.57	8566	145.61
		27358.08		13214.79
iii) Power (KWH) :				
- Wind (AP) :	3130022	84.82	2814233	84.97
- Wind (TN) :	9408659	262.91	8613760	247.17
- Hydel	18878741	512.72	22971814	762.83
		-	-	-
		860.45		1094.97
TOTAL		37375.27		23885.13
b) Particulars of Raw Materials consumed (Quantity in MT)				
i) Limestone	1562756	1011.76	700582	431.12
ii) Iron Ore	32960	403.57	18374	244.36
iii) Gypsum	61940	942.69	36708	484.06
iv) Fly Ash	53291	201.14	60128	316.09
v) Slag	25603	253.67	55319	553.09
vi) Internal Transport of Materials		107.93		
TOTAL		2920.76		2028.72

Schedule XIV: Notes to the Accounts (Contd...)

	Current Year		Previous Year	
	Quantity	Rs. In Lacs	Quantity	Rs. in Lacs
c) Capacity, Production, Generation and Stocks:				
i) Cement Division : (MT)				
Installed Capacity	297000		297000	
(As certified by the Management & relied upon by the auditors being a technical matter)				
Actual Production	296800		258500	
Opening Stock	2286	41.52	289	7.11
Samples and Shortage	-	-	8	-
Closing Stock	1165	33.42	2286	41.52
ii) Slag Cement Division : (MT)				
Installed Capacity	1500000		500000	
(As certified by the Management & relied upon by the auditors being a technical matter)				
Actual Production	800155	-	350555	-
Opening Stock	1851	38.65	4378	78.18
Samples and Shortage	15	-	5	-
Closing Stock	21490	569.80	1851	38.65
iii) Wind Power : (KWH)				
Installed Capacity	31554000		31554000	
(As certified by the Management & relied upon by the auditors being a technical matter)				
Actual Generation	12610459		11475262	
Less : Wheeling	64036		138735	
Net Generation	12546423		11336527	
iv) Hydel Power : (KWH)				
Installed Capacity	20740000		20740000	
(As certified by the Management & relied upon by the auditors being a technical matter)				
Actual Generation	19406600		21043200	
Less : Wheeling	388132		469513	
Net Generation	19018468		20573687	
v) Thermal Power : (KWH)				
Installed Capacity	157680000		157680000	
(As certified by the Management & relied upon by the auditors being a technical matter)				
Actual Generation	53546116		343000	

Schedule XIV: Notes to the Accounts (Contd...)
d) Value of Imported, Indigeneous Raw Materials, Spare Parts and Packing materials Consumed.

	Current Year		Previous Year	
	Value Rs.in Lacs	%	Value Rs.in Lacs	%
Raw Materials				
Imported	-	-	-	-
Indigeneous	2920.76	100.00	2034.66	100.00
Stores, Spare Parts and Packing Materials				
Imported	121.18	4.67	855.78	32.38
Indigeneous	2475.32	95.33	1787.15	67.62
e) Value of Imports calculated on CIF basis				
1. Raw Materials	-		-	
2. Components & Spare parts	123.02		-	
3. Capital Goods	-		861.83	
f) Earnings in Foreign Exchange	Nil		Nil	
g) Expenditure in Foreign Currency	Nil		Nil	

13. Deferred Tax : The deferred tax Liability - Net as at 31st March, 2010 includes the following :

	As at 31st March, 2010	As at 31st March, 2009
	Rs. in Lacs	Rs. in Lacs
a) Deferred Tax Liability		
Depreciation	4323.60	3227.76
Amortisation of Intangible Assets	-	7.50
	<u>4323.60</u>	<u>3235.26</u>
b) Deferred Tax Assets		
Amortisation of Intangible Assets	4.92	-
Provision for Leave Encashment	20.82	-
Provision for Gratuity	26.32	15.70
	<u>52.05</u>	<u>15.70</u>
Net Deferred Tax Liability	4271.55	3219.56

Schedule XIV: Notes to the Accounts (Contd...)
14. Accounting Standard 18 - Related Party Disclosure.
i) Names of related parties and description of relationships

Sl.No.	Nature of Relationship	Name of the Related Party
(i)	Key Management Personnel (KMP)	a) Mr. M.B. Raju b) Ms. P. Parvathi
(ii)	Relatives of KMP	a) Ms. M. Lakshmi b) Miss.P. Aishwarya c) Mr. P. Anirudh
(iii)	Directors	a) Mr. Umesh Shrivastava b) Mr. D.R.K. Rao c) Mr. P. Venugopal Raju d) Mr. R.S. Agarwal e) Mr. J. Narayana Murthy
(iv)	Enterprises in which KMP or relatives having significant influence.	a) DCL Exim Limited b) Satya Sai Investments and Leasing Limited c) Melvillie Finvest Limited d) DCL Information Technologies Limited



(ii) Transactions during the year with related parties:

Sl. No.	Nature of Transactions	Key Management Personnel		Relatives of Key Management Personnel		Directors		Enterprises in which KMP or relatives having significant influence.	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(i)	Rent Paid	-	-	14.28	13.44	-	-	-	-
(ii)	Unsecured Loan - deposits taken from	344.50	344.50	42.99	36.76	20.00	-	190.00	190.00
(iii)	Remuneration including Commission	143.29	256.45	-	-	5.00	5.00	-	-

(iii) Balance outstanding as on Balance Sheet date :

Sl. No.	Nature of Transactions	Key Management Personnel		Relatives of Key Management Personnel		Directors		Enterprises in which KMP or relatives having significant influence.	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
a)	Credit Balance								
	Mr. M.B. Raju	231.01	287.47						
	Ms. P. Parvathi	175.46	231.92						
	Miss. P. Aishwarya			17.22	14.73				
	Mr. P. Anirudh			25.77	22.03				
	Mr. Umesh Shrivastava					21.00	1.00		
	Mr. D.R.K. Rao					1.00	1.00		
	Mr. P. Venugopal Raju					1.00	1.00		
	Mr. R.S. Agarwal					1.00	1.00		
	Mr. J Narayana Murthy					1.00	1.00		
	Satyasai Investments & Leasing Ltd.							170.00	170.00
	DCL Exim Limited							20.00	20.00
		406.47	519.39	42.99	36.76	25.00	5.00	190.00	190.00

(iv) Disclosure in respect of transactions which are more than 10 % of the total transactions of the same type with related parties during the year

(Rs. In Lacs)		
Particulars	2009 - 10	2008 - 09
(a) Key Management Personal		
(i) Deposits taken		
Mr. M. B. Raju	200.00	200.00
Ms P. Parvathi	144.50	144.50
(ii) Remuneration including commission		
Mr. M. B. Raju	71.16	128.41
Ms P. Parvathi	72.13	128.04
(b) Relatives of Key Management Personnel		
(i) Rent Paid		
Ms. M.Laxmi	14.28	13.44
(ii) Deposits taken		
Ms P. Aishwarya	17.22	14.73
Mr P. Anirudh	25.77	22.03
(c) Directors		
(i) Deposits taken		
Mr. Umesh Srivastava	20.00	-
(ii) Commission		
Mr. Umesh Shrivastava	1.00	1.00
Mr. D.R.K. Rao	1.00	1.00
Mr. P. Venugopal Raju	1.00	1.00
Mr. R.S. Agarwal	1.00	1.00
Mr. J Narayana Murthy	1.00	1.00
(d) Enterprises in which KMP or relatives having significant influence		
Deposits taken		
Satyasai Investments & Leasing Ltd.	170.00	170.00
DCL Exim Limited	20.00	20.00

15. Segment Reporting : The company's main business segment is manufacturing of Cement, hence there is no separate reportable segment as per "Segment reporting - Accounting Standard - 17".
16. Balances of debtors, loans and advances and creditors are subject to confirmations.
17. Previous Year's figures have been recast re-grouped and reclassified wherever necessary to conform to the current year's classification.
18. Figures are rounded off to the nearest rupee. Figures in brackets represent credits / deductions to the extent applicable.
19. Additional information pursuant to Provisions of Part IV of Schedule VI of the Companies Act, 1956 is furnished in Annexure "A".

SIGNATURES TO SCHEDULES I TO XIV

As per our Report attached to the Balance Sheet
For **M Bhaskara Rao & Co.,**
Chartered Accountants

For and on behalf of the Board

Anil Kumar Mehta
Partner
Membership No. 14284

M.B. Raju
Executive Chairman

Place : Hyderabad
Date : 28th May, 2010

C. Srinivasan
General Manager (Legal)&
Company Secretary

P. Parvathi
Managing Director

Annexure "A" forming part of Schedule XIV:
**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
AS AT 31.3.2010**

1. Registration Details:			
Registration No.	:	2500	State Code : 01
2. Capital Raised during the year (Rs.in Thousands) : Nil			
3. Position of Mobilisation and Deployment of Funds (Rs.in Thousands)			
Total Liabilities	:	5934148	Total Assets : 5934148
Sources of Funds			
Paid-Up Capital	:	70038	Reserves & Surplus : 1659401
Secured Loans	:	3059475	Unsecured Loans: : 275129
Deferred Tax Liability	:	427155	
Application of Funds			
Net Fixed Assets	:	4910137	Investments : 1102
Net Current Assets	:	579959	Misc. Expenditure : Nil
4. Performance of Company (Rs. in Thousands) :			
Turnover	:	2989761	Total Expenditure : 2800965
Profit before Tax	:	552802	Profit after Tax : 43400
Earning per share in Rs.	:	6.20	Dividend Rate % : 30
5. Generic Names of Three Principal Products/ Services of Company (as per monetary terms):			
a) Item Code No. (ITC Code)	:	252329	
Product Description	:	CEMENT	
b) Item Code No. (ITC Code)	:	Not allotted	
Product Description	:	POWER	
c) Item Code No. (ITC Code)	:	252310zxc	
Product Description	:	CLINKER	



DECCAN CEMENTS LIMITED

Registered Office : 6-3-666/B, 'DECCAN CHAMBERS',
Somajiguda, Hyderabad - 500 082.

ATTENDANCE SLIP
To be handed over at the
entrance of the Meeting Hall

DPID No. * :	L.F.No. :
Client ID No.* :	No. of shares held :

I/We hereby record my/our presence at the **30th Annual General Meeting** of the Company held on Friday, the **13th day of August, 2010 at 10.00 A.M. at "Bhaskara Auditorium"**, Birla Museum, Adarsh Nagar, Hyderabad - 500 063.

NAME(S) OF THE SHAREHOLDER(S) (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER(S)	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

Notes:

- Shareholder/Proxy, as the case may be, is requested to sign and hand over this slip at the entrance of the Meeting venue.
- Members are requested to advise the change of their address, if any, to the Company at the above address.

* Applicable for Investors holding shares in electronic form.



DECCAN CEMENTS LIMITED

Registered Office : 6-3-666/B, 'DECCAN CHAMBERS',
Somajiguda, Hyderabad - 500 082.

**FORM OF
PROXY**

DPID No. * :	L.F.No. :
Client ID No.* :	No. of shares held :

I/We of
being a member/members of DECCAN CEMENTS LIMITED hereby appoint.....
of or failing him/her of
as my/our proxy to vote for me/us on my/our behalf at the **30th Annual General Meeting** of the Company
to be held on **Friday, the 13th day of August, 2010 at 10.00 A.M.** and at any adjournment thereof.

Dated this day of , 2010

Signature _____

Affix
Re.1/-
Revenue
Stamp

Notes:

- If you intend to appoint a proxy to attend the Meeting instead of yourself the proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
- A proxy need not be a Member.

* Applicable to Investors holding shares in electronic form.

