

Directors' Report

TO THE MEMBERS OF
BULK CEMENT CORPORATION (INDIA) LIMITED

The Directors take pleasure in presenting the Twentieth Annual Report on the business and operations of the Company and the Audited Accounts for the year ended December 31, 2011.

1. FINANCIAL RESULTS

PARTICULARS	2011	2010
	₹ Lac	₹ Lac
Sale of Products, Services and Other Income	1,459.71	1,355.62
Profit Before Tax	89.87	47.93
Provision for Taxation		
- Current Tax	8.01	-
- Short Provisioning in Income tax in respect of earlier years	-	2.60
- Deferred Tax	13.51	6.50
	21.52	9.10
Profit after Taxation	68.35	38.83
Balance brought forward	1,032.06	993.23
Balance carried forward to Balance Sheet	1,100.41	1,032.06

2. OPERATIONS

The total dispatches for the year ended December 31, 2011 were 9.34 Lac MT compared to 9.18 Lac MT in the corresponding period of the previous year which is higher by 2%.

In all 295 rakes were received during the year 2011. Company has started deployment of 58 BCCW Rakes since May 2011 and have stabilized rake operation.

The specific power consumption for the year 2011 was 2.85 Units/MT as against 2.89 Units/MT for the year 2010.

The Company continued to operate at unity power factor throughout the year. Power incentive for maintaining unity power factor was ₹ 12.41 lac for the year 2011.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2011.

4. INDUSTRIAL RELATIONS

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

5. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, the particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are mentioned herein below:

FORM "A"

Form for Disclosure of Particulars with respect to Conservation of Energy, Power and Fuel Consumption:

PARTICULARS	2011	2010
1 Electricity		
a. Units Purchased KWH	2,663,160	2,675,730
Total Amount (₹ Lac)	169.99	152.85
Rate/Unit (₹/KW)	6.38	5.71
b. Own Generation	-	-
2. Consumption / Unit of Production Electricity (Unit/MT)	2.85	2.89

Disclosure of particulars with respect to Foreign Exchange Earnings and Outgo

PARTICULARS	2011	2010
Foreign Exchange Earned	-	-
Foreign Exchange used	-	-

The Company has not entered into any technology transfer agreement.

6. PARTICULARS OF EMPLOYEES

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

7. DIRECTORS

The Board of Directors has appointed Mr A S Upadhyay, Executive Director / Traffic Transportation (F), Railway Board, as an Additional Director of the Company with effect from November 18, 2011. Mr Upadhyay represents the Ministry of Railways on the Board of Directors of your Company. As an Additional Director, Mr Upadhyay holds office upto the date of the forthcoming Annual General Meeting. A resolution pertaining to his appointment as a Director of the Company is included in the Notice convening the forthcoming Annual General Meeting.

The Board of Directors has appointed Mr Rajat Kumar, Director in the Department of Industrial Policy and Promotion, as an Additional Director of the Company with effect from February 1, 2012. Mr Rajat Kumar represents the Government of India, Ministry of Commerce and Industry on the Board of Directors of your Company. As an Additional Director, Mr Rajat Kumar holds office upto the date of the forthcoming Annual General Meeting. A resolution pertaining to his appointment as a Director of the Company is included in the Notice convening the forthcoming Annual General Meeting.

The Government of India, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion had earlier appointed Mr Premanshu Biswas as a Director on the Board of Directors of the Company with effect from June 6, 2011 in place of Mr Shymal Misra. However, Mr Premanshu Biswas ceased to be a Director of the Company consequent upon the appointment of Mr Rajat Kumar.

Mr Shyamal Misra who was appointed as a Director of the Company with effect from July 19, 2010, ceased to be a Director of the Company with effect from June 6, 2011.

Mr Suchitto Kumar Das who was appointed by the Government of India, Ministry of Railways, as a Director of the Company with effect from July 17, 2009, ceased to be a Director of the Company with effect from November 18, 2011.

The Board has placed on record its appreciation of the valuable services rendered by the aforesaid Directors.

In accordance with the provisions of the Companies Act, 1956, Mr Ramit Budhraj, Mr Burjor D Nariman and Mr Sankarsan Dasgupta retire by rotation and are eligible for re-appointment.

8. DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual accounts for the year ended December 31, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 1 of the Notes to the Accounts have been selected and have been applied consistently and judgement

and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on December 31, 2011, and of the profit of the Company for the year ended on that date;

- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis.

9. AUDIT COMMITTEE

As on February 1, 2012 the Audit Committee comprises the following Members:

Mr Rajat Kumar
 Mr Sunil Nayak
 Mr Ramit Budhraj
 Mr Burjor D Nariman
 Mr Sankarsan Dasgupta

Mr Shyamal Misra who was the Chairman of the Audit Committee upto June 6, 2011 demitted his office as a Member of the Committee consequent upon his ceasing to be a Director of the Company.

During the year ended December 31, 2011 four Audit Committee Meetings were held.

10. AUDITORS

Messrs K S Aiyar & Co, Chartered Accountants, who are the Statutory Auditors of the Company, hold

office up to the date of the ensuing Annual General Meeting and are eligible for re-appointment. As required under the provision of Section 224(IB) of the Companies Act, 1956, the Company has obtained written confirmation from Messrs K S Aiyar & Co that their appointment, if made, would be in conformity with the Companies Act, 1956. The Members are requested to appoint Messrs K S Aiyar & Co, Chartered Accountants, as Auditors of the Company for the year 2012 and to authorize the Board of Directors to determine their remuneration.

11. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation of the excellent assistance and co-operation received from the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Ministry of Railways, ACC Limited, the holding Company and Company's Bankers. Your Directors also thank all the employees of the Company for their valuable service and support during the year.

For and on behalf of the Board of Directors

Ramit Budhraj
Director

Sunil K Nayak
Director

Mumbai
 February 01, 2012

Auditor's Report to the members of Bulk Cement Corporation (India) Limited

1. We have audited the attached Balance Sheet of BULK CEMENT CORPORATION (INDIA) LIMITED, as at December 31, 2011, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books;
 - c) the Balance Sheet, 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 and 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 the Companies Act, 1956;
 - e) on the basis of the written representations received from the directors, as on December 31, 2011, and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified as on December 31, 2011 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2011;
 - 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 the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

Rajesh S. Joshi
Partner

Place: Mumbai
Date: February 01, 2012

Membership No. 38526

Annexure to the Auditor's Report (Referred to in paragraph 3 of our Report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Most of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Fixed assets that have been disposed off during the year were not material so as to affect the going concern status of the Company.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory. No discrepancies were noticed on verification between the physical stocks and the book stocks.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) According to the information and explanations given to us, there are no transactions that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable.
- (vi) The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975 apply.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 are not applicable to the Company at present as the Company's current financial year had commenced prior to 01-04-2011.
- (ix) (a) According to the records of the Company, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and other material statutory dues with the appropriate authorities. Based on our audit procedures and

according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at December 31, 2011 for a period of more than six months from the date they became payable.

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

Nature of dues	Period to which the amount relates	Amounts involved (dues to the extent not deposited)	Forum where the dispute is pending
Service Tax	Financial years 2001-02 to 2005-06	₹ 27.71 Lac	CESTAT
Inadmissible Cenvat credit availed on railway wagons	June - 2009	₹ 109.36 Lac	CESTAT

- (x) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) There are no dues to banks or financial institutions or debenture holders.
- (xii) Based on our examination of documents and records, we are of the opinion that 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 and therefore the requirements pertaining to such class of companies are not applicable.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanations given to us, the Company has not raised any loans during the period.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company we report that no funds raised on short-term basis have been used for long-term applications.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year under audit. Therefore the provisions of clause (xix) of the order is not applicable to the company.
- (xx) The Company has not raised any money by way of public issue during the year. Therefore, the provision of clause (xx) of the order is not applicable to the Company.
- (xxi) Based upon the audit procedures performed and according to the information and explanations given and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

Rajesh S. Joshi

Partner

Membership No. 38526

Place: Mumbai
Date: February 01, 2012

Balance Sheet as at December 31, 2011

Schedules	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
SOURCES OF FUNDS:		
Shareholder's Fund:		
Share Capital	1	3,364.21
Reserves and Surplus	2	1,100.41
Deferred Tax Liability (Net) (Refer Note - 3)		558.07
TOTAL FUNDS		5,022.69
APPLICATION OF FUNDS:		
Fixed Assets:		
Gross block	3	8,726.92
Less: Accumulated Depreciation		5,214.85
Net Block		3,512.07
Capital Work-in-Progress (including Capital advances and Assets in transit)		337.25
		3,849.32
Investments	4	1,510.00
Current Assets, Loans and Advances:		
Inventory-Stores and Spares (as certified by management)		52.52
Sundry Debtors	5	162.76
Cash and Bank Balances	6	23.48
Loans and Advances	7	134.23
		372.99
Less: Current Liabilities		
Sundry Liabilities	8	709.62
Net Current Assets		(336.63)
TOTAL ASSETS		5,022.69
Notes to Accounts	11	

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet

As per our Report of even date attached For and on behalf of the Board of Directors of Bulk Cement Corporation (India) Limited

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

Ramit Budhraj
Sunil K. Nayak } Directors

Rajesh S. Joshi
Partner
Membership No. 38526

Mumbai, February 01, 2012

Profit and Loss Account for the year ended December 31, 2011

Schedules	For the year ended December 31, 2011	For the year ended December 31, 2010
	₹ Lac	₹ Lac
INCOME:		
Sale of Products/ Services and Other Income	9	1,459.71
EXPENDITURE :		
Operating and Other Expenses	10	816.69
Depreciation	3	553.15
		1,369.84
Profit before Tax		89.87
Provision for Tax		
Current Tax		8.01
Short Provisioning in Income Tax in respect of Earlier Years		-
Deferred Tax		13.51
		21.52
Profit after Tax		68.35
Profit brought forward		1,032.06
Balance carried to Balance Sheet		1,100.41
Earnings per Share (Refer Note - 4)		
Basic and Diluted Earnings per Share		₹ 0.20
Notes to Accounts	11	

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account

As per our Report of even date attached For and on behalf of the Board of Directors of Bulk Cement Corporation (India) Limited

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

Ramit Budhraj
Sunil K. Nayak } Directors

Rajesh S. Joshi
Partner
Membership No. 38526

Mumbai, February 01, 2012

Cash Flow Statement for the year ended December 31, 2011

	For the year ended December 31, 2011	For the year ended December 31, 2010
	₹ Lac	₹ Lac
A. Cash flow from operating activities		
1 Net Profit before tax	89.87	47.93
Adjustments For:		
Depreciation	553.15	551.84
Interest Received	(2.86)	-
Loss / (Profit) on sale of assets	(0.99)	0.19
Dividend Earned	(60.83)	(38.04)
(Profit) on sale of Investment	(46.81)	(11.19)
Operating profit before working capital changes	531.53	550.73
Movements in Working Capital:		
2 Trade Receivables	7.72	5.25
3 Inventories	(12.52)	(8.56)
4 Other receivables	(29.55)	71.99
5 Trade payables	12.03	(198.98)
Cash generated from operations	509.21	420.43
6 Direct Taxes Paid (Net of refunds)	(16.07)	(17.77)
Net Cash flow from operating activities	493.14	402.66
B. Cash flow from investing activities		
7 Interest received	2.86	-
8 Purchase of Investments	(7,019.70)	(2,152.52)
9 Sale of Investments	6,811.90	1,708.32
10 Purchase of Fixed Assets and Increase in Capital work in Progress and Capital Advance	(351.32)	(5.46)
11 Sales of Fixed Assets	1.37	0.02
12 Dividend on Mutual Fund	60.83	38.04
Net Cash from Investing activities	(494.06)	(411.60)
Net increase / (decrease) in cash and cash equivalents	(0.92)	(8.94)
Opening Balance	24.40	33.34
Closing Balance	23.48	24.40

Notes:

- All figures in brackets are outflow.
- Figures for the previous year have been regrouped / restated wherever necessary to make them comparable.
- Direct Taxes paid are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.
- Cash and Cash Equivalent is Cash and Bank Balances as per Balance Sheet.

As per our Report of even date attached For and on behalf of the Board of Directors
of Bulk Cement Corporation (India) Limited

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

Ramit Budhraj
Sunil K. Nayak } Directors

Rajesh S. Joshi
Partner
Membership No. 38526
Mumbai, February 01, 2012

Schedules forming part of the Balance Sheet

SCHEDULE - 1, SHARE CAPITAL

	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
AUTHORISED		
3,40,00,000 Equity Shares of ₹ 10 each	3,400.00	3,400.00
1,10,00,000 Preference Shares of ₹ 10 each	1,100.00	1,100.00
TOTAL	4,500.00	4,500.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
3,36,42,070 Equity Shares of ₹ 10 each fully paid	3,364.21	3,364.21
{ACC Limited, the Holding Company, holds 3,18,42,050 (Previous Year - 3,18,42,050) Equity shares}		
TOTAL	3,364.21	3,364.21

SCHEDULE-2, RESERVES & SURPLUS

	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
Profit and Loss Account	1,100.41	1,032.06
TOTAL	1,100.41	1,032.06

Schedules forming part of the Balance Sheet

SCHEDULE - 3, FIXED ASSETS

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01-01-2011	Additions/ Adjustments	Deletions	As at 31-12-2011	As at 01-01-2011	For the year	On Disposals	Adjustments	As at 31-12-2011	As at 31-12-2011	As at 31-12-2010
Building	390.63	(140.62)	-	250.01	122.72	12.91	-	(27.81)	107.82	142.19	267.91
Building & Installation	-	0.68	-	0.68	-	0.02	-	-	0.02	0.66	-
Plant & Machinery	3,053.10	186.03	-	3,239.13	2,353.07	296.11	-	52.29	2,701.47	537.66	700.03
Roads, Bridges	193.70	-	-	193.70	37.61	3.16	-	-	40.77	152.93	156.09
Rails & Sidings	355.56	-	-	355.56	201.18	16.89	-	-	218.07	137.49	154.38
Wagon & Loco	4,040.42	6.16	-	4,046.58	1,563.37	192.14	-	-	1,755.51	2,291.07	2,477.05
Furniture & Fixtures	13.81	-	-	13.81	12.37	0.24	-	-	12.61	1.20	1.44
Office Equipments	22.40	0.71	-	23.11	14.53	0.56	-	-	15.09	8.02	7.86
Vehicles	6.80	7.62	(6.80)	7.62	5.80	0.93	(6.42)	-	0.31	7.31	1.00
Electrical Installation	636.73	(40.01)	-	596.72	357.47	30.19	-	(24.48)	363.18	233.54	279.27
TOTAL	8,713.15	20.57	(6.80)	8,726.92	4,668.12	553.15	(6.42)	-	5,214.85	3,512.07	4,045.04
Previous Year	8,693.19	20.53	0.57	8,713.15	4,116.63	551.84	(0.38)	-	4,668.11	4,045.04	
Capital Work in Progress (Including Capital advances and Assets in transit)										337.25	6.50

Note: The terminal is on leasehold land of the Central Government in possession of the Company. It was sanctioned for the project by the Ministry of Industry, Government of India, vide letter No.DCCI/1-26/91-92 DT 27-09-93. Sublease granted by Central government to the company for 60 years on 12-12-2008 effective from 12-12-1991.

SCHEDULE - 4, INVESTMENT

	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
Short Term Liquid Fund	1,510.00	1,255.38
TOTAL	1,510.00	1,255.38

During the year the Company acquired and sold the following investments in Mutual Funds

Particulars	Face Value ₹	No. of Units	Purchase Price ₹
LIC MF Liquid Fund-Dividend Plan	10.00	28,727,408.11	315,429,814
LIC Nomura MF Interval Fund-Series1-Monthly Dividend Plan	10.00	9,612,574.62	96,125,746
Reliance Liquid Fund-Treasury Plan-Retail Option-Daily Dividend	10.00	266,394.98	4,060,605
UTI Liquid Cash Plan Institutional- Daily Income Option -Reinvestment	1,000.00	54,807.55	55,873,317
TOTAL			84,787,076

SCHEDULE - 5, SUNDRY DEBTORS

	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
SUNDRY DEBTORS (UNSECURED)		
(a) Over Six Months		
Considered Good	-	-
(b) Others Considered Good	162.76	170.48
Due from The Holding Company: ACC Limited ₹ 162.76 Lac; (Previous Year - ₹ 170.48 Lac), Maximum Outstanding Balance during the Year ₹ 436.18 Lac; (Previous Year - ₹ 380.96 Lac)		
TOTAL	162.76	170.48

SCHEDULE - 6, CASH AND BANK BALANCES

	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
Cash on Hand	0.06	0.14
Balances with Scheduled Banks		
In Current Accounts	23.42	24.26
TOTAL	23.48	24.40

SCHEDULE - 7, LOANS AND ADVANCES (Unsecured Considered Good)

	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
Balance with Excise, Customs and Port Trust Authorities on Current accounts	5.88	3.29
Advances recoverable in cash or in kind or for value to be received	63.34	36.38
Other Deposits	17.95	17.95
Advance Tax Paid {Net of provision for Taxation, ₹ 131.48 Lac; (Previous Year - ₹ 123.15 Lac)}	47.05	38.75
Advance Fringe Benefit Tax {Net of provision for Taxation, ₹ 1.95 Lac; (Previous Year - ₹ 1.95 Lac)}	0.01	0.26
TOTAL	134.23	96.63

Schedules forming part of the Balance Sheet

SCHEDULE - 8, CURRENT LIABILITIES

	As at December 31, 2011	As at December 31, 2010
	₹ Lac	₹ Lac
Sundry Creditors		
For Capital Expenditure	367.93	367.37
For Other Liabilities	341.69	330.23
TOTAL	709.62	697.60

Schedules forming part of the Profit and Loss Account

SCHEDULE - 9, SALE OF PRODUCTS, SERVICES AND OTHER INCOME

	For the year ended December 31, 2011	For the year ended December 31, 2010
	₹ Lac	₹ Lac
Bulk Handling Charges	1,048.70	940.96
Freight Rebate	297.49	360.58
	1,346.19	1,301.54
Other Income		
Income From Mutual Fund	60.83	38.04
Profit on sale of Investment	46.81	11.19
Interest	1.58	-
Interest on Income Tax Refund	1.28	-
Profit on Sale of Fixed Asset	0.99	-
Others	2.03	4.85
	113.52	54.08
TOTAL	1,459.71	1,355.62

SCHEDULE - 10, OPERATING AND OTHER EXPENSES

	For the year ended December 31, 2011	For the year ended December 31, 2010
	₹ Lac	₹ Lac
Payments to and Provision for Employees		
Staff Welfare	0.38	0.76
Deputation Charges	112.29	77.58
	112.67	78.34
Operation and Other Expenses		
Purchase of Power	170.64	152.85
Plant Operating Charges	91.57	88.14
Rates & Taxes	38.66	37.46
Insurance	13.97	14.66
Repairs and Maintenance - Plant	260.14	272.92
Repairs and Maintenance - Buildings	39.56	19.06
Repairs and Maintenance - Others	3.56	13.43
Communication	2.56	1.96
Travelling and Conveyance	5.12	5.46
Security Charges	42.02	36.14
Legal Services	14.98	9.26
Auditors Remuneration (Ref note 11)	6.06	6.47
Other Expenses	15.18	19.51
Loss on Sale of Fixed Assets	-	0.19
	704.02	677.51
TOTAL	816.69	755.85

Schedules forming part of the Balance Sheet and Profit and Loss Account

SCHEDULE – 11, NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011

1. Significant Accounting Policies:

A) Accounting Convention:

These financial statements are prepared on the historical cost convention, on an accrual basis.

B) Revenue Recognition:

Revenue arising from charges for bulk handling of cement is recognized based on tonnage handled and rebate on freight granted by the Railways is recognized based on tonnage of bulk cement despatched from the supplier to the Company's terminal at Kalamboli.

Interest and Dividend Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the shareholders' right to receive dividend is established by the Balance Sheet date.

C) Fixed Assets and Depreciation

- (i) Fixed assets are stated at cost of acquisition or construction, including attributable interest and financial cost till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.
- (ii) Depreciation is provided in the accounts on the Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956, on a pro-rata basis.

D) Investments

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments. Current investments are stated at cost or fair value whichever is lower.

E) Inventory

The Company does not carry any inventory of raw materials and there are no Stock of Traded Finished Goods at the end of the year. The stock of stores and spares is valued at cost Weighted Average (Moving) and net realizable value whichever is less.

F) Employees Benefit

The Company operates through the employees on deputation from the parent company.

All the emoluments payable to these employees along with the related benefits are claimed by the parent company and is reimbursed. This is disclosed as Deputation Charges in the profit & loss account.

G) Taxation

Tax expense comprises of Current, Deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income Taxes reflect the impact of current timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets are reviewed at each balance sheet date.

H) Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

I) Contingencies / Provisions

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

J) During the year the company is engaged in only one business segment i.e. bulk handling of cement.

Hence other segmental information as per Accounting Standard 17 is not required to be disclosed.

2 Related Party Disclosures

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

Name of the Related Parties	Nature of Relationship
(i) ACC Ltd	Holding Company
(ii) ACC Mineral Resources Limited	Fellow Subsidiary Company
(iii) Lucky Minmat Limited	Fellow Subsidiary Company
(iv) ACC concrete Limited	Fellow Subsidiary Company
(v) National Limestone Company Private Limited	Fellow Subsidiary Company
(vi) Encore Cement and Additives Private Limited	Fellow Subsidiary Company w.e.f. January 28, 2010
(vii) MP AMRL (Semaria) Coal Company Limited	Joint Venture of ACC Mineral Resources Ltd.(AMRL), a Fellow Subsidiary Company
(viii) MP AMRL (Bicharpur) Coal Company Limited	Joint Venture of ACC Mineral Resources Ltd.(AMRL), a Fellow Subsidiary Company
(ix) MP AMRL (Marki Barka) Coal Company Limited	Joint Venture of ACC Mineral Resources Ltd.(AMRL), a Fellow Subsidiary Company
(x) MP AMRL (Morga) Coal Company Limited	Joint Venture of ACC Mineral Resources Ltd. (AMRL), a Fellow Subsidiary Company
(xi) Alcon Cement Company Private Limited	Associate Company of Holding Company
(xii) Asian Concretes & Cements Private Limited	Associate Company of Holding Company w.e.f. April 01, 2010
(xiii) Aakaash Manufacturing Company Private Limited	Associate Company of fellow subsidiary company ACC Concrete Limited w.e.f. March 25, 2011
(xiv) Ambuja Cement India Private Limited*	Holding Company of Holding Company
(xv) Ambuja Cements Limited	Fellow Subsidiary of Holding Company
(xvi) Holcim Limited	Ultimate Holding Company of Holding Company
(xvii) Holderind Investments Limited	Holding Company of Holcim (India) Private Limited
(xviii) Holcim (India) Private Limited*	Holding Company of Holding Company
(xix) Holcim Group Support Limited	Fellow Subsidiary of Holding Company
(xx) Holcim (Singapore) Pte Limited	Fellow Subsidiary of Holding Company
(xxi) Holcim Trading FZCO	Fellow Subsidiary of Holding Company

Name of the Related Parties	Nature of Relationship
(xxii) Holcim (Lanka) Limited	Fellow Subsidiary of Holding Company
(xxiii) P T Holcim Indonesia Tbk	Fellow Subsidiary of Holding Company
(xxiv) Holcim Services (South Asia) Limited	Fellow Subsidiary of Holding Company
(xxv) Holcim Foundation	Fellow Entity of Holding Company
(xxvi) Siam City Cement Public Company Limited	Fellow Subsidiary of Holding Company
(xxvii) Holcim Bangladesh Limited	Fellow Subsidiary of Holding Company
(xxviii) Holcim (Canada) INC.	Fellow Subsidiary of Holding Company
(xxix) Holcim Environment Services SA, Belgium	Fellow Subsidiary of Holding Company
(xxx) Holcim Vietnam Limited	Fellow Subsidiary of Holding Company
(xxxi) Holcim (Malaysia) SDN BHD	Fellow Subsidiary of Holding Company
(xxxii) Holcim (US) INC	Fellow Subsidiary of Holding Company
(xxxiii) Holcim Philippines	Fellow Subsidiary of Holding Company

(ii) Key Management Personnel:

Name of the Related Parties	Nature of Relationship
Mr K.R.K.Prusty	Head BCCI upto September 25, 2011
Mr Ram Manohar Sowbhagya	Head BCCI from November 21, 2011

Note:

During the current year, the Holding Company has become a subsidiary of Holcim (India) Private Limited and accordingly Holcim Group companies which were reported as promoter group Companies till last year, have now being reported as Fellow Subsidiaries of Holding Company. Previous year's disclosures have been regrouped based on current year's relationship to facilitate comparison.

*During the current year Ambuja Cement India Private Limited has amalgamated with Holcim (India) Private Limited.

(iii) Transactions with Related Parties during the year:

Description of Transactions	Holding Company ACC Limited.	
	December 31, 2011 ₹ Lac	December 31, 2010 ₹ Lac
a) Rendering of Services	1,048.70	940.96
b) Deputation Charges	111.15	74.76
c) Purchase of Fixed Assets	5.09	0.33
d) Reimbursement of Freight Rebate	297.49	360.58
e) Outstanding balance included in Current assets	162.77	176.74
f) Outstanding balance included in Current liabilities	-	6.26
g) Reimbursement of expenses paid (Net of Reversal)	5.23	3.77
h) Reimbursement of expenses received	2,081.16	1,408.11

3. Taxation

- a) The Company has been recognizing in the financial statements the deferred tax assets/liabilities, in accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Central Government under the Companies (Accounting Standard Rules 2006). During the year, the Company has debited to the Profit & Loss Account provision of Deferred Tax Liability of ₹ 13.51 Lac (Previous Year - ₹ 6.50 Lac).

The year-end position is as follows:

	As at December 31, 2011 ₹ Lac	As at December 31, 2010 ₹ Lac
Deferred Tax Liabilities:		
Depreciation Differences	621.92	685.91
Deferred Tax Assets:		
Unabsorbed Losses / Others	63.85	141.35
Net Deferred Tax Liabilities	558.07	544.56

4. Earnings per Share:

Particulars	For the year ended December 31, 2011 ₹ Lac	For the year ended December 31, 2010 ₹ Lac
Profit after taxation as per Profit and loss account	68.35	38.83
Weighted average number of Equity shares outstanding	33,642,070	33,642,070
Basic earnings per Share in ₹ (face value - ₹ 10 per share)	0.20	0.12

(There are no potential equity shares and hence there is no working for diluted earning per share).

5. Additional claims were made by Central railways in respect of wagon maintenance charges of 125 Wagons amounting to ₹ 773.46 Lac for the period w.e.f Oct 1997-June 2009. This was calculated by railways based on the capital cost that was arrived at as per applicable inflation rate as per RBI norms at yearly rests which hitherto was calculated at 3 yearly rests. The Company disputed claim on such revised basis of calculation from 3 yearly rest to yearly rest. The matter is being followed up with the railways. As against these claims, the company has already made a provision as per its own computations of ₹ 730.11 Lac and has also paid that amount to the railways.

The railways have raised a claim for ₹ 99.53 Lac, in respect of wagon maintenance charges for the above referred 125 wagons, for period July 2010-June 2011. The same has been calculated by railways based on the capital cost of ₹ 1,990.58 Lac arrived at after making necessary inflation adjustment and accordingly made provision of the same amount and has already paid the said amount to the railways

Similarly, the Company has made a provision of ₹ 49.76 Lac, on an estimated basis for all 125 wagons for the period from July, 2011 to December, 2011).

The railways have raised demand for wagon maintenance charges of ₹ 57.78 Lac from May 2009 to June 2011 in respect of the 42 wagons of the 4th rake purchased in 2009 by the Company which has already been paid by the company. In addition to the above, for the period July 2011 to December 2011, an amount of ₹ 11.69 Lac has been provided in respect of the 4th Rake as per the estimates.

6. Contingent Liabilities Not Provided For:

Sr. No.	Particulars	As at	As at
		December 31 2011	December 31 2010
		₹ Lac	₹ Lac
1.	Claim by Railway for Maintenance Charges till June 30, 2009 for privately owned wagons by the Company	43.35	43.35
2.	Service Tax and Penalty	27.71	27.71
3.	Inadmissible Cenvat Credit availed on Railway Wagons	109.36	109.36
4.	Sales Tax Demand of Financial Year 2004-05 not accepted by the Company	-	12.38
5.	Show Cause cum Demand notice disallowing Cenvat Availed on Cement Returned in Bulkers for Period April 2007-November 2008	37.48	-
6.	Show Cause cum Demand notice disallowing Cenvat Availed on Cement lost in Handling for Period April-2007-March 2011	50.65	-

7. The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provision of Section 115JAA over a period of subsequent ten assessment years and the same will be accounted for when actually availed.

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

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

9. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 3 & 4 OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

Sr.No.	Particulars	For the year ended December 31, 2011		For the year ended December 31, 2010	
		%	₹ Lac	%	₹ Lac
1.	Spares Parts Consumed:				
	Indigenous	100	71.45	100	106.81

10. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) ₹ 545.96 Lac (*Previous Year - ₹ Nil*).

11 Auditors Remuneration:

Sr. No	Particulars	For the year ended December 31, 2011		For the year ended December 31, 2010	
		₹ Lac	₹ Lac	₹ Lac	₹ Lac
(a)	Audit Fees	2.25	2.25		
(b)	Fees for Tax Audit	1.20	1.20		
(c)	Fees for Other Services	2.50	2.50		
(d)	Reimbursement of Expenses	0.11	0.52		
	Total	6.06	6.47		

12. Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with the current year's figures.

As Per our report of even date

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

For and on behalf of the Board of Directors
of Bulk Cement Corporation (India) Limited

Ramit Budhraja
Sunil K. Nayak } *Directors*

Rajesh S. Joshi
Partner
Membership No. 38526
Mumbai, February 01, 2012

Additional Information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. State Code Balance Sheet

II. Capital Raised during the year (Amount in ₹ thousands)

Public Issue

Rights Issue

Bonus Issue

Private Placement

III. Position of Mobilisation and Development of Funds (Amount in ₹ thousands)

Total Liabilities

Total Assets

Sources of Funds

Paid up Capital

Reserves & Surplus

Secured Loans

Unsecured Loans

Deferred Tax Liability

Application of Funds

Net Fixed Assets

Investments

Net Current Assets

Misc. Expenditure

Accumulated Losses

IV. Performance of the Company (Amount in ₹ thousands)

Turnover

Total Expenditure

Profit / Loss Before Tax

Profit After Tax

Earning per share (in ₹) For Share of ₹ 10.00 each

Dividend Rate %

V. Generic name of three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code)

Product Description

T R A D I N G I N C E M E N T

T R A N S P O R T A T I O N &

D I S T R I B U T I O N O F

B U L K C E M E N T