



# Directors' Report

TO THE MEMBERS OF  
BULK CEMENT CORPORATION (INDIA) LIMITED

The Directors hereby present their Twenty First Annual Report on the business and operations of the Company and the Audited Accounts for the year ended December 31, 2012.

## 1. FINANCIAL RESULTS

PARTICULARS	2012	2011
	₹ Lakh	₹ Lakh
Revenue from operations (net) and Other Income	1,665.84	1,459.71
Profit before Tax	248.06	89.87
<b>Provision for Tax:</b>		
Current Tax	59.16	8.01
Deferred Tax	9.09	13.51
	68.25	21.52
Profit after Tax	179.81	68.35
Balance brought forward from previous year	1,100.41	1,032.06
Balance carried forward to Balance Sheet	1,280.22	1,100.41

## 2. OPERATIONS

The total dispatches for the year ended December 31, 2012 were 9.20 Lakh MT compared to 9.34 Lakh MT in the previous year which is lower by 1.5%. During the year 2012, 251 rakes were received.

The specific power consumption for the year 2012 was 2.87 Units/MT as against 2.85 units/MT for the year 2011, which is about 0.70% higher.

The Company continued to operate at unity power factor throughout the year 2012.

## 3. DIVIDEND

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

## 4. INDUSTRIAL RELATIONS

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

## 5. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE 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	2012	2011
1. Electricity		
a. Units Purchased KWH	2,643,780	2,663,160
Total Amount (₹ Lakh)	207.60	169.99
Rate/Unit (₹/KW)	7.85	6.38
b. Own Generation	-	-
2. Consumption / Unit of Production Electricity (Unit/MT)	2.87	2.85

#### Disclosure of particulars with respect to Foreign Exchange Earnings and Outgo

PARTICULARS	2012	2011
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	Nil	Nil

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 Government of India, Ministry of Commerce & Industry, Department of Industrial Policy & Promotion has pursuant

to its rights under Article 134(1) of the Company's Articles of Association, nominated Mr A K Singh, Deputy Secretary in the Department of Industrial Policy & Promotion, as a Director of the Company in place of Mr Rajat Kumar. Pursuant thereto, the Board of Directors of your Company has appointed Mr A K Singh as an Additional Director of the Company with effect from April 13, 2012. Mr A K Singh holds office upto the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice of the forthcoming Annual General Meeting of the Company.

The Government of India, Ministry of Railways has, pursuant to its right under Article 134(1) of the Articles of Association of the Company, nominated Mr M K Akhouri, SAG/IRTS, Executive Director / Traffic Transportation (F), Railway Board, as Director on the Board of Directors of the Company in place of Mr A S Upadhyay. Pursuant thereto, the Board of Directors of your Company has appointed Mr M K Akhouri as an Additional Director of the Company with effect from July 20, 2012. Mr M K Akhouri holds office upto the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice of the forthcoming Annual General Meeting of the Company.

The Board of Director has appointed Mr P N Iyer as an Additional Director of the Company with effect from October 12, 2012. As Additional Director, Mr P N Iyer holds office upto the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice of the forthcoming Annual General Meeting of the Company.

Mr Rajat Kumar who was appointed by the Government of India, Ministry of Commerce & Industry, Department of Industrial Policy & Promotion as a Director of the Company with effect from February 01, 2012, ceased to be a Director of the Company with effect from April 13, 2012. The Board has placed on record its appreciation of the valuable services rendered by Mr Rajat Kumar during his tenure as a Director of the Company.

Mr A S Upadhyay who was appointed by the Government of India, Ministry of Railways as a Director of the Company

with effect from November 18, 2011, ceased to be a Director the Company with effect from July 20, 2012. The Board has placed on record its appreciation of the valuable services rendered by Mr A S Upadhyay during his tenure as a Director of the Company.

Mr Ramit Budhreja who was appointed as a Director of the Company with effect from January 29, 2010, ceased to be a Director of the Company with effect from October 12, 2012. The Board has placed on record its appreciation of the valuable services rendered by Mr Ramit Budhreja during his tenure as a Director of the Company.

In accordance with the provisions of the Companies Act, 1956, Mr Talleen Kumar and Mr Kuldeep Kaura 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 statements in terms of Section 217 (2AA) of the Companies Act, 1956:

- i) that in the preparation of the Accounts for the year ended December 31, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as at December 31, 2012, and of the profit of the Company for the year ended on that date;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the accounts for the year ended December 31, 2012, have been prepared on a going concern basis.



## 9. AUDIT COMMITTEE

As on February 01, 2013 the Audit Committee comprises the following Members:

Mr A K Singh (w.e.f. April 13, 2012)  
Chairman

Mr Sunil Nayak

Mr P N Iyer (w.e.f. October 12, 2012)

Mr Burjor D Nariman

Mr Sankarsan Dasgupta

Mr Rajat Kumar who was the Chairman of the Audit Committee upto April 13, 2012 demitted office consequent upon his ceasing to be a Director of the Company.

Mr Ramit Budhraj, who was a Member of the Audit Committee upto October 12, 2012 demitted office consequent upon his ceasing to be a Director of the Company.

During the year ended December 31, 2012 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 2013 and to authorize the Board of Directors to determine their remuneration.

As per The Companies (Cost Accounting Records) Rules, 2011, your Company requires to maintain cost accounting records and file Compliance Certificate with the Central Government. Your Directors have appointed Messrs N I Mehta & Co., Cost Auditors, to provide Compliance Certificate for the financial year 2012.

## 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 Promotion & Policy, Ministry of Commerce & Industry, Ministry of Railways, ACC Limited 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

JAYANTA DATTA GUPTA  
Director

SUNIL K. NAYAK  
Director

Mumbai  
February 01, 2013

Registered Office:  
Plot No. W7,  
KWC Kalamboli,  
Dist. Raigad 410 218

# Auditors' 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, 2012, and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) On the basis of the written representations received from the directors, as on December 31, 2012, and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified as on December 31, 2012 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i. in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2012;
    - ii. in the case of the Statement of Profit and Loss, of the 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 number 100186W

**RAJESH S. JOSHI**  
*Partner*  
Membership number 38526

Place: Mumbai  
February 01, 2013



## Annexure to the Auditors' 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) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (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, 2012 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 2001-2002 to 2005-2006	₹ 27.71 Lac	CESTAT
Inadmissible Cenvat credit availed on railway wagons	June 2009	₹ 109.36 Lac	CESTAT
Cenvat availed on cement returned in bulkers.	Apr 2007 to Nov 2008	₹ 37.48 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 number 100186W

**RAJESH S. JOSHI**  
*Partner*  
Membership number 38526

Place: Mumbai  
February 01, 2013





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

	2012	2011
	₹ Lac	₹ lac
<b>A. Cash Flow from Operating Activities</b>		
1 Net Profit before tax	248.06	89.87
Adjustments For:		
Provision written back	(7.48)	-
Depreciation	516.00	553.15
Depreciation Written Back	(74.92)	-
Interest Received	(5.09)	(2.86)
Loss/ ( Profit ) on sale of assets	3.91	(0.99)
Dividend Earned	-	(60.83)
Loss/ ( Profit ) on sale of Investment	(142.70)	(46.81)
<b>Operating profit before working capital changes</b>	<b>537.78</b>	<b>531.53</b>
2 Trade Receivables	(283.56)	7.72
3 Inventories	3.96	(12.52)
4 Other receivables	(155.90)	(29.55)
5 Trade payables	312.54	12.03
<b>Cash generated from Operations</b>	<b>414.82</b>	<b>509.21</b>
6 Direct Taxes refund/ (paid)	(46.89)	(16.07)
<b>Net Cash from Operating Activities</b>	<b>367.93</b>	<b>493.14</b>
<b>B. Cash Flow from Investing Activities</b>		
7 Interest received	5.09	2.86
8 Purchase of Investments	(7,005.00)	(7,019.70)
9 Sale of Investments	6,680.00	6811.90
10 Purchase of Fixed Assets & Increase in Capital work in Progress	(197.91)	(351.32)
11 Sales of Fixed Assets	0.50	1.37
12 Dividend on Mutual Fund	142.70	60.83
<b>Net Cash from Investing Activities</b>	<b>(374.62)</b>	<b>(494.06)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(6.69)</b>	<b>(0.92)</b>
Opening Balance	23.48	24.40
Closing Balance	16.79	23.48

**Notes:**

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

As per our report of even date

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. 100186W

**JAYANTA DATTA GUPTA**  
Director

**SUNIL K. NAYAK**  
Director

**RAJESH S. JOSHI**  
Partner  
Membership number 38526

**BINITA KHORY**  
Company Secretary

Mumbai, February 01, 2013



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

**1 CORPORATE INFORMATION**

Bulk Cement Corporation (India) Limited is a limited Company domiciled in India and incorporated under the provision of Companies Act 1956. The Company is engaged in the handling of Bulk Cement. The Company caters only to the needs of the domestic market of the parent Company i.e. M/s ACC Limited.

**2. SIGNIFICANT ACCOUNTING POLICIES:**

**A) Basis of accounting and use of estimates**

Financial statements are prepared under the historical cost convention, on accrual basis of accounting in accordance with the accounting principles generally accepted in India and in compliance with the provisions of Companies Act, 1956 and comply with the accounting standards specified in Companies (Accounting Standard) Rules, 2006 prescribed by the Central Government.

Till the year ended December 31, 2011 the Company was using pre-revised Schedule VI to the Companies Act, 1956 for preparation and presentation of its financial statements. During the year ended December 31, 2012 the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company. The Company has reclassified previous year numbers to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of the financial statements. However, it significantly impacts the presentation and disclosure made in the financial statements, particularly presentation of Balance Sheet.

**B) 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 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. However, in respect of the Plant & Machinery- Elevator Belt, the depreciation is provided at higher rate (20.19%) in line with its estimated useful life.

**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 lower of Cost -Weighted Average (Moving) and net realizable value.

**F) Employees Benefit Expenses:**

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 are reimbursed. This is disclosed as Deputation Charges in the Statement of Profit & Loss.

**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 & accounting income for the year & 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.





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

	2012	2011
	₹ Lac	₹ Lac
<b>NOTE 3 : SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
3,40,00,000 (Previous Year - 3,40,00,000) Equity Shares of ₹ 10 each	3,400.00	3,400.00
1,10,00,000 (Previous Year -1,10,00,000) Preference Shares of ₹ 10 each	1,100.00	1,100.00
<b>TOTAL</b>	<b>4,500.00</b>	<b>4,500.00</b>
<b>ISSUED SUBSCRIBED AND FULLY PAID UP</b>		
3,36,42,070 Equity Shares Of ₹ 10 each fully paid	3,364.21	3,364.21
<b>TOTAL</b>	<b>3,364.21</b>	<b>3,364.21</b>

(a) Details of shareholders holding more than 5% of the shares of the Company and shares held by holding Company

	2012		2011	
	No of Shares	% of Holding	No of Shares	% of Holding
Shares held by the President of India, Development Commissioner of Cement Industries, Ministry of Industry, Government of India	18,00,020	5.35	18,00,020	5.35
Shares Held by M/s ACC Ltd -Holding Company	3,18,42,050	94.65	3,18,42,050	94.65

(b) Reconciliation of No of Equity shares

	2012		2011	
	No of Shares	₹ Lac	No of Shares	₹ Lac
Equity shares at the beginning of the year	3,36,42,070	3,364.21	3,36,42,070	3,364.21
Shares Issued during the year	-	-	-	-
Equity shares at the end of the year	3,36,42,070	3,364.21	3,18,42,070	3,364.21

(c) Rights and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**NOTE 4 : RESERVES AND SURPLUS**

	2012	2011
	₹ Lac	₹ Lac
<b>Surplus in the statement of profit and loss :</b>		
Balance as per last Financial statements	1,100.41	1,032.06
Add: Profit of the year	179.81	68.35
<b>TOTAL</b>	<b>1,280.22</b>	<b>1,100.41</b>

**NOTE 5 : DEFERRED TAX LIABILITIES(NET) :**

	2012	2011
	₹ Lac	₹ Lac
<b>Deferred Tax Liabilities arising on account of :</b>		
Depreciation differences	567.16	621.92
<b>Deferred Tax Assets arising on account of :</b>		
Expenditure debited to Statement of Profit and loss but allowed for tax purposes in the following years	-	63.85
<b>TOTAL</b>	<b>567.16</b>	<b>558.07</b>

**NOTE 6 : TRADE PAYABLES**

	2012	2011
	₹ Lac	₹ Lac
Trade Payable	541.12	367.43
Due to The Holding Company: ACC Limited ₹ 84.58 Lac (Previous year Nil)		
<b>TOTAL</b>	<b>541.12</b>	<b>367.43</b>

Note 6.1 - 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.

This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**NOTE 7 : OTHER CURRENT LIABILITIES**

	2012	2011
	₹ Lac	₹ Lac
Statutory Dues	0.67	0.79
Retention Deposit from Contractors/Vendors	2.12	0.77
Liabilities for Capital Expenditure	229.15	229.15
Provision for Railway Claims	111.79	111.79
<b>TOTAL</b>	<b>343.73</b>	<b>342.50</b>

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

NOTE 8: TANGIBLE ASSETS

₹ Lac

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01-01-2012	Additions/ Adjustments	Deletions	As at 31-12-2012	As at 01-01-2012	For The Year	On Deletion/ Disposals	Adjustments	As at 31-12-2012	As at 31-12-2012	As at 31-12-2011
Building	250.01	-	(2.65)	247.36	107.82	8.28	(1.16)	-	114.94	132.42	142.19
Building & Installation	0.68	-	-	0.68	0.02	0.07	-	-	0.09	0.59	0.66
Plant & Machinery	3,239.13	128.05	(97.09)	3,270.09	2,701.47	258.52	(93.39)	(5.14)	2,861.46	408.63	537.66
Roads, Bridges	193.70	(20.14)	-	173.56	40.77	2.90	(0.01)	(4.31)	39.35	134.21	152.93
Rails & Sidings	355.56	273.03	-	628.59	218.07	28.17	-	(1.63)	244.61	383.98	137.49
Wagon & Loco	4,046.58	(102.29)	-	3,944.29	1,755.51	188.40	-	(63.84)	1,880.07	2,064.22	2,291.07
Furniture & Fixtures	13.81	0.14	(0.17)	13.78	12.61	0.10	(0.12)	-	12.59	1.19	1.20
Office Equipments	23.11	1.32	(12.53)	11.90	15.09	0.50	(12.12)	-	3.47	8.43	8.02
Vehicles	7.62	-	-	7.62	0.31	0.72	-	-	1.03	6.59	7.31
Electrical Installation	596.72	-	-	596.72	363.18	28.34	-	-	391.52	205.21	233.54
<b>TOTAL</b>	<b>8,726.92</b>	<b>280.11</b>	<b>(112.44)</b>	<b>8,894.59</b>	<b>5,214.85</b>	<b>516.00</b>	<b>(106.80)</b>	<b>(74.92)</b>	<b>5,549.13</b>	<b>3,345.47</b>	<b>3,512.07</b>
Previous Year	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

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.

NOTE 9: LOANS & ADVANCES

	2012		2011	
	Non Current	Current	Non Current	Current
	₹ Lac	₹ Lac	₹ Lac	₹ Lac
<b>(Unsecured Considered Good)</b>				
(a) Capital Advances	106.48	-	97.05	-
(b) Other Deposits	18.17	-	17.95	-
(c) Advances recoverable in cash or in kind or for value to be received	109.36	79.76	-	46.33
(d) Advance Tax Paid {Net of provision for Taxation, Amt ₹ 190.64 Lac (Previous year ₹ 131.48 Lac)}	34.78	-	47.05	-
(e) Advance Fringe Benefit Tax {Net of provision for Taxation, Amt ₹ 1.95 Lac (Previous year ₹ 1.95 Lac)}	0.01	-	0.01	-
(f) Balance with Excise, Customs and Port Trust Authorities on Current accounts	-	8.59	-	5.88
(g) Prepaid Expenses	3.46	14.63	3.48	13.84
<b>TOTAL</b>	<b>272.26</b>	<b>102.98</b>	<b>165.54</b>	<b>66.05</b>

NOTE 10: CURRENT INVESTMENTS (Valued at Lower of Cost and Fair Value)

	2012		2011	
	₹ Lac	No of Units	₹ Lac	No of Units
Investment in Mutual Funds - Fully paid-up (Unquoted)				
<b>Unit of Face value ₹ 10 each</b>	-	-	1,000.00	73,13,844.38
SBI SHF-Ultra short term fund -Institutional Plan - (Growth Option)				
<b>Unit of Face value ₹ 1,000 each</b>	800.00	54,298.90	-	-
SBI SHF-Ultra short term Debt fund -Regular Plan - (Growth Option)				
<b>Unit of Face value ₹ 1,000 each</b>	1,035.00	66,828.44	510.00	36,115.81
UTI Treasury Advantage Fund - Institutional Plan (Growth Option)				
<b>TOTAL</b>	<b>1,835.00</b>		<b>1,510.00</b>	
Aggregate amount of Unquoted Investments	1,835.00		1,510.00	



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

**NOTE 11: INVENTORIES (At Cost or Net Realisable value whichever is lower)**

	2012	2011
	₹ Lac	₹ Lac
Stores & Spare Parts	48.56	52.52
<b>TOTAL</b>	<b>48.56</b>	<b>52.52</b>

**NOTE 12: TRADE RECEIVABLE**

	2012	2011
	₹ Lac	₹ Lac
<b>Others</b>		
Unsecured Considered Good	446.32	162.76
Due from The Holding Company: ACC Limited ₹ 446.32 Lac; (Previous Year ₹ 162.76 Lac), Maximum Outstanding Balance during the Period ₹ 504.94 Lacs : (Previous Year ₹ 436.18 Lacs)		
<b>TOTAL</b>	<b>446.32</b>	<b>162.76</b>

**NOTE 13: CASH & BANK BALANCES**

	2012	2011
	₹ Lac	₹ Lac
<b>Cash and Cash Equivalent</b>		
Cash on Hand	0.12	0.06
Balances with Scheduled Banks in Current Accounts	16.67	23.42
<b>TOTAL</b>	<b>16.79</b>	<b>23.48</b>

**NOTE 14: REVENUE FROM OPERATIONS**

	2012	2011
	₹ Lac	₹ Lac
<b>SALE OF SERVICES</b>		
Bulk Handling Charges	1,146.52	1,048.70
Freight Rebate	359.16	297.49
	1,505.68	1,346.19
<b>OTHER OPERATING REVENUE</b>		
Miscellaneous Income	4.89	2.03
Provision no longer required written back	7.48	-
<b>TOTAL</b>	<b>1,518.05</b>	<b>1,348.22</b>

**NOTE 15 : OTHER INCOME**

	2012	2011
	₹ Lac	₹ Lac
Income from Current Investment	-	60.83
Profit on sale of Current Investment	142.70	46.81
Interest on deposits	5.09	1.58
Interest on Income Tax Refund	-	1.28
Profit on Sale of Fixed Asset (Net)	-	0.99
<b>TOTAL</b>	<b>147.79</b>	<b>111.49</b>

**NOTE 16: EMPLOYEE BENEFITS**

	2012	2011
	₹ Lac	₹ Lac
Staff Welfare	-	0.38
Deputation Charges	120.09	112.29
	120.09	112.67

**NOTE 17: OPERATING AND OTHER EXPENSES**

	2012	2011
	₹ Lac	₹ Lac
Power & Fuel	207.60	170.64
Plant Operating Charges	103.38	91.57
Rates & Taxes	56.22	38.66
Insurance	19.46	13.97
Consumption of Stores and Spares	119.06	71.45
Repairs and Maintenance - Plant	223.06	188.69
Repairs and Maintenance - Buildings	17.77	39.56
Repairs and Maintenance - Others	7.34	3.56
Communication	2.46	2.56
Travelling and Conveyance	4.66	5.12
Security Charges	47.04	42.02
Legal Services	17.63	14.98
<b>Remuneration to Auditors</b>		
Statutory Audit	2.25	2.25
Tax Audit	1.20	1.20
Other Services	2.50	2.50
Out-of-pocket expenses	0.36	0.11
Other Expenses	20.71	15.18
Loss on Fixed Assets scrapped/retired (Net)	3.91	-
<b>TOTAL</b>	<b>856.61</b>	<b>704.02</b>

**NOTE 18: RELATED PARTY DISCLOSURES**

**(I) Particulars of Related Parties:**

Name of the Related Party	Nature of Relationship
ACC Ltd.	Holding Company

**(II) Key Management Personnel:**

Name of the Related Party	Nature of Relationship
Mr. Ram Manohar Sowbhagya	Head BCCI

**(III) Transactions with Related Parties during the year:**

	Holding Company ACC Limited	
	2012	2011
	₹ Lac	₹ Lac
a) Rendering of Services	1,146.52	1,048.70
b) Deputation Charges Paid	110.53	111.15
c) Purchase of Fixed Assets	-	5.09
d) Reimbursement of Freight Rebate	359.16	297.49
e) Outstanding balance included in Current assets	446.32	162.77
f) Outstanding balance included in Current liabilities	84.58	-
g) Reimbursement of expenses paid (Net of Reversal)		
Power Expenses	182.28	-
Others	4.95	5.23
h) Reimbursement of expenses received	3,566.24	2,081.16

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

**NOTE 19: TAXATION**

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 Statement of Profit & Loss provision of Deferred Tax Liability of ₹ 9.09 Lac (*Previous Year ₹ 13.51 Lac*).

**NOTE 20: EARNINGS PER SHARE:**

Particulars	2012	2011
Profit/(Loss) after taxation as per Statement of Profit and loss (₹ Lac)	179.81	68.35
Weighted average number of Equity shares outstanding (No)..	3,36,42,070	3,36,42,070
Basic earnings per Share (Weighted Average) in ₹ (Face value - ₹ 10 per share)	0.53	0.20

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

**NOTE 21:** During the year, the company has made provision for wagons maintenance charges, on an estimated basis (as Railways have not raised any Claims for the period from July, 2011 to December, 2012) of ₹ 138.32 Lacs (*Previous Year ₹ 74.19 Lacs*) for the 167 wagons (Both old & new) owned by the company.

**NOTE 22: CONTINGENT LIABILITIES NOT PROVIDED FOR:**

Sr. No.	Particulars	2012	2011
		₹ Lac	₹ Lac
1.	Claim by Railway for Maintenance Charges till 30th June 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.	Show Cause cum Demand notice disallowing Cenvat Availed on Cement Returned in Bulkers for Period April-2007-Nov 2008	37.48	37.48
5.	Show Cause cum Demand notice disallowing Cenvat Availed on Cement Lost in Handling for Period April 2007-December 2011	-	50.65

**NOTE 23:** The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years in accordance with the provision of Section 115JAA has been accounted for the nine months period ended on 31st December 2012 on a pro-rata basis.

**NOTE 24:** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) ₹ 483.04 Lac (*Previous Year ₹ 545.96 Lac*).

**NOTE 25:** Other additional information pursuant to the provisions of paragraph 5 (viii)(c) of Schedule VI to the Companies Act, 1956 is either Nil or not applicable to the Company.

**NOTE 26:** In the opinion of the Board of directors, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business lower than at least equal to the amount at which they are stated.

**NOTE 27:** Previous year's figures have been regrouped/ rearranged wherever necessary to make them comparable with the current year's figure.

The accompanying notes are an integral part of financial statements

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

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

**JAYANTA DATTA GUPTA** **SUNIL K. NAYAK**  
Director Director

**RAJESH S. JOSHI**  
Partner  
Membership No. 38526

**BINITA KHORY**  
Company Secretary

Mumbai, February 01, 2013