



Binani

BRAJ BINANI GROUP

Binani

BINANI CEMENT LIMITED

ANNUAL REPORT 2013-14

BOARD OF DIRECTORS

Mr. Braj Binani	: Chairman
Mrs. Nidhi Singhania (upto 14.04.2014)	: Director
Ms. Shradha Binani (upto 14.04.2014)	: Director
Mr. V. Subramanian	: Director
Mr. P. Acharya (upto 15.07.2013)	: Whole-time Director
Mr. Jotirmoy Ghose (appointed w.e.f. 30.10.2013)	: Managing Director
Mr. Ramkrishna Moogimane (upto 30.04.2014)	: Director
Mr. T. R. C. Nair (upto 24.07.2014)	: Director
Mr. S. Sridhar	: Director
Mr. Jitender Balakrishnan (upto 19.05.2014)	: Director
Mr. M. D. Mallya (upto 26.05.2014)	: Director

COMPANY SECRETARY

Mr. Atul P. Falgunia (upto 30.04.2014)
Mr. Amit Kumar Gupta (w.e.f. 05.06.2014)

AUDITORS

M/s. Kanu Doshi Associates, Chartered Accountants, Mumbai

FINANCIAL INSTITUTIONS & BANKERS

Bank of Baroda
Bank of India
Canara Bank
Central Bank of India
Dena Bank
Export Kredit Finansiering A/s
IDBI Bank Limited
IFCI Limited
Indian Overseas Bank
Jammu & Kashmir Bank Limited
Oriental Bank of Commerce
Punjab National Bank
SIDBI
State Bank of Bikaner & Jaipur
State Bank of India
State Bank of Patiala
Syndicate Bank
Union Bank of India
United Bank of India
Yes Bank Limited

REGISTERED OFFICE

Upto 31st August, 2014

601, Axis Mall,
6th Floor, Block – C,
Action Area – I,
New Town, Rajarhat,
Kolkata- 700156.
Tel:033-2324 0049/63/69
Website: www.binanicement.in
CIN: U26941WB1996PLC076612

W.e.f. 1st September, 2014

37/2, Chinar Park,
New Town,
Rajarhat Main Road,
P.O. Hatiara,
Kolkata- 700157.
Tel:033-3262 6795/96

CORPORATE OFFICE

Mercantile Chambers,
12, J.N. Heredia Marg,
Ballard Estate,
Mumbai – 400 001.
Tel.: 022-3026 3000/01/02

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (W),
Mumbai – 400 078.
Tel.: 022-2594 6970

PLANT LOCATIONS

1. Binani Cement Limited
Village- Binanigram, Tehsil- Pindwara,
District- Sirohi, Rajasthan – 307031.
2. Binani Cement Limited
Village-Sirohi, Taluka- Neem Ka Thana,
District- Sikar, Rajasthan – 332714.
3. Shandong Binani Rong'An Cement Company Limited
Fujiazhuang Village, Dongguan Town,
Ju County of Rizhao Municipality, Shandong Province,
Peoples Republic of China.
4. Binani Cement Factory LLC
Jebel Ali, Dubai, UAE

CONTENTS

	Page
Notice for the Eighteenth Annual General Meeting	2-7
Directors' Report, Management Discussion & Analysis Report	8-17
Corporate Governance Report	18-25
Auditors' Report on Standalone Financial Statements	26-29
Standalone Financial Statements	30-65
Auditors' Report on Consolidated Financial Statements	66-67
Consolidated Financial Statements	68-101
Abstract of Financial Statements of Subsidiaries Companies	102

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of BINANI CEMENT LIMITED will be held on Monday, 29th September 2014 at 2.00 p.m. at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date together with Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Braj Binani (DIN 00009165), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of section 139 of the Companies Act, 2013 and Rules made thereunder, M/s. Kanu Doshi Associates, Chartered Accountants (Firm Registration no. 104746W), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration, as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S. Sridhar (DIN 00004272), who was appointed as a Director, liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing the candidature of Mr. S. Sridhar for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the conclusion of the Twentieth Annual General Meeting of the Company and that he shall not be liable to retire by rotation."
5. To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 1.00 lakh plus service tax and out-of-pocket expenses

payable to M/s K.G. Goyal & Co, Cost Accountants (Firm Registration No. 000017), Cost Auditors of the Company to conduct Cost Audit for the Financial Year ending 31st March, 2015."

6. To consider and if thought fit, to pass with or without modification(s), the following as a **Special Resolution**:
"RESOLVED THAT in supersession of the Resolution passed at the Extra Ordinary General Meeting of the Company held on 10th December, 2013 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and subject to such other approvals, as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") to borrow any sum or sums of money, from time to time, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board, shall not at any time exceed ₹ 4000 Crores (Rupees Four Thousand Crores only) or equivalent amount in any other foreign currency.
RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate all or any of the above powers to a Committee constituted by the Board and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."
7. To consider and, if thought fit, to pass with or without modification, the following as a **Special Resolution**:
"RESOLVED THAT in supersession of the Resolution passed at the Annual General Meeting of the Company held on 19th September 1998 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, as may be necessary, consent of the Company be and is hereby given to the Board of Directors of the Company ("the Board") to create such charges, mortgages and hypothecations in addition or supplemental to the existing charges, mortgages and hypothecations, if any, created by the Company, on its movable and immovable properties,

both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions and any Lending Agencies or bodies/ Security Trustees/ Agents, for the purpose of securing any borrowing, loans and/or advances already obtained or that may be obtained together with interest, all other costs, charges and expenses and other moneys payable by the Company to the concerned Lenders, up to a sum of ₹ 4000 Crores Only (Rupees Four Thousands Crores Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments, agreements and writings, as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps, as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board of Directors

Amit Kumar Gupta
Company Secretary

Place : Mumbai
Date : 7th August, 2014

NOTES :

1. A statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to Special Business, set out in the Notice, is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.**
3. **A person can act as proxy on behalf of the Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital carrying voting rights of the Company, may appoint a single person as proxy and such person shall not act as a proxy for any other Member.**
4. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the Companies / Bodies Corporate etc. must be supported by an appropriate Resolution / Authority, as applicable. A Proxy Form is annexed to this Notice.
5. **Members are requested to note that the Registered Office of the Company shall be shifted effective 1st September, 2014 to the new address at 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata-700157.**
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company at its Registered Office at its new address at 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata-700157, provided that not less than three days of notice in writing is given to the Company.
7. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
8. Members/ proxyholder should bring the dully filled Attendance Slip to attend the meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 24th September, 2014 to Monday, the 29th September, 2014 (both days inclusive).

10. The Register of Directors and Key Management Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangement in which the Directors are interested, maintained under section 189 of the Companies Act, 2013, shall be available for inspection by the Members at the Annual General Meeting.
11. Members are requested to:
- bring their copy of the Annual Report for the meeting.
 - address their queries relating to Accounts of the Company, if any, to the Company Secretary of the Company at least ten working days in advance of the Annual General Meeting, to enable the Company to keep the information ready.
 - note that in respect of the shares held in physical form, all correspondence relating to share transfers, transmissions, sub-division, consolidation of shares or any other related matters and/or change in address or updation thereof, should be addressed to Registrar and Share Transfer Agents of the Company, viz. Link Intime India Private Limited, at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078. Members, whose shareholding is in electronic form, are requested to intimate change of address notifications, registration of e-mail address and updation of bank account details to their respective Depository Participant.
 - quote their DP ID No. /Client ID No. or Folio Number in all their correspondence.
12. The Annual Report for 2013-14 along with the Notice of the Annual General Meeting, Attendance Slip and Proxy Form is being sent by electronic mode to all the Members who have registered their email IDs with the Depository Participants/ Registrar and Share Transfer Agents and the Company, unless where any Member has requested for the physical copy. The physical copies of the aforesaid documents will be available for inspection at the Registered Office of the Company at its existing address upto 31st August, 2014 and thereafter at the new address at 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata- 700157, during business hours on working days. Members, who require physical copies of Annual Report, may write to the Company Secretary or Registrar and Share Transfer Agents. Members may further note that the said documents will also be available on the Company's website

www.binanicement.in under "Investor Relations" section for a download.

13. In terms of the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with (Companies) Rules, 2012 ("IEPF Rules"), the Company has uploaded the information in respect of the unclaimed dividend on the website of the IEPF viz. www.iepf.gov.in and under "Investors Relations" section on the website of the Company viz. www.binanicement.in. The concerned Members are requested to verify the details of their unclaimed amounts, if any, from the said websites and write to the Company's Registrar and Share Transfer Agents before the same is due for transfer to the Investor Education and Protection ("Fund"). The due dates for transfer to Fund are as follows:

S. No.	Dividend for the Year ended	Due date for Transfer to Fund
1	31.03.2008	04.08.2015
2	31.03.2009	07.08.2016
3	31.03.2010	06.08.2017
4	31.03.2011	08.08.2018

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the unclaimed dividends for the year 2006-07 shall be transferred to IEPF on due date.

14. Pursuant to Section 101 of the Companies Act, 2013 and Rules made thereunder, the Companies are allowed to send communication to Members electronically. Members are therefore requested to register/update their email IDs with their respective Depository Participants and in the case of physical shares, with the Company's Registrar and Share Transfer Agents or the Company and make this Green Initiative a success.
15. A brief profile of Directors proposed to be appointed/ reappointed is annexed hereto and forming part of this Notice.

By Order of the Board of Directors

Amit Kumar Gupta
Company Secretary

Place : Mumbai
Date : 7th August, 2014

Particulars of Directors seeking appointment / reappointment at the ensuing Annual General Meeting

Name of Director	Mr. Braj Binani	Mr. S. Sridhar
Date of Birth	14.12.1959	09.05.1951
Date of initial Appointment	01.04.2005	05.08.2012
Expertise in specific functional areas	Entrepreneurship and Management	Banking & Finance
Qualifications	B.Com (Honours)	B.Tech, IIT Delhi & Masters from Jamnalal Bajaj Institute of Management Studies, Mumbai.
Number of Equity shares held in the Company	Nil	Nil
Directorships held in other Public Companies (excluding Foreign Companies).	Binani Industries Limited. Binani Zinc Limited. Binani Metals Limited	Strides Arcolab Limited. Development Credit Bank Limited. Jubilant Life Sciences Limited. India Infoline Housing Finance Limited. Binani Industries Limited. Tourism Finance Corporation Limited.
Chairman / Member of Committees of other Companies (includes only Audit Committee and Shareholders/ Investors' Grievance Committee).	Nil	<p>Audit Committee</p> <p><i>Chairman</i></p> <p>Binani Industries Limited Jubilant Life Sciences Limited Strides Arcolab Ltd.</p> <p><i>Member</i></p> <p>India Infoline Housing Finance</p> <p>Shareholders/ Investors' Grievance Committee</p> <p><i>Member</i></p> <p>Binani Industries Limited Strides Arcolab Limited</p>

ANNEXURE TO NOTICE

Statement pursuant to Section 102 (1) of the Companies Act, 2013.

Item no. 4

Mr. S. Sridhar (DIN 00004272) was appointed as a Director of the Company, liable to retire by rotation, on 28th September 2013 pursuant to erstwhile provisions of sections 255 and 256 of the Companies Act, 1956. In terms of section 149 of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. S. Sridhar, being eligible is proposed to be appointed as an Independent Director to hold office till the conclusion of the Twentieth Annual General Meeting of the Company and shall not be liable to retire by rotation.

The Company has received a notice in writing under the provisions of Section 160 of the Act from a Member along with requisite deposit, proposing the candidature of Mr. S. Sridhar for the office of Independent Director.

The Company has also received declaration from Mr. Sridhar that he meets with the criteria of independence, as prescribed under sub-section (6) of Section 149 of the Act and consented to be appointed as an Independent Director of the Company.

In the opinion of the Board, Mr. Sridhar fulfills the conditions for appointment as Independent Director, as specified in the Act. Mr. Sridhar is independent of the management.

The Board considers that with his very rich experience and expertise, Mr. Sridhar's association would be of immense benefit to the Company and as such recommends the appointment of Mr. S. Sridhar, as an Independent Director.

None of the Directors, Key Managerial Personnel, or their relatives, except Mr. S. Sridhar, is interested or concerned in the Resolution.

The Board recommends the Resolution set forth in item no. 4 for the approval of the Members.

A draft of the letter for the appointment of Mr. S. Sridhar as an Independent Director, setting out the terms and conditions, is available for inspection by the Members on any working day between 11.00 a.m. and 1.00 p.m. up to the date of Meeting at the Registered Office of the Company at the current address upto 31st August, 2014 and thereafter at the new address at

37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata- 700157.

Item No: 5

The Company is obliged, under Section 148 of the Companies Act, 2013 ("the Act") to have an audit of its cost records conducted by a Cost Accountant in practice. The Board therefore, on the recommendation of the Audit Committee, approved the appointment of M/s. K. G. Goyal & Co., Cost Accountants (Firm Registration No. 000017), as the Cost Auditors of the Company to conduct audit of cost records of the Company for the Financial Year ending 31st March, 2015, at a remuneration of ₹ 1.00 lakh plus service tax and reimbursement of out-of-pocket expenses.

M/s. K. G. Goyal & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. M/s. K. G. Goyal & Co. have vast experience in the field of cost audit and have been conducting Cost Audit in the Company for last few years.

The Board considers the proposed remuneration to M/s. K. G. Goyal & Co. is reasonable considering their stature and also commensurate to the volume of work. Hence, this Resolution is proposed for approval of the Members, as required under the provisions of Rule 14 of Companies (Audit and Auditors) Rules, 2014.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, is concerned or interested in the Resolution.

The Board recommends the Resolution set forth in item no. 5, for the approval of the Members.

Item No: 6 & 7

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors of the Company should obtain approval of the Members by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), in excess of the aggregate of paid-up share capital and free reserves of the Company. Accordingly, the approval of Shareholders was obtained at the Extra Ordinary General Meeting held on 10th December, 2013.

In order to meet the increased requirements of funds in future, which may arise on account of long term working capital requirement, capital expenditure or the expansion plan / program of the Company, the Company may be required to raise further loans / borrowings from financial institutions, banks and others. Accordingly, it is proposed to increase the present limits of borrowings from ₹ 3000 Crores to ₹ 4000 Crores.

Further, to secure the said borrowings, which the Company may borrow from time to time as aforesaid, the Company may be required to create mortgages / charges / hypothecation in favour of the Lenders, on all or any of its movable and immovable properties. In order to create aforesaid mortgages / charges / hypothecation, the consent of the Members by means of Special Resolution is required under section 180(1)(a) of Companies Act, 2013.

Accordingly, the Resolution Nos. 6 & 7 are proposed to obtain necessary consent of the Company in term of the provision of Sections 180(1)(c) and 180(1)(a) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolutions.

The Board recommends the Special Resolutions set forth in item no. 6 & 7 for the approval of the Members.

Item No: 8

The existing Article of Association ("AoA") were framed based on the erstwhile provisions of the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with provisions of Companies Act, 2013.

With the enactment of the Companies Act, 2013 ("the Act") and majority of the Sections of the Act and Rules made thereunder having been already in force, it is considered expedient to replace the existing AoA by a new set of Articles.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolutions.

The Board recommends the Special Resolution set forth in item no. 8 for the approval of the Members.

A draft of the revised Articles of Association of the Company shall be available for inspection by the Members of the Company on any working day between 11.00a.m. and 1.00 p.m. up to the date of the meeting at the Registered Office of Company at the current address upto 31st August, 2014 and thereafter, at the new address at 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata- 700157.

By Order of the Board of Directors

Amit Kumar Gupta
Company Secretary

Place : Mumbai
Date : 7th August, 2014

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present Eighteenth Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended on 31st March, 2014.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March, 2014 are summarized below :

(₹ in Lakhs)

Particulars	31st March, 2014	31st March, 2013
Total Revenue (Including other income)	196,224.21	228,017.84
Profit before Depreciation, Interest, Tax and Exceptional Items.	24,451.77	47,132.33
Provision for Depreciation	10,533.31	10,542.86
Interest and Finance Charges	27,325.14	21,089.69
Profit / (Loss) before Tax & Exceptional items	(13,406.68)	15,499.78
Exceptional items	15,928.32	-
Profit / (Loss) before Tax	(29,335.00)	15,499.78
Tax Expenses	(9,622.62)	3,517.30
Profit / (Loss) after Tax	(19,712.38)	11,982.48
Balance of Profit brought forward from previous year	46,732.70	34,312.22
Surplus available for appropriation	27,020.32	46,294.70
Appropriations:		
Transfer from Debenture Redemption Reserve	-	438.00
Balance Carried forward to Balance Sheet	27,020.32	46,732.70

2. REVIEW OF OPERATIONS

During the Financial Year under review, your Company's Cement Production stood at 49.94 Lakhs MT as compared to 56.56 Lakhs MT in the previous year. The Company achieved sales of 51.37 Lakhs MT of Cement as against 56.81 Lakhs MT for the previous year. The lower sales were mainly because of the poor demand situation that prevailed in the Country due to lack of infrastructure and real estate activities. For your Company, the situation further worsened when it had to stop the dispatches of Cement for almost last two months towards the end of the year under review due to coercive actions initiated by the Rajasthan VAT Authorities in connection with recovery of past dues which were earlier in disputes. These actions crippled the business operations of the Company. During the Financial Year 2013-14, the Company generated 3,083.95 Lakhs Kwh of power (net) against 3,520.47 Lakhs Kwh last year.

The Company's total Income was lower at ₹ 196,224.21

Lakhs as compared to ₹ 228,017.84 Lakhs in the previous year. Lower sales volume, higher input and freight costs, the Profit before Depreciation, Interest, Tax and Exceptional Items were substantially lower at ₹ 24,451.77 Lakhs as compared to ₹ 47,132.33 Lakhs in the previous Financial Year. The Company has already provided for VAT liabilities, arising out of the verdict of the Hon'ble Supreme Court, of ₹ 15,278.46 Lakhs during the year under review, shown under Exceptional Item. All these factors resulted in the Company reporting Net Loss of ₹ 19,712.38 Lakhs for the year under review as against the Profit after Tax of ₹ 11,982.48 Lakhs in the previous year.

3. DIVIDEND

In view of loss, the Directors are unable to recommend any dividend for the Financial Year ended 31st March, 2014.

4. OUTLOOK

The Cement demand is estimated to grow at CAGR of 7-8% over a period of next three years, primarily driven by demand from rural areas coupled with demand from Infrastructure segment which is expected to grow at 10-11% over next 3-5 years. Intense competition amongst cement manufacturers and over capacity situation would have impact on pricing of cement which will have consequent impact on the profitability of the Company. Further, in view of the prevailing uncertainty relating to Rajasthan VAT matter, the current year performance appears to be quite challenging.

5. SUBSIDIARY COMPANIES

5.1 Report on Subsidiary Companies

In accordance with the general Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, under Section 212 of the Companies Act, 1956, the Balance Sheet and Statement of Profit and Loss and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However, a statement showing the details in respect of all the subsidiary companies along with their brief results is annexed to this Annual Report in compliance with the said circular. The Company will provide a copy of the Financial Statements in respect of each of its subsidiaries to any Shareholder of the Company who requests for the same and the said Financial Statements will also be kept open for inspection at the Registered Office of the Company.

5.2 Loan / Investments in Subsidiary Companies

During the year under review, the Company had invested in Mukundan Holdings Limited and Murari Holdings Limited, subsidiaries to the tune of USD 1.20 Million (equivalent to ₹ 729.57 Lakhs) and USD 2.81

Million (equivalent to ₹ 1673.69 Lakhs) respectively with a view to support its operating subsidiaries overseas for meeting their fund requirements.

5.3 Performance of Subsidiaries

Overseas Operating Subsidiaries: Shandong Binani Rong'An Cement Company Limited ("SBRCC"), a Cement manufacturing Company in China achieved a turnover of RMB 478.68 Million (equivalent to ₹ 46,453.80 Lakhs) and incurred a loss of RMB 37.74 Million (equivalent to ₹ 3,662.62 Lakhs) due to higher cost and low price realizations. Further, Binani Cement Factory LLC, UAE achieved a turnover of about AED 106.55 Million (equivalent to ₹ 17,350.26 Lakhs) and incurred a loss of AED 10.49 Million (equivalent to ₹ 1,708.91 Lakhs), due to lower demand, higher input cost and low price realization.

Overseas Investment Subsidiaries: Krishna Holdings Pte. Limited and Bhumi Resources (Singapore) Pte. Ltd., Singapore subsidiaries, earned a profit of USD 0.50 Million (equivalent to ₹ 300.89 Lakhs) and USD 0.05 Million (equivalent to ₹ 27.65 Lakhs) respectively for the year under review. Mukundan Holdings Limited and Murari Holdings Limited, incurred loss of USD 1.15 Million (equivalent to ₹ 686.55 Lakhs) and USD 0.55 Million (equivalent to ₹ 327.76 Lakhs) respectively for year under review.

Binani Readymix Concrete Limited ("BRMC"): During the year under review, Binani Readymix Concrete Limited ("BRMC"), a wholly owned subsidiary discontinued its business operations due to continuing loss and its business model was not found to be viable. The Board of Directors have now decided to dissolve BRMC through the process of voluntary winding-up, subject to such approvals, as may be required.

Binani Energy Private Limited ("BEPL"): During the year under review, BEPL did not take up any business activity.

Swiss Merchandise Infrastructure Limited & Merit Plaza Limited: Swiss Merchandise Infrastructure Limited and Merit Plaza Limited have reported loss of ₹ 0.28 Lakhs and ₹ 0.25 Lakhs respectively for the year ended 31st March, 2014.

6. SCHEME FOR TRANSFER OF POWER UNDERTAKING

Your Directors of the Company had proposed to transfer the Power Undertaking of the Company to its Wholly Owned Subsidiary namely Binani Energy Private Limited (BEPL) with the Appointed Date of 1st April, 2013 and accordingly a Scheme of Arrangement was filed by the Company with the Hon'ble High Court of Kolkata. The Scheme has been approved by the Hon'ble Court. However, a copy of certified order is awaited. Upon receipt of the Order and other

requisites approval, the Scheme shall be made effective.

7. INVESTOR EDUCATION AND PROTECTION FUND

The Share Application Monies received by the Company pursuant to the Public Issue made by the Company in year 2007 and remained unclaimed amounting to ₹ 110,120/- have been transferred to Investor Education and Protection Fund (IEPF) of Central Government on 20th June, 2014. The amount of unclaimed dividend for the Financial Year 2006-07 due for transfer to IEPF shall be transferred before due date.

8. MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

Your Company's shares are not listed on any stock exchange, hence Clause 49 relating to the Corporate Governance is not applicable to the Company. However, as a measure of good corporate practice, Management Discussion & Analysis and Corporate Governance Report for the year under review are presented in a separate section forming part of this Annual Report.

9. DIRECTORS

During the year under review, Mr. P. Acharya, Whole-time Director, resigned from Directorship of the Company on 15th July, 2013. The Board of Directors, subject to the approvals of the Shareholders and the Central Government, appointed Mr. Jotirmoy Ghose as the Managing Director of the Company effective 30th October, 2013, for a period of 5 years. The Shareholders at the Extra Ordinary General Meeting held on 10th December, 2013, have approved the appointment of Mr. Ghose. The approval of the Central Government is awaited.

During the current year, Mrs. Nidhi Singhania and Ms. Shradha Binani, Directors, have resigned on 14th April, 2014. Mr. Ramkrishna Moogimane and Mr. T.R.C Nair, Directors, have resigned on 30th April, 2014 and 24th July, 2014 respectively. Mr. Jitender Balakrishnan and Mr. M. D. Mallya, who were appointed as Additional Directors on 30th September, 2013 and 28th January, 2014 respectively, have resigned on 19th May, 2014 and 26th May, 2014 respectively. The Board places on record its appreciation for their valuable contribution made by each of them during their tenure as Directors of the Company.

Mr. Braj Binani, Chairman of the Company, who is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Board is making conscious attempts to induct Independent Directors to be in compliance of the provisions of the Section 149 of the Companies Act, 2013.

As per the provisions of Section 149 of the Companies Act, 2013 which has come into force with effect from 1st April, 2014, an Independent Director can hold office for two terms each up to five consecutive years on the Board

of a Company and shall not be liable to retire by rotation. In compliance with the provisions of Section 149 read with Schedule IV of the Act, a proposal for appointment of Mr. S. Sridhar, as an Independent Director of the Company, for a term up to the conclusion of the Twentieth Annual General Meeting of the Company and not liable to retire by rotation, is being placed before the Members in the ensuing Annual General Meeting for their approval.

Brief resumes of the Directors proposed to be appointed / re-appointed are annexed to the notice convening this Annual General Meeting.

The Board recommends appointment/re-appointment of Mr. S. Sridhar and Mr. Braj Binani respectively.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to the Directors Responsibility Statement, your Directors state that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2014, the applicable Accounting Standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same.
- b. the Directors have selected 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 as at 31st March, 2014 and of the profit of the Company for the year ended as on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis.

11. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in compliance with the Accounting Standard (AS 21) issued by the Institute of Chartered Accountants of India.

12. AUDITORS

M/s. Kanu Doshi Associates, the retiring Auditors have furnished a certificate, confirming that if reappointed for the Financial Year 2014-15, their re-appointment will be in accordance with the provisions of Section 139 read with Section 141 of the Companies Act, 2013.

Your Directors recommend the reappointment of M/s. Kanu Doshi Associates, as the Statutory Auditors of the Company.

13. AUDITORS' OBSERVATIONS

Observations of the Auditors, read together with the relevant Notes to the Accounts and Accounting Policies are self explanatory and do not require any explanation of Directors.

14. COST AUDITORS

Your Directors have appointed M/s. K. G. Goyal & Co., Cost Accountants to conduct Audit of the Company's cost records for the year ending 31st March, 2015 at a remuneration of ₹ 1.00 lakh plus service tax and out-of-pocket expenses. Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder, Members are requested to consider the ratification of the remuneration payable to M/s. K. G. Goyal & Co.

The Cost Audit and Compliance Reports for the Financial Year 2012-13 was filed by the Company with the Ministry of Corporate Affairs on 20th September, 2013.

15. PARTICULARS UNDER SECTION 217 OF THE COMPANIES ACT 1956

• Energy Conservation, Technology Absorption, Foreign Exchange Earnings & Outgo :

Statement of particulars 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 regarding conservation of energy, technological absorption, foreign exchange earnings and outgo are provided in the Annexure and form part of this Report.

• Particulars of Employees:

The information required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, is provided in the Annexure forming part of the Report.

16. HUMAN RESOURCES

The Employee relations remained cordial throughout the year. The Board places on record its sincere appreciation for the valuable contribution made by employees across all levels in the organization.

17. ACKNOWLEDGEMENTS

Your Directors wish to express their sincere gratitude to the Government agencies, Banks, Financial Institutions, Customers and other Stakeholders, for their continued unstinted support to the Company.

For and on behalf of Board

Braj Binani
Chairman

Place : Mumbai
Date : 7th August, 2014

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956

[A] CONSERVATION OF ENERGY

a) Energy conservation measures taken

Cement Plant - Binanigram

1. Installed slip power recovery system in Kiln string fan of Kiln 2.
2. Kiln 1 existing blower speed reduced to 1100 rpm therefore resulting in electrical energy saving.
3. Installed additional membrane bags in modules to optimize the running of reverse air fan of bag house of unit 2.
4. Power consumption in compressors optimized by efficiency improvements / optimized the pressure settings for loading & unloading / system air leakage as per recommendation of CII audit.
5. Replacement of plant light with energy saving LED lights in phase manner.
6. Replacement of 2 no's Cooler fans motor with energy efficient motors.
7. Interchanged grid resistance circuit of CM3 with CM4.
8. CM4 transport circuit bag filter (564BF1) venting lines connected to O-sepa separator casing resulting saving in electrical energy.
9. Gypsum feeding group idle running optimized by implementing logic with belt load sensor.

Cement Plant - Neem ka Thana

1. Installed VFDs on packer no 2 and fly ash tippler main JPF fan to avoid pressure drop resulting saving in power consumption of fan.
2. Installed dedicated lighting transformer of 75kVA to maintain lighting circuit voltage.
3. Replacement of plant light with energy saving LED lights
4. Installed dedicated compressor of 245CFM (37kW) for wagon tippler in place of 550 CFM (90 kW) Cement house compressors.
5. Optimised all compressors running by changing loading/unloading pressure setting.
6. 2 no's air slide fan motor replaced with low rating (3.7 kW) and 2 no's JPF fan volume optimized by changing pulley size.

7. Relocated blower 711BL3, 711BL4 from ground floor to 30 mtr height resulting one blower stopped.

Thermal Power Plant

1. Installed variable frequency drives (VFD) for CEP pumps in CPP.
2. Installed medium voltage (6.6KV) variable frequency drive (575 kW) at primary air fan of boiler CPP2 & 3.
3. Air cooled condenser one fan of each CPP stopped in winter season resulting in energy saving.

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

Cement Plant - Binanigram

1. Installation of Waste heat recovery system in kilns 2 Preheater & cooler to utilize waste heat.
2. Provision of energy saving LED lights in plant area.
3. Provision of replacement of existing coal firing SFF in kiln2 with high accuracy Pfister / or coriolis feeder.

Thermal Power plant

1. Installation of turbo drive of feed water pump in CPP3.

Measures to improve efficiency

1. Used grinding aid in PPC Cement production to utilize more fly ash consumption.
2. Connectivity of CM3 with transformer of CPP3 to avoid I-landing during grid power failure.
3. Preheating of kiln burner Castable to enhance its life.
4. Additional blaster installed in Kiln 2 Calciner & C6 cyclone to avoid coating builds up during pet coke firing in Calciner.
5. Installed additional heat exchanger in series for additional cooling of kiln 2 gear box to increase oil life.

c) Impact of the measures at a) and b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Cement Plant : Due to various energy conservation measures, there was saving in power consumption.

Thermal Power Plant : Due to various energy conservations measures, there was saving in the internal consumption and boiler heat rate.

d) Total energy consumption and Energy consumption per unit of Production:

Please refer Form A attached.

[B] TECHNOLOGY ABSORPTION

a. Technology Absorption – Adaptation And Innovation

Not Applicable

b. Technology Absorption – Research & Development

Not Applicable

[C] FOREIGN EXCHANGE EARNING AND OUTGO

(₹ in Lakhs)

Particulars	2013-14	2012-13
Foreign exchange earned	Nil	Nil
CIF value of imports	31366.19	14512.99
Other foreign Exchange outgo *	1057.25	1197.76

* Excluding investment in overseas Subsidiaries.

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

Statement of Particulars of Employees under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, for the Financial Year 2013-14

Name	Age (Yrs)	Designation / Nature of Duties	Remuneration (₹/Lakhs)	Qualifications	Experience (Years)	Date of commencement of employment	Previous employment
Mr. Jotirmoy Ghose *	52	Managing Director	63.04	B.E.(Mech.) & MBA	27	30.10.2013	Vice-President, Operations Arkan Building Materials, Abu Dhabi, UAE
Mr. P. Acharya *	62	Sr. Executive Director & Whole-time Director	154.56	B.E.(Mech.) & MBA	35	17.11.2008	Executive Director Dalmia Cement (Bharat) Ltd.
Mr. R.S. Joshi	59	President (Corporate Affairs)	99.30	M.A. (Economics)	37	10.10.2005	Vice-President (Commercial) Grasim Industries Ltd.
Mr. Darshan Lal *	54	President-Tech. (Cement Group)	148.31	B.E. (Chemical)	32	18.01.1996	Manager (Process) CCW, Chittorgarh (Raj.)
Mr. R.P. Sharma *	56	President (Works)	7.20	B.Tech. (Chemical Engg.) & PGDMM	33	30.11.2011	Vice-President Ambuja Cements Ltd.
Mr. Anant Kumar Mahobe *	50	President (Works)	56.33	AMIE (Mech), PGDM & Dip. in Ind.Safety	29	24.05.2013	Sr. Vice-President, Prism Cement Ltd. Satna
Mr. Gautam Ray *	55	Jt. President (Finance)	40.25	B.Com. & C.A.	27	01.12.2013	Business Head-RMC Binani Industries Ltd., Mumbai
Mr. Bhadrash Khara*	52	Executive Vice President (Marketing)	16.60	B.E. (Civil)	27	15.01.1997	Dy. Manager (Marketing) Gujarat Ambuja Cement, Ahmedabad
Mr. Digvijay Singh *	55	Senior Vice President (Marketing)	41.57	M.B.A (Mktg.) & B.Sc	29	30.08.1997	Manager - Sales, Shri Digvijay Cement Co.Ltd.(Ahmedabad)
Mr. Kaushlesh Maheshwari *	51	Senior Vice President (Marketing)	41.31	M.B.A (Mktg.) & B.Sc	22	15.04.2008	MAC AL Gurg (Dubai), Sales-Manager

Note :

1. Remuneration includes salary and allowances, medical benefits, leave travel assistance, perquisites, Company's contribution to Provident Fund & Gratuity.
2. The appointment of Managing Director /Executive Director is contractual.
3. *Employed part of the year.
4. None of the employees is related to any Director of the Company.

FORM A

Form as per Section 217(1)(e) read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended 31st March, 2014.

CONSERVATION OF ENERGY

Total Energy Consumption and Energy Consumption per Unit of Production.

		For the year ended 31st March, 2014	For the year ended 31st March, 2013
A	Power & Fuel Consumption		
1	Electricity		
a	Purchased (Grid / Energy Exchange)		
	Unit	(KWh) 88,905,012	83,829,774
	Total Cost	(₹ Lakhs) 4,211.91	4,586.04
	Cost/Unit	₹ 4.74	5.47
b	Own Generation		
	Unit	(KWh) 308,395,195	352,046,583
	Cost of HSD / LDO Consumed	(₹ Lakhs) 164.36	138.68
	Cost of Coal Consumed	(₹ Lakhs) 2,991.65	4,646.45
	Cost of Lignite Consumed	(₹ Lakhs) 1,276.25	1,077.91
	Cost of Pet Coke Consumed	(₹ Lakhs) 7,121.36	7,172.02
	Cost of Alternative Fuel Consumed	(₹ Lakhs) 36.06	-
	Total Cost of Fuel Consumed	(₹ Lakhs) 11,589.68	13,035.06
	Cost/Unit	₹ 3.76	3.70
2	Fuel Consumption		
a	Coal-Imported (Steam Non-coking)		
	(Used in Kiln for Clinker Production)		
	Quantity	(M.T.) 368,728	414,466
	Total Cost	(₹ Lakhs) 24,923.73	28,213.98
	Cost/Unit	₹ 6,759.38	6,807.31
b	Pet Coke (Used in Kiln for Clinker Production)		
	Quantity	(M.T.) 113,024	106,070
	Total Cost	(₹ Lakhs) 7,998.04	7,417.07
	Cost/Unit	₹ 7,076.41	6,992.62
c	Alternative Fuel - (Used in Kiln for Clinker Production)		
	Quantity	(M.T.) 9,843	10,345
	Total Cost	(₹ Lakhs) 283.83	270.62
	Cost/Unit	₹ 2,883.43	2,615.89

			For the year ended 31st March, 2014	For the year ended 31st March, 2013
d	Lignite - (Used in Captive Power Plant)			
	Quantity	(M.T.)	48,846.00	41,144.20
	Total Cost	(₹ Lakhs)	1,276.25	1,077.91
	Cost/Unit	₹	2,612.81	2,619.84
e	Coal-Imported (Steam Non-coking) (Used in Captive Power Plant)			
	Quantity	(M.T.)	57,990	84,954
	Total Cost	(₹ Lakhs)	2,991.65	4,646.45
	Cost/Unit	₹	5,158.94	5,469.37
f	Alternative Fuel (Used in Captive Power Plant)			
	Quantity	(M.T.)	1,066	-
	Total Cost	(₹ Lakhs)	36.06	-
	Cost/Unit	₹	3,383.86	-
g	Pet Coke - (Used in Captive Power Plant)			
	Quantity	(M.T.)	100,127	102,296
	Total Cost	(₹ Lakhs)	7,121.36	7,172.02
	Cost/Unit	₹	7,112.33	7,011.04
3	a HSD / LDO - (Used in Kiln for Clinker Production)			
	Quantity	(Litre)	384,709	436,248
	Total Cost	(₹ Lakhs)	214.87	183.41
	Average Rate	₹	55.85	42.04
	b HSD / LDO - (Used in Captive Power Plant)			
	Quantity	(Litre)	289,708	314,320
	Total Cost	(₹ Lakhs)	164.36	138.68
	Average Rate	₹	56.73	44.12

B. Consumption per ton of Production

Electricity (KWh/MT of Cement)		Coal, Lignite, Pet Coke & Alternative Fuel (MT/MT of Clinker)		HSD / LDO (Ltr./MT of clinker)	
2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
74.77	75.28	0.12	0.11	0.09	0.09

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Review

Indian economy witnessed one of its worst phase in the year 2013-14, when the growth remained muted throughout the Financial Year, inflation reaching to its height resulting in high interest rates and the rupee hitting a low against the US Dollar. The India's GDP growth remained below 5% mark second year in a row at about 4.7% in 2013-14. Reduced spending by the Government on infrastructure and political uncertainties and low industrial growth marked the year gone by. Although a better monsoon in 2013-14 resulted in improvement in agricultural sector in the second half of the year, the manufacturing activities remained at a low ebb.

Economic Outlook

With the New Government firmly in place and going by its declared intent, most economists forecast the economy expected to grow by about 6% in 2014-15 on the back of lower inflation, softening of interest rate, easing of supply situation and surge in investment projects, opening up of market for foreign investors etc. With the roadmap for accelerated growth likely to be put in place, there is huge potential of growth going forward.

Indian Cement Industry

Cement is a cyclical commodity and is directly proportionate to GDP growth of the Country. As a thumb rule, the Cement Industry growth is expected at 1.2 times of normal GDP growth. It is for the first time the Indian Cement Industry witnessed a lower growth than GDP and grew at about 3-4% in 2013-14. Following the downtrend in the GDP growth of the Country, the Cement demand growth has been sluggish for the last few years and grew at about 6% CAGR in the last four years. The Cement demand was affected due to fall in construction activity, prolong monsoon in the second half of 2013-14 and steep cuts in the Government spending on infrastructure activity. The Cement capacity in India is about 360 million Metric Tonnes (MT) whereas the production level stood at about 256 million MT. There was an addition of capacity of about 130 million MT in the last four years. Easing of pressure on capacity addition and increase in demand growth is expected to result in average capacity utilisation to move closer to 80% as compared to 75% in 2013-14.

With the stable Government now at the centre, expected revival in economic growth, Government thrust towards infrastructure development and spending, outlook of the Cement Industry appears quite promising in the years to come.

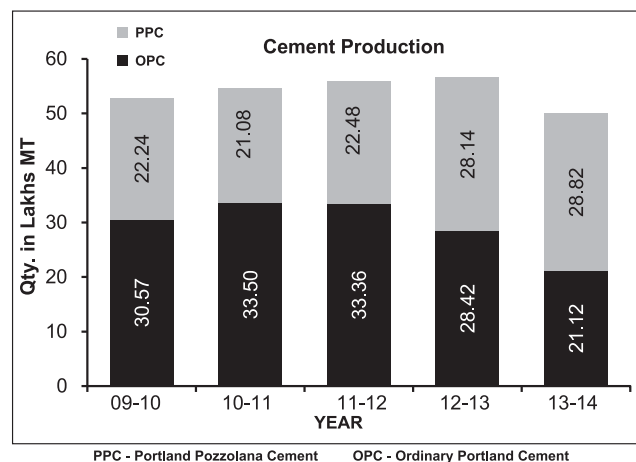
However, the increase in logistics cost due to increase in diesel prices and railway freight, will put pressure on the margins of Cement Industry, as freight accounts for ~25% of the total cost. Dependence on international coal is another uncertainty that the Cement Industry needs to grapple with.

Company Performance and Outlook

The Cement demand in India is primarily dependent on four segments of which housing segment alone account for about two

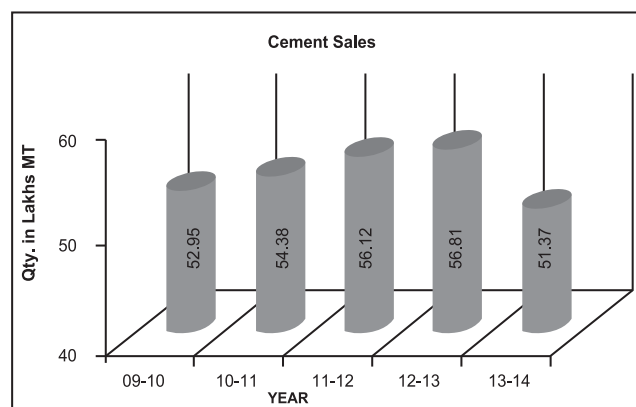
third of consumption and balance one third of consumption cater to infrastructure, commercial and industrial segments. The Cement demand in India is expected to grow at about CAGR of 7-8% in 2014-2017, primarily due to growth of housing sector, higher expected spending by the Government in infrastructural development and picking up of industrial activity in the years to come.

Due to overall sluggish demand of Cement in 2013-14 and discontinuation of Cement dispatches by the Company in the last two months for about 51 days in the Financial Year 2013-14 due to circumstances beyond its control, the Company could achieve production of 49.94 Lakhs MT as compared to 56.56 Lakhs MT in the Financial Year 2012-13, lower by about 11.71%.



Consequently, the Company's sale of Cement was also lower by 9.58% at 51.37 Lakhs MT as against 56.81 Lakhs MT in the previous year.

Cement realizations were also remained lower as compared to previous year. Lower sales and lower realizations coupled with increased cost, affected the bottom line of the Company and the Company incurred a loss before tax & exceptional item of ₹ 13,407 Lakhs against a profit of ₹ 15,500 Lakhs.



With the expected growth in the Cement demand, the Company's Cement production and dispatches are likely to grow significantly. The stoppage of production in the Company's plants at Binanigram (Sirohi) towards end of the Financial Year 2013-14, had a very serious adverse impact on its market share. The Company will focus aggressively on cost leadership and maximizing margins by focusing on its core markets and thereby will recapture its market share.

The Company's emphasis now, will be to achieve 95% capacity utilization with exceptional quality and minimal emissions. The Company's thrust will be on the markets within a radius of about 400 Kms, apart from exploiting other markets with its strong brand equity. Extensive focus will be on reducing the costs and maximizing profit.

The Company's global aspirations remain intact and the Company is optimistic about its China operations, which will turn profitable in the current Financial Year 2014-15. The Company's endeavor to ramp up Cement capacity to 4 million MT will continue.

The operations in UAE have now turned profitable and it is now focusing to create a presence and tap markets in East and Central Africa.

Opportunity, Threats and Risks

Opportunities

The Indian economy has been facing challenging times for the last few years. However, with the stable Government at the centre the economy is looking upwards. Anticipated infrastructure development, higher Government spending, focus of Government on concrete roads and other macro-economic factors point towards the demand revival. Opportunities also exist for Cement Industry in improving efficiency by use of alternative fuel and installation of WHRS systems.

Threats, Risks and Concerns

Despite the best efforts of the Government and the Industry, the Indian economy may take some time to come out of the low growth zone. The over supply situation and low capacity utilisation can put pressure on the price realisation, in the short term. Increase in freight cost can hurt the bottomline of the cement players.

The impending matter relating to VAT demand including interest raised by Rajasthan VAT Authorities in respect of past dues (which were under dispute) may have material impact on the performance.

Internal Control System

The Company has appropriate internal control systems in commensurate with the business processes, with regard to efficiency of operations, financial reporting and controls, compliance with applicable laws and regulations and risk

management policy etc. The Company monitors and controls all operating parameters on an ongoing basis. Regular internal audits and checks assure that responsibilities are executed effectively. The Company also has robust Budgetary Control System and Management Information System (MIS).

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests ways of further strengthening them, from time to time.

Recognition and Awards

The Company's Indian operations bestowed with the following awards / recognitions during the year 2013-14 in various areas which is the testimony of the Company's thrust on enhancing the quality standards and high efficiency and productivity:

- National Awards for "Best Thermal Energy Performance 2012-13" by National Council for Cement & Building Material, New Delhi.
- National Award for "Second Best Environmental Excellence in Limestone Mines(2011-12)" by National Council for Cement & Building Material, New Delhi.
- National Award for "Best Quality Excellence for the year 2012-13" by National Council for Cement & Building Material, New Delhi.
- "Best Employer Award for the year 2012" given by Employers Association, Rajasthan.
- "Udyog Bharti Award, 2012-13" by Indian Achievers Forum, New Delhi.
- Energy Management System (ISO-50001) Certification by Det Norske Veritas [DNV], Kolkata.

The Company's China operations bestowed with the following awards and honors during the year 2013-14:

Award from CPC Ju Country Party Committee and Ju Country People's Government:

- Foreign investment in special contribution award;
- Economy work contribution bronze award; and
- Growth type enterprise in the year of 2013.

Honors issued by Rizhao Safety Production Administration Bureau:

- Third Grade enterprise of safety production standardization of line-1:
- Third grade enterprise of safety production standardization of Fujiashuang Mine.

Safety, Health & Work Environment

The Company always believes in providing conducive work environment with utmost attention and care on safety and health of employees and all other workers operating at the plants. There were no major accidents reported in the Financial Year 2013-14. The Company conducts training & counselling sessions for its employees on safe manufacturing practices on regular basis.

Training of employees for safety and growth continues to be the Company's top priority at all levels. The Management has incorporated safety as one of the Key Resultant Area for each and every employee.

Social Responsibility and Community Development

The Company is carrying out various community development activities in the nearby villages of mines, plant and colony in particular and for the community as a whole. The focus areas under Community Development Program are broadly categorized as under:

A. Infrastructure Development

- Boring and Installation of Hand Pumps at various locations in the adjacent villages.
- Construction of check dams for recharging ground water.
- Concretization of water wells located in the nearby villages.
- Development of Gardens.
- Construction of water trough for Cattle in the nearby villages.

B. Health

- "Eye Testing Camp" are being organized with the association of specialized hospital in the nearby Villages.
- "World Breast Feeding Week" was celebrated by the Company's Ladies Club at Amla Village with the association of Rajasthan Health Department.
- Organised seven days residential training camp for moral and physical development of children in association with NGO.
- On "World Population Day", a workshop was organized to spread awareness among local people and tribal people on population explosion and its consequent problems.

C. Education

- Financial support to schools in the adjoining villages for renovation and refurbishment.
- Distribution of sweater, utensils and other items in schools of adjoining villages.

D. Stakeholder Engagement Program

- Financial support / organizing various sports events, functions and fairs.
- Construction / Maintenance of various buildings for use of general public.

Human Resources and Industrial Relations

The Company understands that employees are vital and valuable assets. The Company recognises people as the primary source of its competitiveness and continues its focus on people development by leveraging technology and developing a continuously learning human resource base to unleash their potential and fulfill their aspirations.

Employer-Employee relationship remained very cordial for many years. The Company enjoys very healthy relationship with workmen and unions which are authenticated by zero man day loss due to Industrial Relations issue for five consecutive years. Mutual trust and understanding are neatly blended in peaceful IR culture.

The Company's training programmes as per TNI (Training Need Identification) and on value-based teachings enhance the level of competency and behavioural aspects among its people.

The Company believes in employee's participation in the Management therefore it launched various activities like "Best Employees of the Month", "Suggestion Scheme", "Supervision Scheme (an initiative for finding out abnormality and resolution thereof), TPM etc. This has proved to be cultural change initiative.

To have robust relationship with employees, your Company launched a communication platform named "Rubaru" (Interface) with all employees.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, expectations and estimates regarding future performance may be "forward looking statements" within the meaning of applicable laws and regulations and are based on currently available information. The Management believes them to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to future events and uncertainties which inter alia include input availability and prices, demand and pricing of finished products in the Company's principal markets, changes in Government regulations, tax laws, economic developments within the Country and other incidental factors., that could cause actual results to differ materially from those as may be indicated by such statements.

CORPORATE GOVERNANCE REPORT

(The Company being not listed on any Stock Exchange, clause 49 under the Listing Agreement relating to the Corporate Governance Report is not applicable to it. However for the benefit of its Members and as a part of good governance practice, the Company provides the same)

1. Company's Philosophy

The Company has been committed to the principles of good corporate governance which is an integral part of good values, ethics and business practices.

Corporate Governance at Braj Binani Group is a continuing process. The Group is committed to the adoption of good governance practices and their adherence in true spirit at all times. The Management endeavors the attainment of desired levels of transparency, accountability and enhanced Stakeholder Value over a sustained period of time through good corporate governance.

2. Board of Directors

Composition

The Company had a broad based Board and a fair representation of Executive, Non Executive and Independent Directors during the Financial Year 2013-14. As on 31st March, 2014, the Board of Directors of the Company consisted of 10 (Ten) Directors, 1 (One) of them being the Managing Director. The remaining 9 (Nine) directors were Non-Executive Directors out of which 6 (Six) were Independent Directors. The Directors possess rich experience in diverse fields.

Board Procedure

For each meeting, the Board is provided with relevant information on various matters related to working of the Company. The agenda is prepared in consultation with the Chairman of the Board. The agenda for the meetings of the Board together with the appropriate supporting documents are circulated well in advance of the meeting. Among other matters Board discussions generally relate to Company's business, financial results, review of the recommendations of the Audit Committee, and the compliances of regulations, statutory requirements, as applicable to the Company.

The Board plays a vital role by providing strategic direction and guidance which would enhance Shareholder Value.

The Board functions both as a full Board and through Committees. The Board of Directors and the Committees meet at regular intervals. There are 4 Committees namely Audit Committee, Investor Relations Committee, Remuneration Committee, and Finance Committee.

Board Meetings

The Board of Directors met 8 (Eight) times during the Financial Year 2013-14 on 23rd April, 2013, 17th June, 2013, 27th July, 2013, 24th August, 2013, 28th September, 2013, 30th October, 2013, 28th January, 2014 and 21st March, 2014. As stipulated, the gap between two Board meetings did not exceed four months.

The Board's composition, attendance of each Director and their Directorship / Committee Membership, Chairmanship in other Companies as on 31st March, 2014 is given below:

Name of the Director	Category of Directorship	Attendance at		Directorships in other Companies and other Membership/Chairmanship in Committees		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships ¹	Committee Chairmanship ¹
Mr. Braj Binani	Non Executive, Promoter Chairman	7	Yes	3	Nil	Nil
Mrs. Nidhi Singhania ⁵	Non Executive, Non-Independent Director	-	No	2	Nil	Nil
Ms. Shradha Binani ⁶	Non Executive, Non-Independent Director	6	Yes	1	Nil	Nil
Mr. P. Acharya ²	Executive, Whole-time Director	2	N.A.	1	Nil	Nil
Mr. Jotirmoy Ghose ⁴	Executive, Managing Director	3	N.A.	Nil	Nil	Nil

Name of the Director	Category of Directorship	Attendance at		Directorships in other Companies and other Membership/Chairmanship in Committees		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships ¹	Committee Chairmanship ¹
Mr. V. Subramanian	Non Executive, Independent Director	8	Yes	8	6	3
Mr. Ramkrishna Moogimane ⁷	Non Executive, Independent Director	6	Yes	1	Nil	1
Mr. T. R. C Nair ⁹	Non Executive, Independent Director	8	Yes	8	7	Nil
Mr. S. Sridhar	Non Executive, Independent Director	7	Yes	6	2	1
Mr. Jitender Balakrishnan ³	Non Executive, Independent Director	3	N.A.	12	3	1
Mr. M. D. Mallya ⁸	Non Executive, Independent Director	1	N.A.	-	-	1

- Positions in Audit Committee and Shareholders' Grievance Committee have been considered .
- Upto 15th July, 2013.
- Appointed as Director w.e.f. 30th September, 2013 and resigned w.e.f. 19th May, 2014.
- Appointed as Director w.e.f. 30th October, 2013.
- Upto 14th April, 2014.
- Upto 14th April, 2014.
- Upto 30th April, 2014.
- Appointed as Director w.e.f. 28th January, 2014 and resigned w.e.f. 26th May, 2014.
- Upto 24th July, 2014.

3. Audit Committee

Composition and attendance

The Company has complied with the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement (even though the same was not applicable) relating to the composition and terms of reference of the Audit Committee.

As on 31st March, 2014, the Audit Committee comprised of 4 (four) Independent Directors. The necessary quorum was present at all the meetings. During the year 2013-14, the Audit Committee met 4 (Four) times on 23rd April, 2013, 26th July, 2013, 29th October, 2013 and 27th January, 2014. As stipulated, the gap between two Committee meetings did not exceed four months.

The composition of the Audit Committee and the Attendance of Directors at its meeting is given hereunder:

Name of the Committee Member	Designation	Attendance
Mr. Jitender Balakrishnan ²	Chairman (Independent Director)	1
Mr. Ramkrishna Moogimane ¹	Member (Independent Director)	3
Mr. V. Subramanian ³	Member (Independent Director)	4
Mr. T. R. C Nair ⁵	Member (Independent Director)	4
Mr. S. Sridhar ⁴	Member (Independent Director)	N.A.

- Ceased to be a Member of the Committee w.e.f. 30th April, 2014.
- Appointed as Chairman of the Committee as on 26th October, 2013 and ceased to be the Chairman of the Committee w.e.f. 19th May, 2014.
- Appointed as Chairman of the Committee w.e.f. 19th May, 2014.
- Appointed as a Member of the Committee w.e.f. 19th May, 2014.
- Ceased to be a Member of the Committee w.e.f. 24th July, 2014.

The Company Secretary acts as the Secretary of the Committee. The Whole-time Director/Managing Director and Executive Director & CFO Group Control Accounts, also attended the meetings of the Audit Committee. Representatives of the Statutory Auditors and Internal Auditors are also invited to attend the meetings. Besides, the Executive Vice Chairman & Managing Director of Holding Company also attended the Meetings.

Brief description of Terms of reference

The terms of reference of Audit Committee includes the matters specified in section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement and broadly comprise as under:

1. Review of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. To recommend the appointment/re-appointment /replacement or removal of the Statutory Auditors and the fixation of audit fees and payment for any other services to Statutory Auditors;
3. Reviewing with the Management, the quarterly/half yearly and annual financial statements before recommendation to the Board focusing primarily on:
 - Any change in the accounting policies and practices;
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 217(2AA) of the Companies Act, 1956;
 - Major accounting entries involving estimates based on the exercise of judgment by Management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with Accounting Standards;
 - Compliance with other legal requirements relating to financial statements;
 - Disclosure of Related Party Transactions;
 - Qualifications in the draft Audit Report;
4. Reviewing the Company's financial and risk management policies;
5. Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency about the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter,
6. Review with the Management, performance of Statutory and Internal Auditors and adequacy of the internal control systems;
7. Review of the adequacy of internal audit function including reporting structure coverage and frequency of internal audit;
8. Discussion with Internal Auditors any significant findings and follow up there on;
9. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
10. Discussion with Statutory Auditors about the scope of audit including observation of Auditors (post-audit) to ascertain any area of concern;
11. To look into the reasons for substantial defaults in the payment, if any, to the Depositors, Debentureholders, Shareholders (in case of non-payment of declared dividends) and creditors;
12. Reviewing the functioning of the Whistle Blower mechanism, if any.

Powers of Audit Committee

The Audit Committee has the following powers:

- i) To investigate any activity within its terms of reference;

- ii) To seek any information from any employee;
- iii) To obtain outside legal or other professional advice; and
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

4. Shareholders'/Investors' Relations Committee

As on 31st March, 2014, the Shareholders' / Investor' Relations Committee comprised of 3 Independent Directors to ensure speedy disposal of the Share Transfer and Dematerialization requests received by the Company. The Committee, apart from overseeing the Share Transfer and Dematerialization, also reviews various investor complaints.

During the year 2013-14, Investor complaints were received mainly pertaining to the non receipt of dividend, exit offer and delisting of shares. All the Investor complaints have been resolved to the satisfaction of the complainants. As on 31.03.2014 there were no complaints pending to be resolved.

During the Financial Year 2013-2014, the Shareholders'/Investor' Grievance Committee met 3 (Three) times on 17th July, 2013, 28th September, 2013 and 5th December, 2013. The Company Secretary attends the meeting as the Secretary to the Committee.

The composition of the Shareholders'/Investors' Grievance Committee and the Attendance of Members at the meetings is given hereunder:

Name of the Committee Member	Designation	Attendance
Mr. Ramkrishna Moogimane ¹	Chairman (Independent Director)	2
Mr. V. Subramanian	Member (Independent Director)	2
Mr. T. R. C Nair ²	Member (Independent Director)	3

1. Ceased to be a Member of the Committee w.e.f. 30th April, 2014.
2. Ceased to be a Member of the Committee w.e.f. 24th July, 2014.

During the current year, the Committee has been renamed as "Stakeholders' Relationship Committee" in terms of provision of section 178 of the Companies Act, 2013.

The Company Secretary is designated as the Compliance Officer.

5. Remuneration Committee

The Remuneration Committee was constituted as required by Schedule XIII of the Companies Act, 1956 to recommend/review the remuneration package of the Managing / Whole-time Director.

During the Financial Year 2013-14, the Committee met once on 29th October, 2013. The Company Secretary attends the meeting as the Secretary to the Committee.

As on 31st March 2014, the Committee comprised of 3 (three) Independent Directors. The composition of the Remuneration Committee and the Attendance of Directors at its meeting is given hereunder:

Name of the Committee Member	Designation	Attendance
Mr. Ramkrishna Moogimane ¹	Chairman (Independent Director)	1
Mr. V. Subramanian	Member (Independent Director)	1
Mr. T. R. C Nair ²	Member (Independent Director)	1

1. Ceased to be a Member of the Committee w.e.f. 30th April, 2014.
2. Ceased to be a Member of the Committee w.e.f. 24th July, 2014.

During the current year, the Committee has been renamed as "Nomination and Remuneration Committee" in terms of provision of section 178 of the Companies Act, 2013.

Remuneration Policy

The Remuneration Policy of the Company is to remain competitive in the industry to attract and retain talent and appropriately reward its employees. The Company, while deciding the remuneration package, takes into consideration the following:

- Financial Position of the Company;
- Trend in the Industry;
- Appointee's qualification, experience, past performance, past remuneration etc;
- Neutral view while determining the remuneration package;
- Balance between interest of the Company and Shareholders.

Details of remuneration paid to the Managing Director/ Whole-time Director are as follows:

(₹ in Lakhs)

Name	Salary & Perquisites	Commission	Sitting Fees	Total
Mr. P. Acharya, Whole-time Director*	154.56	Nil	N.A	154.56
Mr. Jotirmoy Ghose, Managing Director**	63.04	Nil	N.A	63.04

* For the period from 1st April, 2013 to 15th July, 2013.

** For the period from 30th October, 2013 to 31st March, 2014.

Non-Executive Directors

Remuneration by way of sitting fees was paid to all Non-Executive Directors. The Company paid ₹ 20,000 by way of Sitting Fees for each Board Meeting and ₹ 10,000 for Committee Meetings. No commission was paid to the Non Executive Directors for the year 2013-14.

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the year 2013-14 other than the above.

None of the Directors held any shares of the Company as on 31st March 2014 except as Nominees of the Holding Company.

6. Finance Committee

The Board had constituted a Finance Committee of Directors inter alia delegating powers to avail various credit facilities including working capital facilities from Bankers/Financial Institutions, issuance of Corporate Guarantees, Creation of Security in favour of the lenders and to deal in matters related thereto.

The Committee met 8 (Eight) times during the Financial Year 2013-14 on 6th May, 2013, 25th May, 2013, 28th May, 2013, 30th May, 2013, 27th June, 2013, 28th October, 2013, 10th November, 2013 and 28th March, 2014. The Company Secretary attends the meeting as the Secretary of the Committee.

The composition of the Finance Committee and the Attendance of Directors at its meeting is given hereunder:

Name of the Committee member	Designation	Attendance
Mr. S Sridhar ¹	Chairman (Independent Director)	1
Mr. Ramkrishna Moogimane ³	Member (Independent Director)	2
Mr. V. Subramanian	Member (Independent Director)	8
Mr. T. R. C Nair ⁴	Member (Independent Director)	8
Mr. Jotirmoy Ghose ²	Member (Managing Director)	1

- Appointed as Member/ Chairman of the Committee w.e.f 30th October, 2013.
- Appointed as Member of the Committee w.e.f 30th October, 2013.
- Ceased to be a Member of the Committee w.e.f. 30th April, 2014.
- Ceased to be a Member of the Committee w.e.f. 24th July, 2014.

7. General Body Meetings

- a) The details of last three Annual General Meetings of the Company are as follows:

Year	Date	Time	Venue
2010-11	27th June, 2011	3.45 p.m.	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020
2011-12	4th August, 2012	2.15 p.m.	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020
2012-13	28th September, 2013	2.15 p.m.	Kala Mandir, 48, Shakespeare Sarani, Kolkata-700 017

- b) Details of Special Resolutions passed in the previous three Annual General Meetings (AGM) / Extra- ordinary General Meetings (EGM) are as under.

Date	Purpose of Special Resolution
10th December , 2013 (EGM)	1. To increase the overall limits for the Guarantee/Securities, intercorporate loans and investments upto ₹ 4610 Crores u/s 372A of the Companies Act, 1956;
	2. To grant authority to the Board to borrow upto ₹ 3000 Crores u/s 180(1)(c) of the Companies Act, 2013;
	3. To approve the appointment and remuneration of Mr. Jotirmoy Ghose, as the Managing Director of the Company.
28th September, 2013 (AGM)	To alter the Articles of Association of the Company
4th August, 2012 (AGM)	To alter in the Articles of Association of the Company
27th June, 2011 (AGM)	None

All the Special Resolutions placed before the Shareholders at the above meetings were approved with requisite majority.

Postal Ballot conducted during the year:

During the year under review, no Resolution was passed by Postal Ballot.

8. Disclosures

• Related Party Transaction

During the year under review, except the transactions reported in Notes to the Standalone Financial Statements and to the Balance Sheet as at 31st March, 2014, there were no other related party transactions with its Promoters, Directors and Management that had a potential conflict of interest.

• Disclosure of Accounting Treatment

Disclosures of accounting treatment, wherever applicable, have been made in the Audited Financial Statements for the year ended 31st March, 2014.

• Code of Conduct

The Board of Directors has adopted a "Code of Conduct" for the Board of Directors and Senior Management Personnel of the Company. The said Code of conduct is available on the Company's website www.binanicement.in. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration by the Managing Director of the Company affirming the compliance of the same by the Members of the Board and Senior Management Personnel in respect of the Financial Year ended on 31st March, 2014, is annexed and forms part of this Annual Report.

• Proceeds from Public Issue, Right Issue, Preferential Issue etc.

During the Financial Year 2013-2014, the Company has not issued and allotted any shares through Public Issue, Right Issue, and / or Preferential issue.

• Disclosure of Risk Management

The Company had identified certain risk areas with regard to the operations of the Company and taken steps for their mitigation, wherever possible. The Company's Board is conscious of the need to periodically review the risks mitigation process. The status of the same is reviewed by the Audit Committee periodically.

- Details of Non-Compliance.**

There were no instances of non-compliance on any matter relating to the capital market when the shares were listed.

- MD/CFO Certification**

Certificate from Managing Director or Whole-time Director/ Chief Financial Officer, in respect of the quarterly/annual financial statements are placed at the Board meetings for review by the Board.

- Subsidiary Companies**

The Company presently has six overseas subsidiaries namely Mukundan Holdings Limited, Krishna Holdings Pte. Limited, Murari Holdings Limited, Shandong Binani Rongan Cement Co. Limited, Binani Cement Factory LLC, Dubai and Bhumi Resources (Singapore) Pte. Limited and four Indian Subsidiaries namely Swiss Merchandise Infrastructure Limited, Merit Plaza Limited, Binani Energy Private Limited and Binani Ready Mix Concrete Limited. The Audit Committee reviews the Financial Statements of the Subsidiaries. The Minutes of the Subsidiary Companies are also placed at the meetings of the Board of Directors of the Company on a regular basis.

- General Shareholder Information**

A	Annual General Meeting		
	Date and Time	29th September, 2014 at 2.00 p.m.	
	Venue	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020	
B	Financial Calendar	1st April, 2014 to 31st March, 2015	
	Results for : First quarter	On or before 14th August, 2014	
	Second quarter	On or before 14th November, 2014	
	Third quarter	On or before 14th February, 2015	
	Fourth quarter	Annual Audited Results – On or before 30th May, 2015.	
C	Date of Book Closure	24th September, 2014 to 29th September, 2014 (both days inclusive)	
D	Registered Office	Upto 31st August, 2014 601, Axis Mall, 6th Floor, Block – C, Action Area – I, New Town, Rajarhat Kolkata- 700156 Tel No.: 033-2324 0049/0063/0069	W.e.f. 1st September, 2014 37/2, Chinar Park, New Town, Rajarhat Main Road P.O. Hatiara Kolkata- 700157 Tel No.: 033-3262 6795/6796
E	Registrar and Share Transfer Agents	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S Marg, Bhandup (W), Mumbai- 400078 Phone: 022-25946970 Fax No: 022-25946969	
F	ISIN for NSDL and CDSL	INE042H01019	
G	Corporate Identification Number (CIN)	U26941WB1996PLC076612	

H. Shareholding Pattern as on 31st March, 2014

a) Category of Equity Shareholders as on 31st March, 2014

S. No.	Category	No. of Shareholders	No. of Shares	% of Total Holding
1.	Promoter & Promoter Group	8	185,649,544	98.43
2.	Bodies Corporate	144	494,843	0.26
3.	Individuals	13,343	2,376,790	1.26
4.	Others	200	80,097	0.05
	Total	13,695	188,601,274	100.00

b) Distribution of Equity Shareholding as on 31st March, 2014.

No of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares
01-500	12,798	93.44	1,436,416	0.76
501-1000	603	4.40	430,962	0.23
1001-2000	221	1.61	282,487	0.15
2001-3000	27	0.20	69,450	0.04
3001-4000	10	0.08	34,655	0.02
4001-5000	17	0.12	81,093	0.04
5001-10000	13	0.10	107,901	0.06
10001 and above	6	0.05	186,158,310	98.70
Total	13,695	100.00	188,601,274	100.00

I. Share Transfer System

All matters pertaining to transfer of shares in physical form are being handled by Link Intime India Private Limited, Registrar and Share Transfer Agents of the Company. The share transfer requests are processed by them and a Memorandum of Transfer is sent to the Company for approval by the Shareholders' / Investor' Relations Committee. The average time taken for processing share transfer requests including dispatch of share certificates is generally 15 days, while it takes generally 10-12 days for processing dematerialization requests. The Company regularly monitors and supervises the functioning of the systems so as to ensure that there are no delays or lapses in the systems.

J. Dematerialization of shares and liquidity

The Company's 99.99% shares were in dematerialized form as on 31st March, 2014.

K. Investor Correspondence

Share Transfer Agents	For General Queries
Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S Marg, Bhandup (W) Mumbai- 400078 Phone: 022-25946970 Fax No: 022-25946969 Email: rajesh.mishra@linkintime.co.in	Mr. Amit Kumar Gupta Company Secretary and Compliance Officer Binani Cement Limited Mercantile Chambers 12, J. N. Heredia Marg, Ballard Estate, Mumbai-400001 Tel:+91-22-30263000 Fax: +91-22-22634960 Email: amit.gupta@binani.net

Note: The information given hereinabove is as at 31st March, 2014, unless otherwise stated.

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

All the Members of the Board of Directors of the Company and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2014.

Jotirmoy Ghose
Managing Director

Place : Mumbai
Dated : 30th May, 2014

INDEPENDENT AUDITORS' REPORT

To,
The Members of Binani Cement Limited

Report on the Financial Statements

We have audited accompanying financial statements of **BINANI CEMENT LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management' Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of The Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters:

1. We draw attention to Note No.52 to the financial statements, relating to the order of the Competition Commission of India (CCI), concerning alleged contravention of the provisions of the Competition Act, 2002 and thereby imposed penalty of ₹ 16,732 Lakhs (excluding interest, if any) on the Company. The Company is advised by external legal counsel that it has a good case for the Competition Appellate Tribunal setting aside the order passed by CCI, and accordingly no provision has been considered necessary by the Company in this regard. Our opinion is not qualified in respect of this matter.
2. We draw attention to Note No. 28 to the financial statements, relating to Sales Tax Matters as per the order there is liability on the Company for Interest of ₹ 27,767.68 Lakhs. The Company has filed an application with Commissioner, Commercial Tax Department, Jaipur for waiver of Interest under Section 51 of Rajasthan Value Added Tax Act and management is of the view that it has a good case of getting waiver from the department for Interest and hence provision of interest is not required. Our opinion is not qualified in respect of this matter.
3. With reference to the note no 26 (xxiii) to the financial statement regarding guarantees aggregating of ₹ 2,28,896.91 Lakhs issued by the Company to banks and financial institutions -in respect of loans given to its subsidiaries, step down subsidiaries and to Holding Company and its subsidiaries, step down subsidiaries, which are significant in relation to the net worth of the Company at the year end. In the opinion of the management, these are not expected to result into any financial liability to the Company.

Other matters:

1. We draw attention to note number 54, regarding appointment of company secretary.
2. The Company has also invested ₹ 80,704.09 Lakhs in its two subsidiaries Net worth of which is partly eroded however the management is of the view that the subsidiaries will make profit in near future and the erosion of the Net worth is of temporary nature hence provision of the same is not required.
3. With reference to Short term Loan given to Holding Company of ₹ 114,857.24 Lakhs, as per the Management, the said loan will be repaid by the Holding Company through sales proceeds received by divesting Investment of Holding Company in Equity Shares of Binani Cement Limited.
4. With reference to Loan given to its Holding Company, the Company has not taken an approval from a financial institution as per section 372 A of Companies Act, 1956.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, ("the order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. As required by section 227(3) of the Act, 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 purpose 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, 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 comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of The Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013.
 - e) On the basis of the written representations received from the directors, as on March 31, 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For Kanu Doshi Associates

Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh

Partner
Membership No.114622

Place : Mumbai
Date : 30th May, 2014.

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of BINANI CEMENT LIMITED on the financial statements for the year ended 31st March, 2014]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) As explained to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory 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 is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) As per information and explanations given to us, the Company has neither granted nor taken loan, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the sub-clauses (b), (c), (d), (f) and (g) of clause (iii) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) To the best of our knowledge and belief and according to the information and explanations given to us that there are no transactions, particulars of contracts or arrangements required to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956. Accordingly, clause (v) (b) of the order is not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (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 in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues barring delays in certain months 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 other material statutory dues applicable to it.

(b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Duty on DEPB licenses	6.77	2000-01	Commissioner of Customs, Kandla
Central Excise Act, 1944	Cenvat credit on welding electrodes	5.02	2006 to 2008	Commissioner (Appeals), Jaipur II
Central Excise Act, 1944	Cenvat credit on welding electrodes	3.11	2008 to 2010	Commissioner (Appeals), Jaipur II
Customs Act, 1962	Differential Custom Duty	30.61	2002-03 & 2003-04	Hon'ble High Court, Gujarat
Customs Act, 1962	Differential Custom Duty	42.16	2008-2009	CESTAT, Ahmedabad
Customs Act, 1962	Differential Custom Duty	3,066.92	2011 to 2013	Appeal to be filed before CESTAT, Ahmedabad.
Central Excise Act, 1944	Excise Duty on Sale - Penalty	1.00	2006-07 & 2007-08	CESTAT, Delhi
Central Excise Act, 1944	Cenvat on Capital Goods	2.38	2009-10 & 2010-11	CESTAT, Delhi
Central Excise Act, 1944	Cenvat on Capital Goods	56.96	2007 to 2010	Appeal to be filed before CESTAT, Delhi.
Central Excise Act, 1944	Cenvat on Capital Goods	1.84	2011-12	CESTAT, Delhi.
Central Excise Act, 1944	Cenvat on Capital Goods	13.10	2007-08 & 2008-09	CESTAT, Delhi.
Central Excise Act, 1944	CENVAT Credit on Service Tax	65.37	2008 to 2010	CESTAT, Delhi
Central Excise Act, 1944	CENVAT Credit on Service Tax	1.76	2005-06 & 2006-07	CESTAT, Delhi
Central Excise Act, 1944	CENVAT Credit on Service Tax	2.65	2009-10 & 2010-11	CESTAT, Delhi
Central Excise Act, 1944	Penalty imposed on service tax	7.20	2007-08	CESTAT, Delhi
Rajasthan Sales Tax Act, 1994	Sales tax on freight and credit notes	70.21	1997-98	Hon'ble High Court, Jodhpur
Rajasthan Sales Tax Act, 1994 / CST Act, 1956	Difference amount of Central Sale Tax	60.52	2005-2007	Hon'ble High Court, Jodhpur
Rajasthan Sales Tax Act, 1994	Sales Tax matters	0.50	2005-06	Hon'ble High Court, Jodhpur
UP Trade tax / Entry tax	UP tax on entry of goods	184.37	2003-04 to 2008-09	Various appellate authorities
UP Trade tax / Entry tax	UP tax on entry of goods	16.32	2009-10	Hon'ble Allahabad High Court
UP Trade tax / Entry tax	Penalty for Late deposit of U P VAT	8.64	2009-10	Commercial Taxes Tribunal, Ghaziabad
UP Trade tax / Entry tax	Penalty	0.15	2011-12	Additional Commissioner (Appeals) commercial taxes, Ghaziabad
UP VAT Act, 2008	UP VAT demand	3.29	2008-09	Additional Commissioner (Appeals), Ghaziabad
UP VAT Act, 2008	UP VAT demand	2.41	2009-10	Commercial Tax Tribunal, Ghaziabad
UP VAT Act, 2008	UP VAT demand	1.70	2010-11	Commercial Tax Tribunal, Ghaziabad
UP VAT Act, 2008	Late deposit of U P VAT	59.61	2013-14	Appeal to be filed before Additional Commissioner (Appeals), Ghaziabad
Rajasthan Tax on Entry of Goods into Local Area Act, 1999	Entry Tax	2,342.73	2006-07 to 2013-14	Hon'ble Rajasthan High Court
Rajasthan Finance Act, 2006	M R Cess	2,283.81	2008-09 to 2013-14	Hon'ble High Court, Jodhpur
Rajasthan Sales Tax Act, 1994	Sales Tax Exemption	36,710.64	1998-99 to 2005-06	Hon'ble Supreme Court / Commercial Taxes Department, Jaipur
Rajasthan Value Added Tax Act, 2003	VAT/CST Deferment	22,294.74	2007-08 to 2011-12	Hon'ble High Court, Jaipur / Commercial Taxes Department, Jaipur

Rajasthan Value Added Tax Act, 2003	VAT/CST Deferment	4,692.45	2006-07 to 2007-08	Hon'ble Supreme Court / Commercial Taxes Department, Jaipur
Rajasthan Value Added Tax Act, 2003	Sales Tax matters-ITC	489.83	2007-08 to 2010-11	Hon'ble Appellate Authority, Jodhpur
Income Tax Act, 1961	Income Tax Matters	2,564.59	2009-10 to 2011-12	Commissioner of IncomeTax (Appeals)
Rajasthan Finance Act, 2006	Land Tax	1,753.50	2006-07 to 2012-13	Hon'ble High Court, Jaipur
Competition Act, 2002	Penalty	16,732.00	2012	CompAT

- (x) The Company does not have accumulated losses at the end of the year; it has incurred cash losses only during the current financial year but has not incurred any cash loss during the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, there have been defaults in the repayment of dues to financial institutions and banks as under:

Principal Amount (₹ in Lakhs)	Interest Amount (₹ in Lakhs)	Remark
6,012.23	5,330.96	Term Loan
2,500.00	35.18	Commercial Paper
4,126.00	--	L C devolved
--	9.48	C C Over drawn

- (xii) According to information and explanation given to us, 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) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prima facie prejudicial to the interest of the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans availed by the Company were, *prima facie*, applied by it during the year for the purpose for which the loans were raised, other than temporary deployment in deposits with banks, pending application of those loans.

- (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 purpose.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xix) There are no debentures outstanding at the year end.
- (xx) The Company has not raised any money by way of public issues 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 auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For Kanu Doshi Associates

Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh

Partner
Membership No.114622

Place : Mumbai
Date : 30th May, 2014.

BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2014	31st March, 2013
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	1	18,860.38	18,860.38
Reserves and Surplus	2	39,040.96	58,753.34
		<u>57,901.34</u>	<u>77,613.72</u>
NON-CURRENT LIABILITIES			
Long-Term Borrowings	3	188,249.08	103,984.35
Deferred Tax Liabilities (Net)	42	10,250.68	19,873.30
Other Long Term Liabilities	4	4,096.76	3,520.17
Long Term Provisions	5	196.02	201.56
		<u>202,792.54</u>	<u>127,579.38</u>
CURRENT LIABILITIES			
Short-Term Borrowings	6	15,259.47	4,852.54
Trade Payables	41	54,359.70	51,221.01
Other Current Liabilities	7	88,699.50	74,662.46
Short-Term Provisions	8	164.84	169.88
		<u>158,483.51</u>	<u>130,905.89</u>
TOTAL		<u><u>419,177.39</u></u>	<u><u>336,098.99</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	9		
Tangible Assets		111,440.58	119,294.61
Intangible Assets		244.55	395.06
Capital Work-In-Progress		16,577.08	13,988.94
Non-Current Investments	10	105,930.05	103,823.17
Long Term Loans and Advances	11	31,806.71	16,909.40
		<u>265,998.97</u>	<u>254,411.18</u>
CURRENT ASSETS			
Inventories	12	24,817.66	14,832.29
Trade Receivables	13	27.22	174.63
Cash and Bank Balances	14	4,479.39	7,507.12
Short-Term Loans and Advances	15	120,014.60	58,904.09
Other Current Assets	16	3,839.55	269.68
		<u>153,178.42</u>	<u>81,687.81</u>
TOTAL		<u><u>419,177.39</u></u>	<u><u>336,098.99</u></u>
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	24		

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh
Partner
Membership No.114622

Place : Mumbai
Date : 30th May, 2014

K. K. Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

Place : Mumbai
Date : 30th May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2014	31st March, 2013
Revenue from operations (Gross)	17	211,928.44	255,553.09
Less: Excise Duty		26,857.40	33,858.63
Revenue from operations (Net)		185,071.04	221,694.46
Other Income	18	11,153.17	6,323.38
Total Revenue		196,224.21	228,017.84
Expenses :			
Cost of materials consumed	19	32,998.91	29,731.38
Purchase of Stock-in-Trade	44	6,264.60	1,883.03
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(6,831.55)	(1,597.02)
Employee Benefit Expenses	21	6,343.07	5,786.54
Financial Costs	22	27,325.14	21,089.69
Depreciation and Amortization Expense		10,533.31	10,542.86
Other Expenses	23	132,997.41	145,081.58
Total Expenses		209,630.89	212,518.06
Profit/ (Loss) before exceptional and extraordinary items and tax		(13,406.68)	15,499.78
Exceptional Items		(15,928.32)	-
Profit/ (Loss) before extraordinary items and tax		(29,335.00)	15,499.78
Extraordinary Items		-	-
Profit/ (Loss) Before Tax		(29,335.00)	15,499.78
Tax expense:			
Current Tax		-	3,107.00
Deferred Tax		(9,622.62)	410.30
Profit/ (Loss) for the period from continuing operations		(19,712.38)	11,982.48
Profit/ (Loss) for the period		(19,712.38)	11,982.48
Earning per equity share (in ₹):	47		
Basic		(10.45)	6.35
Diluted		(10.45)	6.35
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	24		

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh
Partner
Membership No.114622

Place : Mumbai
Date : 30th May, 2014

K. K. Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

Place : Mumbai
Date : 30th May, 2014

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 1

SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
AUTHORISED		
423,899,600 Equity Shares (Previous Year 423,899,600) of ₹ 10/- each	42,389.96	42,389.96
	42,389.96	42,389.96
ISSUED, SUBSCRIBED AND PAID UP		
188,601,274 (Previous Year 188,601,274) Equity Shares of ₹ 10/- each fully paid-up	18,860.13	18,860.13
Add: Amount paid up on forfeited Shares	0.25	0.25
TOTAL	18,860.38	18,860.38

- 185,649,464 - 98.43% (Previous year 185,649,464 - 98.43%) Equity Shares of ₹ 10/- each fully paid-up held by the Holding Company - Binani Industries Limited and its nominees.
- 14,500,000 Equity Shares have been bought back in financial year 2010-11 under tender offer route and later extinguished.
- Reconciliation of number of shares outstanding at the beginning and at the end of the year:

PARTICULARS	31st March, 2014		31st March, 2013	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Outstanding at the beginning of the year	188,601,274	18,860.13	188,601,274	18,860.13
Outstanding at the end of the year	188,601,274	18,860.13	188,601,274	18,860.13

- Terms / Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE NO. - 2

RESERVE & SURPLUS

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
CAPITAL REDEMPTION RESERVE				
As per Last Balance Sheet	1,450.00		1,450.00	
Add / Less : Transfer from / (to) Profit and Loss Account	-	1,450.00	-	1,450.00
DEBENTURE REDEMPTION RESERVE				
As per Last Balance Sheet	-		438.00	
Add / Less : Transfer from / (to) Profit and Loss Account	-	-	(438.00)	-
GENERAL RESERVE				
As per Last Balance Sheet	7,843.00		7,843.00	
Add : Transferred from Profit and Loss Account	-	7,843.00	-	7,843.00
BALANCE IN PROFIT & LOSS ACCOUNT				
As per Last Balance Sheet	46,732.70		34,312.22	
Transferred from Profit and Loss Account	(19,712.38)		11,982.48	
	27,020.32		46,294.70	
Transfer (to) / from Debenture Redemption Reserve	-	27,020.32	438.00	46,732.70

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 2 (Contd.)

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
	FOREIGN CURRENCY TRANSLATION RESERVE			
As per Last Balance Sheet	2,727.64		1,782.55	
Add : Exchange Difference during the year on net Investment in non integral foreign operations	-	2,727.64	945.09	2,727.64
TOTAL		39,040.96		58,753.34

NOTE NO. - 3

LONG TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
TERM LOANS (REFER NOTE NO. 32 A (I & II))		
From Bank		
- Secured	150,249.08	102,173.21
Financial Institutions		
- Secured	38,000.00	376.26
DEFERRED PAYMENT LIABILITIES		
Unsecured (Refer note no. 28)	-	1,434.88
TOTAL	188,249.08	103,984.35

NOTE NO. - 4

OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Trade Deposits	4,096.76	3,520.17
TOTAL	4,096.76	3,520.17

NOTE NO. - 5

LONG TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
For Leave Encashment	196.02	201.56
TOTAL	196.02	201.56

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 6

SHORT TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
LOANS REPAYABLE ON DEMAND				
From Bank				
- Secured (Refer note no. 32 B)		9,709.64		4,103.48
From Others				
- Unsecured (Inter Corporate Deposits)		1,015.16		-
OTHER LOANS AND ADVANCES				
- Secured (Refer note no. 32 A(II))	2,034.67		749.06	
- Unsecured - From Bank (Refer note no. 33)	2,500.00	4,534.67	-	749.06
TOTAL		15,259.47		4,852.54

NOTE NO. - 7

OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
Current maturities of Long term debt (Refer note no. 28 and 32 A (I & II))	31,810.69		41,754.57	
Interest accrued but not due on borrowings	461.98		15.06	
Interest accrued and due on borrowings	5,366.15		-	
Unpaid dividends	19.06		19.17	
Statutory Dues Payable	46,114.33		28,969.18	
Advance from customers	4,927.29	88,699.50	3,904.48	74,662.46
TOTAL		88,699.50		74,662.46

NOTE NO. - 8

SHORT TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
PROVISION FOR EMPLOYEE BENEFITS				
For Gratuity	128.74		141.69	
For Leave Encashment	36.10	164.84	28.19	169.88
TOTAL		164.84		169.88

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. 9

FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross Block			Depreciation/Amortisation			Net Depreciated Block		
	As at 1st April, 2013	Additions during the Period	Sales/Transfers/Adjustments	Total as at 31st March, 2014	As at 1st April, 2013	Additions during the Period	Sales/Transfers/Adjustments	Total as at 31st March, 2014	Total as at 31st March, 2013
Fixed Assets									
Tangible assets									
Freehold Land	8,998.23	-	-	8,998.23	-	-	-	8,998.23	8,998.23
Leasehold Land	56.33	-	-	56.33	8.92	0.58	-	46.83	47.41
Building* (Including Roads)	8,613.91	136.77	-	8,750.68	3,263.41	378.84	-	5,108.43	5,350.50
Plant and Machinery*	179,621.28	2,335.46	176.92	181,779.82	77,756.79	9,751.37	148.16	94,419.82	101,864.49
Railway Sidings	2,965.17	14.67	-	2,979.84	656.97	142.03	-	2,180.84	2,308.20
Mine Exploration & Developments**	784.12	-	-	784.12	508.85	52.92	-	222.35	275.27
Furniture & Fixtures	284.50	10.88	2.21	293.17	223.98	13.19	1.56	57.56	60.52
Vehicles	285.70	79.23	5.78	359.15	163.24	41.12	5.08	159.87	122.46
Office and Other Equipments	576.53	27.90	6.79	597.64	309.00	48.26	6.27	246.65	267.53
Total Tangible assets	202,185.77	2,604.91	191.70	204,598.98	82,891.16	10,428.31	161.07	111,440.58	119,294.61
Intangible Assets									
Computer Software	871.06	-	61.99	809.07	476.00	105.10	16.58	244.55	395.06
Total Intangible assets	871.06	-	61.99	809.07	476.00	105.10	16.58	244.55	395.06
Total Fixed assets	203,056.83	2,604.91	253.69	205,408.05	83,367.16	10,533.41	177.65	111,685.13	119,689.67
Total Previous year	195,753.33	8,517.49	1,213.99	203,056.83	73,782.60	10,543.01	958.45	119,689.67	
Capital Work-in-Progress								16,577.08	13,988.94

* 1. Buildings includes assets built on land not owned by the Company ₹ 398.02 Lakhs (Previous year ₹ 398.02 Lakhs).

2. Plant & Machinery includes assets built on land not owned by the Company ₹ 226.34 Lakhs (Previous year ₹ 226.34 Lakhs).

** Includes expenses of ₹ 26.57 Lakhs incurred for development of new Mine area from which ores are not yet extracted.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 10

NON CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
Trade (valued at cost unless stated otherwise)				
Investment in Equity shares of Subsidiaries				
Unquoted				
77,005,000 fully paid up Shares (previous year 75,600,000 shares) of Mukundan Holdings Ltd. of US Dollar 1 each		36,936.70		36,096.24
48,749,925 Fully paid up Shares (previous year 48,749,925 shares) of Krishna Holdings Pte. Ltd., Singapore of Singapore Dollar 1 each		15,798.84		15,798.84
54,805,000 fully paid up (previous year 49,300,000 fully paid-up) Shares of Murari Holdings Ltd. of US Dollar 1 each		27,447.81		24,298.04
15,000,000 fully paid up Shares (previous year 15,000,000) of Bhumi Resources (Singapore) Pte. Ltd. of US Dollar 1 each		6,797.53		6,797.53
50,000 Fully paid up Shares (previous year 50,000) of Merit Plaza Ltd. of ₹ 10 each		5.00		5.00
50,000 Fully paid up Shares (previous year 50,000) of Swiss Merchandise Infrastructure Ltd. of ₹ 10 each		5.00		5.00
6,209,000 Fully paid up shares (previous year 6,209,000) of Binani Ready Mix Concrete Ltd. of ₹ 10 each	296.40		296.40	
Less : Investments written-off	296.40	-	-	296.40
10,000 Fully paid up shares (previous year 10,000) of Binani Energy Pvt. Ltd. of ₹ 10 each		3.18		3.18
Investment in Preference shares of Subsidiaries				
Unquoted				
9,631,835 fully paid up (previous year 9,631,835 fully paid-up) 8% Cumulative Preference Shares of Krishna Holdings Pte. Ltd., Singapore of Singapore Dollar 1 each		2,616.41		2,616.41
15,000,000 fully paid up (previous year nil) 6% Non-Cumulative Preference Shares of Mukundan Holdings Ltd. of US Dollar 1 each		8,079.00		-
15,300,000 fully paid up (previous year nil) 6% Non-Cumulative Preference Shares of Murari Holdings Ltd. of US Dollar 1 each		8,240.58		-
Aggregate value of Unquoted Investments		<u>105,930.05</u>		<u>85,916.64</u>
Advance for Investments in Subsidiaries				
Murari Holdings Ltd.	-		9,716.65	
Mukundan Holdings Ltd.	-	-	8,189.88	17,906.53
TOTAL		<u>105,930.05</u>		<u>103,823.17</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 11

LONG TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
	Unsecured considered good			
Capital Advances (Includes ₹ 3,625 Lakhs (previous year ₹ 1,000 Lakhs) to a related party BIL Infratech, Fellow Subsidiary)	13,802.12		1,875.03	
Security Deposits	668.03		900.81	
Loans and Advances to Subsidiary Companies (Refer note no. 46 for related parties)	10,151.00		9,776.00	
Advances recoverable in cash or in kind	473.70		386.47	
Advance Tax Including Tax deducted at Source (net)	2,823.08		82.31	
MAT Credit Entitlement	3,877.99		3,877.99	
Fringe Benefit Tax (net)	10.79	31,806.71	10.79	16,909.40
TOTAL		31,806.71		16,909.40

NOTE NO. - 12

INVENTORIES (REFER NOTE NO. 24)

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
	Raw Material and Packing Material ((Includes ₹ 12.55 Lakhs in transit), (Previous year ₹ 18.44 Lakhs))	1,669.35		1,203.76
Work - In - Process	20.71		72.99	
Finished Goods	11,904.32		4,032.62	
Stores and Spares parts and Fuel ((Includes ₹ 15.96 Lakhs in transit), (Previous year ₹ 271.11 Lakhs))	11,205.88		9,502.38	
Loose Tools Stock	17.40	24,817.66	20.54	14,832.29
TOTAL		24,817.66		14,832.29

NOTE NO. - 13

TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
	Unsecured, considered good			
Other Debts - (less than six months) - (includes due from related party ₹ nil (previous year ₹ 174.63 Lakhs, refer note no. 46))		27.22		174.63
Unsecured, considered doubtful (from related party, refer note no. 46)				
Debts outstanding for a period exceeding six months	168.45		-	
Less : Receivables written-off	168.45	-	-	-
TOTAL		27.22		174.63

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 14

CASH & BANK BALANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
CASH & CASH EQUIVALENTS				
Balances with Banks :				
Current Accounts	540.13		2,033.76	
Cheques, drafts on hand	402.08		-	
Cash on hand	4.26	946.47	10.10	2,043.86
OTHER BANK BALANCES				
Deposit Accounts (original maturity of more than 3 months) (in margin Accounts)	3,513.80		5,444.03	
Dividend Accounts	19.12	3,532.92	19.23	5,463.26
TOTAL		4,479.39		7,507.12

NOTE NO. - 15

SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
Loans and advances to related parties (Unsecured considered good)				
Due from Subsidiary Companies (Refer note no. 46 for related parties)	185.00		-	
Less : Dues written-off	185.00		-	
	-		-	
Inter Corporate Deposits to Holding Company (Refer note no. 46 for related parties)	114,857.24	114,857.24	54,704.00	54,704.00
Others (Unsecured considered good)				
Advances recoverable in cash or in kind	2,302.79		2,055.46	
Balance with Statutory Authorities	2,854.57	5,157.36	2,144.63	4,200.09
TOTAL		120,014.60		58,904.09

NOTE NO. - 16

OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
Interest Receivable (Includes ₹ 3,601.07 Lakhs from a related party Binani Industries Ltd., Holding Company)	3,709.98		135.82	
Assets held for disposal	31.31		45.00	
Forward Contract Premium (Unamortised)	98.26	3,839.55	88.86	269.68
TOTAL		3,839.55		269.68

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 17

REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
	Quantity (MT)	Value	Quantity (MT)	Value
Sale of Products				
Cement *	5,136,932	209,582.20	5,680,553	254,906.09
Other Traded Goods		1,481.38		-
Other operating revenues		864.86		647.00
		211,928.44		255,553.09
Less : Excise Duty		26,857.40		33,858.63
TOTAL		185,071.04		221,694.46

* Sales include sale of traded goods of 119,764.35 MT amounting to ₹ 5,194.01 Lakhs (Previous year 43,952.75 MT amounting to ₹ 2,065.93 Lakhs) and self consumption of 696.68 MT amounting to ₹ 18.31 Lakhs (Previous year 1,494.36 MT amounting to ₹ 41.37 Lakhs).

NOTE NO. - 18

OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Interest Income (Inter Corporate Deposits)	10,337.16	5,980.53
Interest Income (Fixed Deposits)	309.98	127.18
Interest Income (Others)	146.57	49.11
Dividend Received (Current Investment)	-	50.99
Other Miscellaneous Income	359.46	115.57
TOTAL	11,153.17	6,323.38

NOTE NO. - 19

COST OF MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Limestone	5,764.53	6,618.03
Silica Sand (with iron ore / red ocher)	55.56	58.10
Gypsum	5,275.40	5,252.42
Fly Ash	9,555.80	7,722.40
Packing Materials	9,372.18	9,316.69
Purchased Clinker	2,975.44	763.74
TOTAL	32,998.91	29,731.38

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 20

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

PARTICULARS	31st March, 2014		31st March, 2013	
	(Increase)/Decrease in Work-in-Process			
Opening Stock	72.99		51.33	
Closing Stock	20.71	52.28	72.99	(21.66)
(Increase)/Decrease in Finished Stocks				
Opening Stock	4,032.62		2,172.57	
Closing Stock	11,904.32	(7,871.70)	4,032.62	(1,860.05)
Excise Duty - on Cement / Clinker stock and samples etc.		987.87		284.69
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(6,831.55)		(1,597.02)

NOTE NO. - 21

EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Salaries and Wages	5,559.77	5,051.93
Contribution to Provident and other Funds	341.71	310.20
Gratuity Expenses	63.20	138.40
Workmen and Staff Welfare Expenses	378.39	286.01
TOTAL	6,343.07	5,786.54

NOTE NO. - 22

FINANCE COSTS

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Interest expenses	25,380.74	20,242.80
Other borrowing costs	1,846.29	728.16
(Gain) / Loss on foreign currency transactions (net)	98.11	118.73
TOTAL	27,325.14	21,089.69

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 23

OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Power & Fuel	51,503.26	55,385.83
Freight and Loading Expenses on Clinker Transfer	4,388.72	5,462.71
Consumption of Stores and Spares	5,736.76	4,929.37
Repairs and Maintenance		
- Buildings	175.88	169.68
- Plant and Machinery	1,518.56	1,218.46
- Others	101.99	105.49
Other Operating Expenses	2,246.87	2,153.61
Rent	514.91	423.47
Insurance	630.06	649.99
Rates and Taxes	514.94	780.65
Exchange Fluctuation (net)	1,882.08	1,601.58
Advertisement and Sales Promotion	316.19	11.54
Royalty on Trademark	5,500.52	11,045.13
Directors Fee	14.72	12.27
Freight & Forwarding	47,324.84	50,376.57
Commission	3,291.16	3,456.39
Loss on sale / discard of Fixed Assets (net)	25.17	224.28
Management Services Fee	3,886.50	3,938.50
Miscellaneous Expenses	3,424.28	3,136.06
TOTAL	132,997.41	145,081.58

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 24

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, except where impairment is made and on accrual basis in accordance with accounting principles generally accepted in India and the provisions of the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013. Accounting policies have been consistently applied by the Company and are consistent with those used in the Previous Year.

USE OF ESTIMATES

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

REVENUE RECOGNITION

- a) Domestic sales are accounted for on transfer of substantial risks and rewards which generally coincides with dispatch of products to customers and Export sales are accounted for on the basis of dates of Bill of Lading. Sales are net of Rebate & Discount.
- b) In case of sale of Carbon Credits, (Certified Emission Reductions), revenue is recognized on submission of application with UNFCCC after execution of agreement with the buyer.
- c) Export benefits are accounted for on the basis of application filed with the appropriate authority.
- d) Dividend income on investments is accounted for when the right to receive the payment is established. Interest income is recognised on accrual basis.

ACCOUNTING OF CLAIMS

- a) Claims receivable are accounted for at the time when reasonable certainty of receipt is established. Claims payable are accounted for at the time of acceptance.
- b) Claims raised by Government Authorities regarding taxes and duties, are accounted for based on the merits of each claim. If same is disputed by the Company, these are shown as 'Contingent Liabilities'.

FIXED ASSETS

Fixed Assets are stated at cost, net of Cenvat less accumulated depreciation and impairment loss (if any). Cost includes trial run and stabilization expenses, interest, finance costs and incidental expenses up to the date of capitalization less specific grants received, if any.

INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any.

DEPRECIATION AND AMORTISATION

Depreciation on Plant and Machinery is provided on Straight Line Method, at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 as applicable for continuous process plant except silos where the general rate of depreciation is considered.

Depreciation on other Fixed Assets has been provided on Written Down Value Method at the rates and in the manner prescribed as per Schedule XIV of the Companies Act, 1956 including asset constructed on land not owned by the Company. However Buildings & Roads inside plant are treated as Factory Buildings and depreciation is charged accordingly.

The total expenditure on mine exploration and development is amortised in the ratio of ore extracted to the total estimated exploitable reserves.

Leasehold Land is amortised on a straight-line basis over the period of lease.

Assets having individual value below ₹ 5,000 is depreciated @ 100% and mobile phones are charged to revenue considering their useful life to be less than one year.

Expenditure on major computer software is amortised on a straight-line method over the period of five years.

IMPAIRMENT OF ASSETS

At the end of each reporting period, the Company determines whether a provision should be made for impairment loss on assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI. An impairment loss is charged to the Profit and Loss account in the period in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in the earlier accounting periods is reversed, if there has been a change in the estimate of recoverable amount.

VALUATION OF INVENTORIES

Raw Material, Fuel (except for coal lying at Port), Packing materials, Stores & Spares is valued at lower of moving weighted average cost (net of Cenvat) and net realisable value. Coal lying at Port is valued at lower of cost on specific consignment basis plus custom duty and net realisable value. Loose Tools are charged over a period of three years. However, materials held for use in the production of inventories are not written down below cost if the finished products in which they are used and expected to be sold at or above cost.

Finished Goods and Work – in – process is valued at lower of weighted average cost and net Realisable Value. Cost for this purpose includes direct cost & attributable overheads and Cost of finished goods also includes excise duty.

CONTINGENCIES / PROVISIONS

A provision is recognised when an enterprise 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 required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

INVESTMENTS

Investments classified as long term investments are stated at cost. Provision is made to recognise any diminution, other than temporary, in the value of such investments. Current Investments are carried at lower of cost and fair value.

FOREIGN EXCHANGE TRANSACTIONS

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit and loss account. In case of forward contracts (non speculative), the premium / discount are dealt with in the profit and loss account over the period of contracts. Exchange difference arises on a monetary items in substance form part of enterprises net investment in non integral foreign operation is accumulated in a foreign currency translation reserve till the disposal of the net Investment.

EXPENDITURE DURING CONSTRUCTION PERIOD

In case of new projects and substantial expansion of existing factories, expenditure incurred including trial production expenses net of revenue earned, prior to commencement of commercial production are capitalised.

EMPLOYEE BENEFITS

i) Defined Contribution Plan

Contribution to defined contribution plans are recognised as expense in the Profit and Loss Account, as they are incurred.

ii) Defined Benefit Plan

Company's Liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognised immediately in the Profit and Loss Account. Long term compensated absences are provided for based on actuarial valuation.

BORROWING COSTS

Borrowing costs, which are directly attributable to acquisition, construction or production of a qualifying asset, are capitalised as a part of the cost of the asset. Other borrowing costs are recognised as expenses in the period in which they are incurred.

SEGMENT REPORTING POLICIES

Primary Segment is identified based on the nature of products and services, the different risk and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Company operate.

OPERATING LEASE

The leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised as expenses in the Profit and Loss Statement.

EARNING PER SHARE

Basic earning per 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. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

CASH AND CASH EQUIVALENTS

Cash and Cash equivalents for the purpose of Cash flow Statements comprise Cash in hand and at bank in Current accounts and deposit accounts with maturity less than 3 months.

INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax and Deferred tax are accounted for in accordance with Accounting Standard 22 on "Accounting For Taxes on Income", issued by the ICAI. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income taxes reflect the impact of the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available except that deferred tax assets arising on account of unabsorbed depreciation and losses are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

NOTE NO. - 25

The estimated amount of contracts and commitments remaining to be executed on capital account and not provided for (net of advances) ₹ 25,696.77 Lakhs (Previous Year ₹ 17,012.16 Lakhs).

NOTE NO. - 26

CONTINGENT LIABILITIES NOT PROVIDED FOR :

- (i) The Company has imported fuel without payment of Customs Duty aggregating to ₹ 6.77 Lakhs (Previous Year ₹ 6.77 Lakhs) by utilizing transferable DEPB Licenses purchased from the market in the ordinary course of business. The Customs Department has issued show cause notice alleging that the original purchaser had obtained these licenses fraudulently. The above case is pending with Commissioner of Customs, Kandla. Company is hopeful of success as the Company is not at fault.
- (ii) Demands raised by Excise Department in various matters aggregating to ₹ 14.11 Lakhs (Previous Year ₹ 36 Lakhs) - against this we have deposited ₹ 6.28 Lakhs under protest (Previous Year ₹ 6.28 Lakhs). Appeals are pending with various Appellate Authorities.
- (iii) Demands raised by Customs Department, Jamnagar in relation to import of coal made in earlier years aggregating to ₹ 30.61 Lakhs (Previous Year ₹ 30.61 Lakhs), the Company has filed Appeals before CESTAT, Mumbai. CESTAT Mumbai has set aside the order of the Appellate Commissioner with a direction that the appeal by the department against the Assistant Commissioner's orders should be heard denovo on merits by the Commissioner (Appeals). Now Department has filed an appeal before the Hon`ble High Court of Gujarat against the order of CESTAT.
- (iv) Demands raised by Excise Department in various matters in relation to payment of Service Tax / Cenvat Credit of Service Tax ₹ 58.57 Lakhs (Previous Year ₹ 58.72 Lakhs). Appeals are pending with various Appellate Authorities. We have reversed cenvat credit / paid ₹ 24.63 Lakhs (Previous Year ₹ 24.78 Lakhs) under protest.

- (v) Commissioner, Central Excise, Jaipur II issued a show cause notice disputing basis of Excise Duty calculated for sales made to contractual buyers. We have paid duty before issuing of show cause notice. However, Commissioner imposed penalty of ₹ 1 Lakhs (Previous Year ₹ 1 Lakhs) which is disputed by us on the ground that we have paid duty before issuing show cause notice, and an appeal has been filed before CESTAT and stay granted against recovery of penalty.
- (vi) Demands raised by Additional Commissioner, Central Excise, Jaipur II in relation to Cenvat Credit of Excise Duty paid on Capital goods falling under Chapter 72, 73, 59, 69, 39 & 83 amounting to ₹ 34.70 Lakhs (Previous Year ₹ 34.70 Lakhs), the Company filed an appeal before Commissioner (Appeals), Jaipur II and same was rejected. Thereafter Company filed an appeal with CESTAT New Delhi and CESTAT has set aside the order and matter has been remanded back to the adjudicating authority to deal with the matter afresh in accordance with the provisions in law.
- (vii) Demands confirmed by Commissioner, Central Excise, Jaipur II in relation to Cenvat Credit of Excise Duty paid on Capital goods falling under Chapter 72, 73, 59, 69, 39 & 83 amounting to ₹ 41.96 Lakhs (Previous Year ₹ 138.55 Lakhs). We are in the process of filling an appeal before CESTAT, New Delhi.
- (viii) Demands confirmed by Commissioner, Central Excise, Jaipur II in relation to Cenvat Credit of Excise Duty paid on Capital goods falling under various Chapters amounting to ₹ 1.38 Lakhs (Previous Year ₹ 1.38 Lakhs). The Company filed an appeal before CESTAT, New Delhi and stay granted.
- (ix) Demands confirmed by Commissioner, Central Excise, Jaipur II in relation to Cenvat Credit of Excise Duty paid on Capital goods falling under various Chapters amounting to ₹ 1.34 Lakhs and penalty of ₹ 0.50 Lakhs (Previous Year ₹ nil). The Company has filed an appeal before CESTAT, New Delhi.
- (x) Demands confirmed by Commissioner, Central Excise, Jaipur II amounting to ₹ 343.56 Lakhs (previous year ₹ nil) in relation to Cenvat Credit of Excise Duty paid on Cement and steel used in construction of silos and fabrication of various equipments, their parts & accessories and support structures made during the expansion project in 2005-08. We had filed an appeal with CESTAT, New Delhi and the same were remanded back to adjudicating authority for denovo adjudication to examine the matter afresh considering the guidelines given in the order.
- (xi) Demands raised by Additional Commissioner, Central Excise, Jaipur-I in relation to Cenvat Credit of Excise Duty paid on Capital goods falling under various Chapters amounting to ₹ 6.55 Lakhs (Previous Year ₹ 6.55 Lakhs). The Company had filed an appeal before Commissioner (Appeals) Jaipur-I who has upheld the order passed by Additional Commissioner, Jaipur-I. We have filed an appeal against the order of Commissioner (Appeals) before CESTAT, New Delhi.
- (xii) Demands raised for differential Custom duty by Customs Department, Jamnagar in relation to Bill of entry no. F-176 date 06.02.2009 of 24,104 MT for Indonesian coal imported in 2009-10, aggregating to ₹ 42.16 Lakhs (Previous Year ₹ 42.16 Lakhs), on the ground of valuation of coal taking C & F value of coal @ \$ 154.34 PMT instead of \$ 86 PMT on which we have paid the customs duty i.e. the price finally agreed by the supplier as the coal supplied by the supplier was of inferior quality. The Company filed appeal before the Commissioner of Customs (Appeals), Jamnagar but the same has been rejected. The Company has filed an appeal before CESTAT, Ahmedabad against the order of the Commissioner of Customs (Appeals), Jamnagar and stay granted.
- (xiii) Demands confirmed by Commissioner of Customs, Kandla for differential Custom duty amounting to ₹ 2,766.92 Lakhs (previous year ₹ nil) and imposed penalty of ₹ 300 Lakhs (previous year ₹ nil) in relation to SA coal imported during 17.03.12 to 31.12.12 on which Custom duty was discharged under classification of steam coal whereas as per the customs the same should have been classified as Bituminous coal on account of GCV more than 5,833 Kcal / Kg and VM more than 14% and accordingly custom duty should have been paid. The Company is in process of filling an appeal before CESTAT, Ahmedabad.
- (xiv) Demands raised by Sales Tax Department aggregating to ₹ 70.21 Lakhs (Previous year ₹ 70.21 Lakhs) contending that the Company has wrongly adjusted sales tax on account of trade discounts. The Company has filed a writ petition before H'ble High Court, Jodhpur and has also obtained an interim relief. Besides this, the Sales Tax department has also issued demand notices relating to various matters aggregating to ₹ 0.50 Lakhs (Previous year ₹ 0.50 Lakhs), which are being contested by the Company, including in appeal and is hopeful of success.
- (xv) Demands raised by U P Commercial Tax Deptt. on account of entry tax on Cement for the year 2003 to 2009 aggregating to ₹ 270.66 Lakhs (Previous year ₹ 270.66 Lakhs), based on market price which was disputed by the Company before various appellate authorities on the ground that the Entry Tax is payable on stock transfer price. The Company has paid ₹ 86.29 Lakhs (previous year ₹ 36.29 Lakhs) under protest.

- (xvi) Demand assessed by Uttar Pradesh Commercial Taxes Deptt. on account of entry tax ₹ 263.90 Lakhs for the period 2009-10 (previous year ₹ 263.90 Lakhs), based upon the market value of Cement stock transfer. The Case is pending before Hon'ble Supreme Court and the Additional Commissioner (Appeals), Commercial Taxes, Ghaziabad. Against the demand we have deposited ₹ 158.67 Lakhs based upon stock transfer price and balance demand of ₹ 105.23 Lakhs recovered through encashment of BG has been considered as paid under protest. Also department has raised demand of ₹ 36.78 Lakhs towards Interest against which we have paid ₹ 20.46 Lakhs under protest and balance Interest demand is stayed.
- (xvii) Demand raised by Uttar Pradesh Commercial Taxes Deptt. on account of penalty on late deposit of VAT amounting to ₹ 21.60 Lakhs (Previous year ₹ 21.60 Lakhs). Appeal filed before Commercial Taxes Tribunal, Ghaziabad against the order of Additional Commissioner (Appeals), Commercial Taxes, Ghaziabad. We have deposited ₹ 12.96 Lakhs (Previous year ₹ 12.96 Lakhs) under protest and stay granted.
- (xviii) Demand raised by Uttar Pradesh Commercial Taxes, Zone-I, Ghaziabad on account of penalty of ₹ 59.61 Lakhs for non payment of VAT for the Month January-2014. We have filed an appeal before Additional commissioner (Appeal), Commercial Taxes, Ghaziabad against the order of Joint Commissioner (Corporate Circle), Commercial Taxes, Zone-I, Ghaziabad.
- (xix) Joint Commissioner Commercial Taxes, Ghaziabad has imposed penalty of ₹ 1.32 Lakhs (previous year ₹ 1.32 Lakhs) on account of incomplete documents carried by Truck of Cement. We have deposited ₹ 1.32 Lakhs (previous year ₹ 1.32 Lakhs) under protest and filed an appeal before Additional Commissioner (Appeals), Commercial Taxes, Ghaziabad.
- Joint Commissioner Commercial Taxes, Ghaziabad has imposed penalty of ₹ 0.62 Lakhs (previous year nil) on account of incomplete documents carried by Truck of Cement. The Truck driver has deposited ₹ 0.31 Lakhs as security and ₹ 0.16 Lakhs deposited by the Company under protest and filed an appeal before Additional Commissioner (Appeals), Commercial Taxes, Ghaziabad.
- (xx) The Joint commissioner (Corporate Circle), U P Commercial Taxes, Ghaziabad has passed the Assessment order for the year 2008-09, 2009-10 & 2010-11 and raised additional demand of ₹ 10.21 Lakhs (previous year ₹ 8.09 Lakhs). The case for the year 2008-09 is pending before Additional Commissioner Grade 2 (Appeal)-I, Commercial Taxes Ghaziabad. Against demand of ₹ 4.88 Lakhs for the year 2008-09 ₹ 1.59 Lakhs deposited under protest and stay granted for ₹ 2.44 Lakhs. The case for the year 2009-10 is pending before the Commercial Tax Tribunal Bench Ghaziabad. Against demand of ₹ 3.21 Lakhs for the year 2009-10 ₹ 0.80 Lakhs deposited under protest and stay granted for ₹ 2.41 Lakhs.
- The case for the year 2010-11 is pending before the Commercial Tax Tribunal Bench Ghaziabad. Against demand of ₹ 2.12 Lakhs for the year 2010-11 ₹ 0.42 Lakhs deposited under protest and stay granted for ₹ 1.70 Lakhs.
- (xxi) Letter of Credit opened by banks on behalf of the Company ₹ 233.64 Lakhs (Previous Year ₹ 233.64 Lakhs)
- (xxii) Guarantees given by Banks ₹ 497.47 Lakhs (Previous Year ₹ 390.01 Lakhs)
- (xxiii) Corporate Guarantees given to Banks in respect of loans to subsidiaries, step down subsidiaries, Holding Company and its other subsidiaries / step down subsidiaries ₹ 2,28,896.91 Lakhs (Previous Year ₹ 2,21,226.55 Lakhs).
- (xxiv) Claims against the Company in respect of certain Income Tax matters ₹ 4,126.09 Lakhs (Previous Year ₹ 2,075.63 Lakhs) out of which ₹ 1,475.47 Lakhs (previous year ₹ 1,363.43 Lakhs) has been paid by the Company or adjustable by the department against the refund due to the Company.
- (xxv) Under the Rajasthan Finance Act, 2006, the Assessing Authority has assessed land tax on leasehold land for the year 2006-07 to 2012-13 and raised demand notices for ₹ 1,987.50 Lakhs. The matter was challenged by the Company in Hon'ble Rajasthan High Court, Jaipur. Hon'ble High Court has granted stay on demand notices and ordered to deposit certain amount in respect of each year. The Company has already deposited ₹ 48 Lakhs in advance for the year 2006-07. In the year 2012-13 ₹ 150 Lakhs and in the current year 2013-14 ₹ 36 Lakhs have been deposited towards the demands for the year 2007-08 to 2012-13 in compliance of the orders of Hon'ble High Court. The matter is already protested & is subjudice.
- (xxvi) The Commercial Taxes Officer, Anti Evasion, Jaipur issued demand notice for the assessment year 2007-08 to 2010-11, disallowing input tax credit (ITC) in respect of spares of mining equipments & explosives used in mining activity and input tax credit (ITC) in respect of inputs used in power generation from captive power plant, which is allowable as the mining/power generation is integral activity towards manufacturing of Cement & Clinker. Further demand raised towards tax on sale of HSD out of HSD purchased against 'C' form. The Company has not sold HSD out of the purchases from outside the State. The HSD was sold out of the HSD purchased from within the State at full rate of VAT at the first point of sale i.e. subsequent sale is non-vatable. Total demand raised of ₹ 525.75 Lakhs including ₹ 376.32 Lakhs interest & penalty. The matter was challenged by the Company in Hon'ble Appellate Authority, Jodhpur. The case was heard on various dates and stay has been granted by Appellate Authority against submission of bank guarantee for stay amount. We have deposited ₹ 35.93 Lakhs in compliance of Appellate Authority & the Company has submitted Bank guarantees of ₹ 135.18 Lakhs to the Commercial Taxes Officer, Anti Evasion, Jaipur & Bank Guarantee of ₹ 354.64 Lakhs to be submitted.

NOTE NO. - 27

Claims against the Company not acknowledged as debts :

- (i) Quality claims ₹ 16.86 Lakhs (Previous Year ₹ 0.07 Lakhs)
- (ii) Other Matters ₹ 0.25 Lakhs (Previous Year ₹ 0.25 Lakhs)

NOTE NO. - 28

The Company has opted for Sales Tax Incentive Scheme, 1989. Earlier 25% incentive was allowed by State Level Screening Committee, but pursuant to order of Rajasthan Tax Board, 75% incentive from Sales Tax for sales effected in Rajasthan for 9 years subject to a limit of Eligible Fixed Capital Investment (EFCI) is being availed of. The Company has availed Sales Tax Incentive of ₹ 20,266.98 Lakhs upto 31st March, 2006. The Sales Tax Department filed a revision petition before the Hon'ble Rajasthan High Court, Jodhpur contesting the order of Rajasthan Tax Board, which allowed the Company to avail 75% sales tax incentive. The Hon'ble High Court has dismissed the revision petition of Sales Tax Department. The Department has filed a revision petition before Hon'ble Supreme Court.

On introduction of Value Added Tax (VAT) in the State of Rajasthan w.e.f. 1st April, 2006, an option has been given to switch over to deferment scheme for twice the remaining validity period as available under the erstwhile Sales Tax Incentive Scheme, 1989 subject to the original limit of EFCI. The Company has exercised this option w.e.f. 1st April, 2006 under which 75% of VAT collected and payable after the said date is being deferred for a period of 7 years. Till 26th May, 2007, ₹ 3,813.54 Lakhs was deferred. The Company has paid ₹ 2,378.65 Lakhs during 2012-13 & 2013-14.

The Hon'ble Supreme Court has decided the case against the Company. As per order, the Company is eligible for 25% sales tax incentive for 7 years only. After decision of Hon'ble Supreme Court, the assessing authority passed revised assessment orders and raised demand notices for the year 1998-99 to 2007-08 amounting ₹ 41,421.55 Lakhs (₹ 16,731.80 Lakhs towards tax & ₹ 24,689.75 Lakhs towards interest). Company has accepted the tax liability and made provision towards the tax amount in the books as on 31.03.2014. Company has filed application for payment of tax amount in 36 monthly installments & also filed application for waiver of interest with the Commissioner, Commercial Taxes Department, Jaipur & same is pending for decision, as no interest is payable for the period when the matter is subjudice. The similar decision was given by the Hon'ble Supreme Court in the case of State of Rajasthan v/s J.K. Udaipur Udyog Ltd. , directing that no interest or penalty will be charged from the Company by the Tax Department for the period when the matter was sub judice before the Court. The Company has also filed review petition in Hon'ble Supreme Court in respect of the order passed by Hon'ble Supreme Court.

The Company was eligible for EFCI of ₹ 48,849.53 Lakhs based on applicable guidelines under the Incentive Scheme, but the amount sanctioned by SLSC was ₹ 28,047.61 Lakhs, against which writ petition was pending with the Hon'ble Rajasthan High Court. The Company has continued to avail the deferment benefit, pending the decision of Hon'ble High Court / State Government. The case was subsequently disposed by Hon'ble High court, Jaipur against the Company, which was challenged by the Company in Hon'ble Supreme Court. But, the same was also decided against the Company.

After disposal of matter by the Hon'ble Supreme Court, Commercial Taxes Deptt. has issued demand notice of ₹ 17,302 Lakhs for the period 30th April, 2008 to 31st August, 2011. Against this tax liability, ₹ 2,155.11 Lakhs has been deposited by the Company / recovered by the Sales Tax Deptt. For the balance demand of ₹ 15,146.89 Lakhs, Company filed application with the Commercial Taxes Deptt. for grant of installments, but the same was not accepted as proposed by the Company. Against which, writ petition was filed in Hon'ble High Court, Jaipur. The case has been finally decided by Hon'ble High Court. As per the order, the Company has been directed to make the initial payment of ₹ 5,000 Lakhs by 30.06.2014 and balance in 12 equal monthly installments alongwith interest.

The Commercial Taxes Deptt. has also raised demand of interest amounting ₹ 3,077.93 Lakhs, for which application for waiver of interest has been filed by the Company with Commissioner, Commercial Taxes Deptt., Jaipur and the same is pending for decision.

In addition to above, during the year 2007-08, the Company has filed an application with Sales Tax department for extension of period of EFCI scheme, which was not accepted. The Company has filed a writ petition with the Hon'ble Rajasthan High Court, Jaipur to instruct the Sales Tax department to extend the EFCI scheme period. However, the Company had availed deferment of 75% of the VAT / CST liability amounting to ₹ 3,967.09 Lakhs for the period 27th May, 2007 to 30th April, 2008.

NOTE NO. - 29

The excise duty shown as deduction from turnover is total excise duty on sale of goods for the year. However, the excise duty related to the difference between opening stock and closing stock samples etc. amounting to ₹ 987.87 Lakhs is shown under Changes in inventories of finished goods, work-in-progress and Stock-in-Trade in profit & loss account.

NOTE NO. - 30

The Company has not deposited a sum of ₹ 2,030.33 Lakhs (Previous Year ₹ 1,405.10 Lakhs) net of ₹ 723.76 Lakhs paid under protest (Previous Year ₹ 723.76 Lakhs) shown as current liability in note no. 7, on account of entry tax on goods under the Rajasthan Tax on Entry of Goods into Local Area Act, 1999 on notified goods purchased from outside the State from May 06. The Company has filed a writ petition on 10.07.2006 against the notice of C.T.O. special circle, Commercial Taxes Department, Pali for notice issued under section 16(3) of the said "Act". The said petition was admitted by the Hon'ble Court and a stay was granted. Subsequently, the case was heard by Hon'ble High Court and passed an order that the stay shall remain continued on the condition that petitioner deposit the 50% of amount assessed and submit Solvent security for the balance amount including interest, penalty etc. Accordingly, in compliance of the order, the entry tax of ₹ 723.76 Lakhs being 50% of assessed tax was deposited by the Company under protest and also submitted solvent security for the balance amount.

NOTE NO. - 31

The Company was selling Cement on inter-state sales @ 6% CST without "C" form u/s 8(5) of CST act as per notification no. F.4(1)FD/Tax Div./99-266 dated 21.01.2000. The State Government has amended certain notifications for requirement of "C" or "D" form in the earlier notifications issued prior to 11.05.2002 on 27.09.2005, which clearly establishes that prior to amendment in the notification, there was no requirement of 'C' forms unless the notifications are amended. The above referred notification dated 21.01.2000 was rescinded by the Rajasthan Government on 01.12.2006, hence it was in application upto 30.11.2006. The Assessing Authority has raised demand notices in respect of sale of Cement @6% CST for the period 27.09.2005 onwards. The matter was challenged by us in the Hon'ble Rajasthan High Court, Jodhpur. The case was heard on 10.01.2012 and stay has been granted by the Hon'ble High Court against submission of bank guarantee for the demand amount. In compliance of Hon'ble High Court order, the Company has submitted Bank Guarantees of ₹ 60.52 Lakhs (including interest) to the Assessing Authority, Commercial Taxes Department, Pali.

NOTE NO. - 32: LOANS - SECURED

Sr. No.	Nature of Loans	Nature of Security	₹ in Lakhs)	
			31st March, 2014	31st March, 2013
A. TERM LOANS				
I) Financial Institutions				
a)	Eksport Kredit Finansiering A/S - Foreign Currency Loans	Secured by (a) Exclusive first charge on the assets imported from M/s. F.L.Smidt, Denmark under the Export Contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered with EKF A/s. (b) Pari Passu charge on Trust and Retention account and (c) Corporate Guarantee of BIL. Loan repayable in 11 equal half yearly installments of USD 6.86 Lakhs commencing from June'2009 and interest rate 1.10% p.a. [Libor+75 bps].	414.72	1,128.78
b)	IFCI Ltd.	Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company, excluding assets which have been charged on exclusive basis. (b) Post dated Cheques for principal and interest amount (c) Demand Promissory Note (d) Interim Security till such time first pari passu charge on fixed assets of the Company is created - 1) Corporate Guarantee of BIL. 2) Subservient Charge by way of Hypothecation on movable fixed assets and current assets of the Company giving a cover of 1.46 times. 3) Pledge of shares of Binani Cement Limited to provide security cover of 1.75 times of the outstanding loan amount (presently 33,773,490 equity shares). Term loans repayable in 3 quarterly installment of ₹ 1,333 Lakhs each beginning from the end of 21st month from initial date of disbursement i.e. from 15.08.2015, 15 equal quarterly installment of ₹ 2,125 Lakhs each beginning from the end of 30th month from the initial date of disbursement & last installment of ₹ 2,126 Lakhs and Interest rate 14.20% per annum. There is delay in payment of Interest ₹ 879.44 Lakhs for a period of 17 days to 76 days.	38,000.00	-
II) Banks				
a)	IDBI Bank Ltd. (IDBI) - Term Loans	Secured/to be secured (a) first mortgage and charge created on movable and immovable properties of the Company both present and future except the assets charged Specifically (see note below) (b) Corporate Guarantee of BIL, except the term loan of ₹ 7,500 Lakhs (whose outstanding as on 31st March 2014 is ₹ 5,000 Lakhs) and (c) Pari Passu charge on Trust & Retention Account (Except for term loan of ₹ 7,500 Lakhs). Term loans repayable ₹ 5,571.01 Lakhs from Financial Year 2014-15 to 2015-16, ₹ 2,680.96 Lakhs for Financial Year 2016-17, ₹ 2,290.92 Lakhs for Financial Year 2017-18 and ₹ 1,145.46 Lakhs for Financial Year 2018-19 and Interest rate ranging from 13% to 14.25% per annum. There is delay in repayment of loan amounting to ₹ 511.83 Lakhs for a period of one to two months and Interest ₹ 465.04 Lakhs for the period one day to two months.	17,771.20	24,074.46
b)	Syndicate Bank - Term Loan	Secured/to be secured by a) Exclusive first charge on Plant and Machinery, Equipments of 4th Cement grinding unit situated at Binanigram, Pindwara, Sirohi, Rajasthan and b) pari passu first charge on the portion of land pertaining to the 4th Cement grinding unit situated at Binanigram, Pindwara, Sirohi, Rajasthan. Loan repayable in 14 equal quarterly installments of ₹ 285.71 Lakhs commencing from December'11 and Interest rate 13.50% per annum. There is delay in repayment of loan amounting to ₹ 576 Lakhs for one day to six month and Interest ₹ 78.92 Lakhs for a period of one day to three months.	1,718.84	2,285.70

NOTE NO. - 32: LOANS - SECURED (Contd.)

Sr. No.	Nature of Loans	Nature of Security	[₹ in Lakhs]	
			31st March, 2014	31st March, 2013
c)	Syndicate Bank - Term Loan	Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company except the Assets Specifically charged (see note below) b) Post dated cheques for payment of principal & Interest and c) Personal Guarantee of a promoter Director. Loan repayable in 8 equal quarterly installments of ₹ 937.50 Lakhs commencing from June 2015 and Interest rate @ 12.50% per annum. There is delay in payment of Interest ₹ 318.29 Lakhs for a period of one day to three months.	7,500.00	7,500.00
d)	Syndicate Bank - Rupee Term Loan	Secured/to be secured by second charge on the Company's fixed assets both present and future except assets specifically charged (see note below). Loan repayable in 5 yearly installments (at the end of 1st and 2nd year ₹ 1,500 Lakhs each, at the end of 3rd and 4th year ₹ 2,500 Lakhs each and of 5th year ₹ 2,000 Lakhs) commencing from November, 2012 and Interest rate @ 12.50% per annum. There is delay in repayment of loan amounting to ₹ 1,500 Lakhs for a period of 129 days and Interest ₹ 347.98 Lakhs for a period of one day to three months.	8,500.00	8,500.00
e)	Syndicate Bank - Rupee Term Loan	Secured/to be secured by a) first pari passu charge on fixed assets of the Company except assets specifically charged (see note below) b) post dated cheques for principal installments c) Corporate Guarantee of Binani Industries Limited. Loan repayable in 7 yearly installments (at the end of 1st year ₹ 469 Lakhs, 2nd year ₹ 656 Lakhs, 3rd to 5th year ₹ 1,125 Lakhs each, 6th & 7th year ₹ 1,500 Lakhs each, commencing from 31st March, 2015 and Interest rate @ 13.25% per annum. There is delay in payment of Interest ₹ 339.07 Lakhs for a period of one day to four months.	7,500.00	-
f)	Punjab National Bank - Term Loan	Secured / to be secured by pari passu subservient hypothecation charge on the Fixed Assets of the Company except assets specifically charged (see note below) Loan repayable in 2 equal quarterly installments of ₹ 2,500 Lakhs commencing from October, 2013 and Fixed Interest rate @ 11.75% per annum. There is delay in repayment of loan amounting to ₹ 1,747.61 Lakhs for 72 days and Interest ₹ 26.20 Lakhs for a period of one day.	1,747.61	5,000.00
g)	Bank of Baroda - Term Loan	Secured/to be secured by Subservient charge on fixed assets of the Company both movable & immovable except assets specifically charged (see note below). Loan repaid in 4 equal quarterly installments of ₹ 2,500 Lakhs commencing from December, 2012 and Interest rate @ 12.75% per annum.	-	5,000.00
h)	Central Bank of India - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 20 equal quarterly installments of ₹ 1,000 Lakhs commencing from December 2011 and Interest rate @ 13.75% per annum. There is delay in repayment of loan amounting to ₹ 1,000 Lakhs and Interest ₹ 133.17 Lakhs for a period of one day.	11,000.00	14,000.00

NOTE NO. - 32: LOANS - SECURED (Contd.)

Sr. No.	Nature of Loans	Nature of Security	₹ in Lakhs)	
			31st March, 2014	31st March, 2013
i)	Yes Bank - Term Loan	Secured/to be secured by a) Exclusive first charge on movable and immovable properties including land of first phase of 2x22.30 MW captive thermal power plant, comprising of 1x22.30 MW power plant, all associated equipments and shared facilities situated at Pindwara, Sirohi, Rajasthan and all goods and equipments forming part of the plant and on other such assets. b) post dated cheques. Loan repayable in 16 equal quarterly installments of ₹ 625 Lakhs commencing from December 2012 and Interest rate @13.35% per annum. There is delay in repayment of loan amounting to ₹ 625 Lakhs for 13 days and Interest ₹ 149.72 Lakhs for a period of one day to one month.	6,875.00	8,750.00
j)	Bank of Baroda - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 8 equal quarterly installments of ₹ 937.50 Lakhs commencing from January 2015 and Interest rate @ 12.50% per annum. There is delay in payment of Interest ₹ 142.41 Lakhs for a period of one day to one month.	7,500.00	7,500.00
k)	Indian Overseas Bank - Rupee Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 8 equal quarterly installments of ₹ 1,875 Lakhs commencing from June 2015 and Interest rate @ 13.25% per annum. There is delay in payment of Interest ₹ 480.70 Lakhs for a period of one day to two months.	15,000.00	15,000.00
l)	Central Bank of India - Rupee Term Loan	Secured / to be secured by a) first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) b) Corporate Guarantee of Binani Industries Limited. Loan repayable in 7 yearly Instalments of ₹ 700 Lakhs in 1st year, ₹ 1,300 Lakhs in 2nd year, ₹ 2,000 Lakhs, in each from 3rd year to 7th year, commencing from 31.03.2015 and Interest rate @ 13.75% per annum. There is delay in payment of Interest ₹ 134.36 Lakhs for a period of one day.	12,000.00	12,000.00
m)	Union Bank of India - Rupee Term Loan	Secured / to be secured by a) first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) b) second charge on current assets of the Company and c) Corporate Guarantee of Binani Industries Limited. Loan repayable ₹ 290 Lakhs in Financial Year 2014-15, ₹ 540 Lakhs in Financial Year 2015-16 and ₹ 834 Lakhs from Financial Year 2016-17 to 2020-21 and Interest rate @ 12% per annum. There is delay in payment of Interest ₹ 97.79 Lakhs for a period of seven days to 66 days.	5,000.00	5,000.00
n)	State bank of Patiala - Term Loan	Secured / to be secured by a) first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) . b) second charge on current assets of the Company and c) Corporate Guarantee of Binani Industries Limited. Loan repayable ₹ 205 Lakhs in Financial Year 2014-15, ₹ 380 Lakhs in Financial Year 2015-16 and ₹ 583 Lakhs from Financial Year 2016-17 to 2020-21 and Interest rate @ 12.75% per annum. There is delay in payment of Interest ₹ 81.26 Lakhs for a period of one day to one month.	3,500.00	2,500.00

NOTE NO. - 32: LOANS - SECURED (Contd.)

Sr. No.	Nature of Loans	Nature of Security	₹ in Lakhs)	
			31st March, 2014	31st March, 2013
o)	Bank of Baroda - Term Loan	Secured / to be secured by first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) Loan repayable ₹ 875 Lakhs in Financial Year 2014-15, ₹ 1,625 Lakhs in Financial Year 2015-16 and ₹ 2,500 Lakhs from Financial Year 2016-17 to 2020-21 and Interest rate @ 11.75% per annum. There is delay in payment of Interest ₹ 447.55 Lakhs for a period of one day to two months.	15,000.00	9,000.00
p)	Punjab National Bank - Term Loan	Secured / to be secured by first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below). Loan repayable in 20 quarterly installments of ₹ 450 Lakhs each from 30-10-2013 and Interest rate @ 13.25% per annum. There is delay in repayment of loan amounting to ₹ 0.54 Lakhs for 61 days and Interest ₹ 60.96 Lakhs for a period of one day.	5,097.51	2,245.55
q)	Central Bank of India - Term Loan	Secured/to be secured by a) First pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) b) Corporate Guarantee of BIL. Loan repayable in 4 equal quarterly installments of ₹ 142.80 Lakhs each from FY 2015-16 to FY 2017-18, 4 equal quarterly installments of ₹ 285.60 Lakhs each in FY 2018-19, 4 equal quarterly installments of ₹ 428.40 Lakhs each from FY 2019-20 to FY 2020-21, 4 equal quarterly installments of ₹ 714.00 Lakhs each in FY 2021-22, 4 equal quarterly installments of ₹ 715.20 Lakhs each in FY 2022-23 and Interest rate @ 13.75% per annum. There is delay in payment of Interest ₹ 1.13 Lakhs for a period of one day.	1,000.00	-
r)	Indian Overseas Bank - Term Loan	Secured/to be secured by a) first pari passu charge on fixed assets of the Company both present and future except assets specifically charged (see note below) b) corporate guarantee of Binani Industries Limited. Loan repayable in 7 yearly installments (1st year ₹ 293 Lakhs, 2nd year ₹ 542 Lakhs, 3rd to 7th Year ₹ 833 Lakhs each) commencing from 31st March 2015 and Interest rate 13.25% per annum. There is delay in payment of Interest ₹ 180.38 Lakhs for a period of one day to two months.	5,000.00	-
s)	State Bank of Bikaner and Jaipur - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). b) second charge on current assets of the Company and c) Corporate Guarantee of Binani Industries Ltd. Loan repayable in 7 years in quarterly installments in 4 equal quarterly installments of ₹ 51.25 Lakhs each from Feb 14 - Jan 15, ₹ 95 Lakhs each from Feb 15- Jan 16, ₹ 145.75 Lakhs each from Feb 16 to Jan -21 and Interest rate of 13% per annum. There is delay in repayment of loan amounting to ₹ 51.25 Lakhs and Interest ₹ 34.91 Lakhs for a period of one month.	3,500.00	-
t)	United Bank of India - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 7 yearly installments (1st year ₹ 1,167 Lakhs, 2nd year ₹ 2,167 Lakhs, 3rd to 6th year ₹ 3,333 Lakhs each, 7th year ₹ 3,334 Lakhs) commencing from 31st March '15 and Interest Rate of 12.25% per annum). There is delay in payment of Interest ₹ 404.81 Lakhs for a period of one day to one month.	20,000.00	-

NOTE NO. - 32: LOANS - SECURED (Contd.)

Sr. No.	Nature of Loans	Nature of Security	₹ in Lakhs)	
			31st March, 2014	31st March, 2013
u)	Bank of India - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 16 quarterly installments each of ₹ 312.50 Lakhs commencing from May 2014 and interest rate of 13% per annum. There is delay in payment of Interest ₹ 113.88 Lakhs for a period of one day to one month.	5,000.00	-
v)	Canara Bank - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below) and b) Corporate Guarantee of BIL. Loan repayable in 7 yearly installments (1st year ₹ 1,167 Lakhs, 2nd year ₹ 2,167 Lakhs, 3rd to 6th year ₹ 3,333 Lakhs each, 7th year ₹ 3,334 Lakhs) commencing from April '15 and Interest Rate of 12.70% per annum). There is delay in payment of Interest ₹ 413.01 Lakhs for a period of one day to one month.	20,000.00	-
w)	SIDBI	Secured by i) First pari-passu charge on movable assets of the Company, both present and future and ii) Bills of Exchange. There is delay in repayment of loan amounting to ₹ 1,320.78 Lakhs and interest ₹ 20.12 Lakhs for the period ranging from two days to fifty two days.	2,034.67	749.06
B. WORKING CAPITAL DEMAND LOANS / CASH CREDIT				
	From Scheduled Banks	Secured against (a) First pari passu charge by way of hypothecation of Raw Materials, Stock in Trade, Stock-in-Process, Finished Goods, Consumables, Stores & Spares and packing Material, Book Debts and other receivables belonging to the Company, b) Second pari passu charge on the fixed assets of the Company c) Corporate Guarantee of BIL and (d) pari passu charge on Trust and Retention Account.	9,709.64	4,103.48

ASSETS SPECIFICALLY CHARGED

- i) The assets (including land) of the first phase of the 2X22.30 MW captive thermal power plant comprising of 1X22.30 MW thermal power plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Yes Bank Limited,
- ii) The assets imported from M/s F.L.Smidth, Denmark under the export contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S and the Company charged in favour of M/s EKF A/S and
- iii) The assets of 4th Cement grinding unit at Binanigram, Pindwara, Dist. Sirohi, Rajasthan charged to Syndicate Bank.

NOTE NO. - 33

The Company has also made defaults in repayment of unsecured term loans amounting to ₹ 2,500 Lakhs for the period of 35 days and Interest amounting to ₹ 35.18 Lakhs for the period of 1 day to 35 days.

NOTE NO. - 34

(A) RAW MATERIAL CONSUMPTION :

(₹ in Lakhs)

Particulars	31st March, 2014		31st March, 2013	
	Quantity (MT)	Value	Quantity (MT)	Value
Indigenous				
Limestone*	6,468,163	5,764.53	7,060,708	6,618.03
Silica Sand (with iron ore / red ochre)	7,699	55.56	7,985	58.10
Gypsum	327,957	5,275.40	347,966	5,252.42
Fly ash	758,600	9,555.80	713,040	7,722.40
TOTAL		20,651.29		19,650.95

* Direct Cost of mining and crushing including Royalty and Cess.

(B) SPARES AND COMPONENTS CONSUMED:

(₹ in Lakhs)

Particulars	31st March, 2014		31st March, 2013	
	Value	%	Value	%
Imported	1,422.52	26.35	1,277.52	27.78
Indigenous	3,975.21	73.65	3,321.27	72.22
TOTAL	5,397.73	100.00	4,598.80	100.00

NOTE NO. - 35

MANAGERIAL REMUNERATION

(₹ in Lakhs)

Particulars	31st March, 2014	31st March, 2013
Salary	210.92	139.54
Perquisites	6.69	0.61
TOTAL	217.61	140.15

NOTE NO. - 36

VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS

(₹ in Lakhs)

Particulars	31st March, 2014	31st March, 2013
Capital Goods	418.68	4,407.73
Components and Spare Parts of Machinery	1,331.03	1,743.09

NOTE NO. - 37

EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

(₹ in Lakhs)

Particulars	31st March, 2014	31st March, 2013
Interest	156.36	453.49
Consultancy	22.40	5.05
Others	13.11	34.64
TOTAL	191.87	493.18

NOTE NO. - 38

REMUNERATION TO AUDITORS

(₹ in Lakhs)

Particulars	31st March, 2014	31st March, 2013
Statutory Auditors		
As Auditor	15.00	15.00
For tax audit	3.75	3.75
For other services	7.50	15.00
For certifications / others	3.40	8.35
For reimbursement of expenses	1.38	1.18
TOTAL	31.03	43.28
Cost Auditors		
As Auditor	1.00	1.00
For Reimbursement of expenses	0.32	0.21
TOTAL	1.32	1.21

NOTE NO. - 39

Selling and Administration Expenses includes ₹ 3,886.50 Lakhs (Previous Year ₹ 3,938.50 Lakhs) paid to Binani Industries Ltd. (BIL), the Holding Company towards corporate support services related to Accounting, Finance, Treasury, Forex / Commodity Risk Management, Purchases, Audit, Taxation, Corporate strategy, Media Services, Project Management etc. BIL provides the above mentioned services to its subsidiaries including the Company on payment of monthly Management Services Fees. Also a sum of ₹ 5,481.26 Lakhs (Previous Year ₹ 11,032.35 Lakhs) paid to BIL as Royalty on account of license fee for use of trademark, corporate name, logos etc. and ₹ nil (Previous Year ₹ 550.85 Lakhs) towards capital / recurring cost towards software licenses.

NOTE NO. - 40

The Company is having various ongoing projects in hand at Gujarat, Nimbri (Raj.) and other places. Incidental expenses pertaining to these projects incurred, included under capital work in progress, are as under:

Particulars	31st March, 2014	31st March, 2013
Balance Brought forward	4,949.96	4,090.46
Power and Fuel	-	2.39
Other Operating Expenses	5.24	63.23
Repairs and Maintenance	0.04	0.04
Management / Consultancy Fee	78.65	125.75
Salaries and Wages	126.26	110.45
Contribution to Provident and other Funds	7.57	6.31
Workmen and Staff Welfare Expenses	-	0.01
Rent	-	0.68
Insurance	(0.55)	17.11
Other Sundry Expenses	0.91	104.34
Depreciation	0.10	0.16
Interest - Term Loans	395.21	-
Exchange Loss (net)	153.73	309.19
Financial / Bank Charges	51.66	119.85
	5,768.77	4,949.96
Less : Capitalised	33.45	-
Balance carried forward	5,735.33	4,949.96

NOTE NO. - 41

Based on information available with the Company in respect of MSME ('The Micro Small & Medium Enterprises Development Act 2006'). The details are as under :

Particulars	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
i) Principal and Interest amount due and remaining unpaid as at 31st March 2014		
Principal	1979.71	-
Interest	70.97	-
ii) Interest paid in terms of section 16 of the MSME Act during the year	-	-
iii) The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified	-	-
iv) Interest Accrued and unpaid as at 31st March 2014	70.97	-

NOTE NO. - 42

The tax effect of significant timing differences that has resulted in deferred tax assets and liabilities are given below:

Particulars	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
a) Deferred Tax Liability		
Depreciation	20,707.15	21,610.95
TOTAL	20,707.15	21,610.95
b) Deferred Tax Asset		
Disallowance under Income Tax Act, 1961	(7,230.73)	(1,737.66)
Unabsorbed Depreciation and Business Loss for the year	(3,225.74)	-
TOTAL	(10,456.47)	(1,737.66)
Deferred Tax Liability	10,250.68	19,873.29
Provided upto last year	19,873.30	19,463.00
Provision for the year Liability / (Assets)	(9,622.62)	410.29
Rounded off	(9,622.62)	410.30

NOTE NO. - 43

The Company operates in a single segment i.e., "Production and Sales of Cement and Clinker". Hence no additional disclosure under Accounting Standard - 17, "Segment Reporting" is required in these financial statements. There is no reportable Geographical Segment.

NOTE NO. - 44

Purchase of Stock-in-trade represents:

Particulars	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
Cement	4783.60	1883.03
Coal	1481.00	-
TOTAL	6264.60	1883.03

NOTE NO. - 45

a) Particulars of unhedged foreign currency exposure as at Balance Sheet date:

Particulars	Currency	(₹ in Lakhs)	
		31st March, 2014	31st March, 2013
Outstanding Creditors for Coal	USD	10,123.68	13,199.93
Outstanding Creditors for Machinery	USD	7.88	1,470.78
Outstanding Creditors for Spares	DKK	3.03	-
Loans Payable	USD	414.72	1128.78

b) The details of forward contracts outstanding at the year end are as follows:

Currency	Number of Contracts	Buy Amount	Purpose
USD	17	18,710,000	Creditors Payment

NOTE NO. - 46

Related Party disclosure as per Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India :

The Company has entered into transactions in ordinary course of business with related parties as per details below (As certified by the Management) :

(₹ in Lakhs)

Particulars	Holding Company	Subsidiary/stepdown subsidiary / Associates	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
A. TRANSACTIONS					
Sale of Cement					
Binani Ready Mix Concrete Ltd.	-	-	-	-	-
	-	(411.77)	-	-	(411.77)
Sale of Traded Goods					
Binani Metals Ltd.	-	-	-	1,481.38	1,481.38
	-	-	-	-	-
Interest Income on ICD					
Binani Industries Limited	10,337.16	-	-	-	10,337.16
	(5,980.53)	-	-	-	(5,980.53)
Services charges					
Triton Trading Co. Pvt. Limited	-	-	-	95.66	95.66
	-	-	-	(92.54)	(92.54)
Service Charges for vehicle / Rent etc.					
Binani Metals Ltd.	-	-	-	43.36	43.36
	-	-	-	(92.63)	(92.63)
Donations					
G D Binani Charitable Foundation	-	-	-	-	-
	-	-	-	(125.00)	(125.00)
Execution of transportation / other services contract					
Dhaneshwar Solution pvt. Ltd. (merged with Binani Metals Ltd.)	-	-	-	12,773.66	12,773.66
	-	-	-	(37,428.63)	(37,428.63)
Dhaneshwar Solution - A Division of Binani Metals Limited	-	-	-	24,569.23	24,569.23
	-	-	-	-	-
Interest Expenses					
Dhaneshwar Solution Pvt. Ltd. (merged with Binani Metals Ltd.)	-	-	-	11.26	11.26
	-	-	-	(15.68)	(15.68)
Inter Corporate Deposit given (net)					
Binani Industries Limited	60,153.24	-	-	-	60,153.24
	(29,789.00)	-	-	-	(29,789.00)
Purchases of Assets					
Binani Ready Mix Concrete Ltd.	-	6.17	-	-	6.17
	-	(7.32)	-	-	(7.32)

NOTE NO. - 46 (Contd.)

(₹ in Lakhs)

Particulars	Holding Company	Subsidiary/stepdown subsidiary / Associates	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
Inter Corporate Deposit received / repaid Dhaneshwar Solution Pvt. Ltd. (merged with Binani Metals Ltd.)	-	-	-	2,500.00	2,500.00
	-	-	-	(2,850.00)	(2,850.00)
Paid for works / supply contract BIL Infratech Ltd.	-	-	95.51	-	95.51
	-	-	(518.47)	-	(518.47)
Investments / Advance for Investments Mukundan Holdings Ltd.	-	729.57	-	-	729.57
	-	(8,189.88)	-	-	(8,189.88)
Murari Holdings Ltd.	-	1,673.69	-	-	1,673.69
	-	(10,742.02)	-	-	(10,742.02)
Binani Ready Mix Concrete Ltd.	-	-	-	-	-
	-	(255.00)	-	-	(255.00)
Binani Energy Pvt. Ltd.	-	-	-	-	-
	-	(3.18)	-	-	(3.18)
Loans and Advances given Murari Holdings Ltd.(Loan repayment received)-net	-	-	-	-	-
	-	(7,606.50)	-	-	(7,606.50)
Mukundan Holdings Ltd.(Loan repayment received)-net	-	-	-	-	-
	-	(7,606.50)	-	-	(7,606.50)
Binani Ready Mix Concrete Ltd.	-	160.00	-	-	160.00
	-	(25.00)	-	-	(25.00)
Swiss Merchandise Infrastructure Ltd.	-	400.00	-	-	400.00
	-	(175.00)	-	-	(175.00)
Merit Plaza Ltd.	-	-	-	-	-
	-	(75.00)	-	-	(75.00)
(Receipt) / Payment (net) arising out of transactions in current account Shandong Binani Rong'An Cement Co. Ltd., China (SBRCC)	-	0.23	-	-	0.23
	-	(15.79)	-	-	(15.79)
Binani Cement Factory Dubai LLC	-	7.72	-	-	7.72
	-	(-22.55)	-	-	(-22.55)
B. BALANCE AS ON 31.03.14 ASSETS Trade Receivables Binani Ready Mix Concrete Ltd.	-	168.45	-	-	168.45
Less : Written off	-	(168.45)	-	-	(168.45)
Net Balance	-	-	-	-	-
	-	(167.30)	-	-	(167.30)

NOTE NO. - 46 (Contd.)

(₹ in Lakhs)

Particulars	Holding Company	Subsidiary/stepdown subsidiary / Associates	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
Investments / Advance for Investments					
Krishna Holdings Pte. Ltd.	-	18,415.25 (18,415.25)	-	-	18,415.25 (18,415.25)
Mukundan Holdings Ltd.	-	45,015.69 (44,286.13)	-	-	45,015.69 (44,286.13)
Murari Holdings Ltd.	-	35,688.38 (34,014.69)	-	-	35,688.38 (34,014.69)
Bhumi Resources (Singapore) Pte. Ltd.	-	6,797.53 (6,797.53)	-	-	6,797.53 (6,797.53)
Swiss Merchandise Pvt. Ltd.	-	5.00 (5.00)	-	-	5.00 (5.00)
Merit Plaza Ltd.	-	5.00 (5.00)	-	-	5.00 (5.00)
Binani Ready Mix Concrete Ltd. Less : Written-off	- -	296.40 (296.40)	- -	- -	296.40 (296.40)
Net Balance	-	- (296.40)	-	-	- (296.40)
Binani Energy Pvt. Ltd.	-	3.18 (3.18)	-	-	3.18 (3.18)
Loans and Advances					
BIL Infratech Ltd.	-	-	3,399.66 (732.50)	-	3,399.66 (732.50)
Binani Ready Mix Concrete Ltd. Less : Written off	- -	185.00 (185.00)	- -	- -	185.00 (185.00)
Net Balance	-	- (25.00)	-	-	- (25.00)
Swiss Merchandise Infrastructure Ltd.	-	5,821.00 (5,421.00)	-	-	5,821.00 (5,421.00)
Merit Plaza Ltd.	-	4,330.00 (4,330.00)	-	-	4,330.00 (4,330.00)
Triton Trading Co. Pvt. Ltd.	-	-	-	17.53 (36.00)	17.53 (36.00)
Interest Receivable					
Binani Industries Ltd.	3,601.07	-	-	-	3,601.07
	-	-	-	-	-
Inter-Corporate Deposits given					
Binani Industries Ltd.	114,857.24 (54,704.00)	-	-	-	114,857.24 (54,704.00)
	-	-	-	-	-
LIABILITIES					
Trade Payables					
Dhaneshwar Solution Pvt. Ltd.(merged with Binani Metals Ltd.)	-	-	-	-	-
	-	-	-	(3,646.92)	(3,646.92)

NOTE NO. - 46 (Contd.)

(₹ in Lakhs)

Particulars	Holding Company	Subsidiary/stepdown subsidiary / Associates	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
Dhaneshwar Solution - A Division of Binani Metals Limited	-	-	-	4,836.74	4,836.74
	-	-	-	-	-
Binani Industries Limited	2,498.07 (1650.34)	-	-	-	2,498.07 (1650.34)
Binani Metals Limited	-	-	-	5.54	5.54
	-	-	-	-	-
Other Payables					
Shandong Binani Rong'An Cement Co. Ltd., China (SBRCC)	-	4.45	-	-	4.45
	-	(4.22)	-	-	(4.22)
Binani Cement Factory Dubai LLC	-	0.37	-	-	0.37
	-	(-7.35)	-	-	(-7.35)

(Figures in bracket pertain to Previous Year)

Note:

- 1 The remuneration paid to Key Management Personnel Mr. P. Acharya (₹ 154.56 Lakhs), Mr. Jotirmoy Ghose (₹ 63.04 Lakhs) and payment towards Management Services Fee & Royalty to Holding Company have been separately disclosed vide Note nos. 35 and 39 respectively.
- 2 Guarantees given/to be given to Banks by Holding Company on behalf of the Company have been separately disclosed in Note no. 32.
- 3 Guarantee given by the Company to Banks for loans given to related parties are disclosed in Note no. 26 (xxiii).
- 4 Names of related parties and description of relationship:
 - a) Holding Company : Binani Industries Limited
 - b) Subsidiaries / step down subsidiaries where control exists : Krishna Holdings Pte Limited, Mukundan Holdings Limited, Murari Holdings Limited, Swiss Merchandise Infrastructure Pvt. Ltd., Merit Plaza Ltd., Bhumi Resources (Singapore) Pte Limited, Binani Ready Mix Concrete Limited, BC Tradelink Limited, Binani Cement Factory (Kenya) Ltd.*, Binani Cement (Uganda) Ltd.*, Binani Cement Factory Mauritius*, PT Anggana Energy Resources, Shandong Binani Rong'an Cement Company Limited (SBRCC), Binani Mineral Resources (Mangolia) LLC*, Binani Cement Factory LLC (BCF), Binani Energy Pvt. Ltd.
 - c) Fellow Subsidiary : Binani Zinc Limited(BZL), Goa Glass Fibre Limited(GGFL), BT Composites Limited(BTCL), Wada Industrial Estate Limited(WIEL), BIL Infratech Ltd, Binani Infrastructure (Mauritius) Limited, BZ Minerals (Australia) Pty Limited., 3B Binani Glass Fibre Holding S.a.r.l, Royalvision Projects Pvt. Ltd. and BZ Resources Mauritius Ltd.
 - d) Step down Subsidiary of Binani Cement Factory LLC, Dubai. : Binani Cement Company WLL, Binani Cement Factory (SFZ) Ltd., BC Tradelink Limited, Binani Cement Factory (Kenya) Ltd., Binani Cement (Uganda) Ltd., Binani Cement SARL (Djibouti), Binani Cement Factory Mauritius, Binani Cement Co Ltd. (Sudan). Step-down Subsidiary of Bhumi Resources (Singapore) Pte Ltd : PT Anggana Energy Resources. Step-down Subsidiary of BIL Infratech Limited : Binani Infrastructure (Mauritius) Limited. Step-down Subsidiary of BZL : BZ Minerals (Australia) Pty Limited.
 - e) Key Management Personnel : Mr. Braj Binani, Mr. Jotirmoy Ghose, and Mr. P. Acharya (upto 14th July'13).
 - f) Transactions where key Management Personnel have got significant influence : Mr. Braj Binani with Binani Metals Ltd., Triton Trading Co. Pvt. Ltd. and Dhaneshwar Solutions.

* These Companies are sold / closed down / under liquidation during the year.

NOTE NO. - 47 Earning per share is calculated as follows:

Particulars	31st March, 2014	31st March, 2013
Net Profit / (Loss) after tax (₹ in Lakhs)	(19,712.38)	11,982.48
Equity shares outstanding as at the year end (in Nos.)	188,601,274	188,601,274
Weighted average number of Equity Shares used as denominator for calculating Basic and Diluted Earning Per Share (in Nos.)	188,601,274	188,601,274
Nominal Value per Equity Share (in ₹)	10/-	10/-
Earning Per Share (Basic and Diluted) (in ₹)	(10.45)	6.35

NOTE NO. - 48 EMPLOYEE BENEFITS :

a) Defined Contribution Plans :

During the year the Company has recognised ₹ 316.94 Lakhs (Previous Year ₹ 297.75 Lakhs) in the Profit and Loss Account on account of defined contribution plans i.e. Employers Contribution to Provident Funds and ESIC.

(₹ in Lakhs)

Particulars		Gratuity Funded		Leave Encashment Non-Funded	
I	Expenses recognised in the Statement of Profit & Loss	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
1	Current Service Cost *	95.43	86.65	2.37	25.77
2	Interest Cost	59.42	50.88	-	-
3	Employee Contributions	-	-	-	-
4	Expected return on plan assets	(50.88)	(47.93)	-	-
5	Net Actuarial (Gains) / Losses	(94.66)	41.48	-	-
6	Past service cost	-	-	-	-
7	Settlement cost	-	-	-	-
8	Total expenses	9.32	131.08	2.37	25.77
* Current service cost in case of leave encashment are net of benefit paid during the year included under salary and allowance.					
II Net Asset/(Liability) recognised in the Balance Sheet					
1	Present value of Defined Benefit Obligation	727.14	720.30	232.12	229.75
2	Fair value of plan assets	607.41	584.88	-	-
3	Funded status [Surplus/(Deficit)]	(119.73)	(135.41)	-	-
4	Net asset/(liability)	(119.73)	(135.41)	(232.12)	(229.75)
III Change in obligation during the year					
1	Present value of Defined Benefit Obligation at beginning of the year	720.30	598.64	229.75	203.98
2	Current Service cost *	95.43	86.65	2.37	25.77
3	Interest cost	59.42	50.88	-	-
4	Settlement cost	-	-	-	-
5	Past service cost	-	-	-	-
6	Employee Contributions	-	-	-	-
7	Actuarial (Gains) / Losses	(82.12)	34.46	-	-
8	Benefits Payments	(65.90)	(50.33)	-	-
9	Present value of Defined Benefit Obligation at the end of the year	727.14	720.30	232.12	229.75

* Current service cost in case of leave encashment are net of benefit paid during the year included under salary and allowance.

(₹ in Lakhs)

		Gratuity Funded	
IV	Change in Assets during the Year	31st March, 2014	31st March, 2013
1	Plan assets at the beginning of the year	584.88	557.30
2	Assets acquired on amalgamation in Previous Year	-	-
3	Settlements	-	-
4	Expected return on plan assets	50.88	-
5	Contributions by Employer	25.00	37.00
6	Actual benefits paid	(65.90)	(50.33)
7	Actuarial (Gains) / Losses	12.53	(7.01)
8	Actual return on plan assets	-	47.93
9	Plan assets at the end of the year	607.40	584.88
V The major categories of plan assets as a percentage of total plan			
	Qualifying Insurance Policy	YES	YES
VI Actuarial Assumptions :			
	Discount Rate	9.31%	8.25%
	Rate of Return on Plan Assets	8.70%	8.70%
	Salary Escalation	7%	7%
	Attrition rate	2%	2%

- b) Provision towards liability for Leave Encashment made on the basis of actuarial valuation as per Accounting Standard 15 (Revised). Actuarial value of liability is ₹ 232.12 Lakhs (Previous Year ₹ 229.75 Lakhs) based upon following assumptions.

	Discount Rate	9.31%	8.25%
	Salary Escalation	7%	7%

NOTE NO. - 49

Operating Lease

- a) Future Lease Rental payments

(₹ in Lakhs)

Particulars	31st March, 2014	31st March, 2013
i) Not later than one year	35.47	6.36
ii) Later than one year and not later than five years	31.16	12.72
iii) Later than five years	-	-

- b) Operating lease payment recognised in Profit & Loss Account amounting to ₹ 579.65 Lakhs (Previous Year ₹ 498.53 Lakhs)

- c) General description of the leasing arrangement:

- Leased Assets: Car, Godowns and Office.
- Future lease rentals are determined on the basis of agreed terms.
- At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.

NOTE NO. - 50

Miscellaneous expenses in Note no. 23 includes donation ₹ nil (Previous Year ₹ 125 Lakhs) to G. D. Binani Charitable Foundation.

NOTE NO. - 51

Trade Receivables of ₹ 4,420.98 Lakhs have been netted off against advance received towards those sales and the excess of advance over receivables amounting to ₹ 4,894.91 Lakhs has been shown under current liability. Such advances are settled after full amount is received from the debtors.

NOTE NO. - 52

The Competition Commission of India (CCI) vide its order dated June 20, 2012 had imposed a penalty of ₹ 16,732 Lakhs on the Company alleging contravention of certain provisions of the Competition Act, 2002. The Company has filed an appeal before the Competition Appellate Tribunal (COMPAT) against the aforesaid Order of CCI and the Company has been advised by its legal advisors that it has a good case for the COMPAT to set aside the CCI order and accordingly no provision has been considered necessary by the Company in this regard.

NOTE NO. - 53

Advance Income Tax is net of provision for Income Tax of ₹ 17,749.72 Lakhs (Previous Year ₹ 17,749.72 Lakhs).

NOTE NO. - 54

During April 14, the incumbent Company Secretary resigned. The Company has finalised the process of recruitment of new Company Secretary.

NOTE NO. - 55

The Scheme for hive off of Power Undertaking is scheduled to come up for hearing before Hon'ble High Court, at Kolkata on 2nd June, 2014.

NOTE NO. - 56

During the year, the Company has received a notice from Rajasthan Commercial Taxes department for a demand of ₹ 41,421.55 Lakhs (Sales Tax dues ₹ 16,731.80 Lakhs & Interest ₹ 24,689.75 Lakhs). The Company has provided ₹ 15,278.46 Lakhs as an exceptional item and the balance amount of tax ₹ 1,453.34 Lakhs already provided in the books. The Company has also filed an application with department for waiver of Interest (refer note no. 28 above).

NOTE NO. - 57

Binani Ready Mix Concrete Limited, a wholly owned subsidiary of the Company engaged in the business of manufacturing of Ready Mix Concrete & Allied Services discontinued its operations during the year and its networth has been eroded. Accordingly, investments of ₹ 296.40 Lakhs in Binani Ready Mix Concrete Limited, Advance Recoverable of ₹ 185.00 Lakhs and Trade Receivables of ₹ 168.45 Lakhs from Binani Ready Mix Concrete Limited have been written off.

NOTE NO. - 58

No events or transactions have occurred since the date of Balance Sheet or are pending that would have material effect on the financial statements at that date or for the period then ended, other than those reflected or fully disclosed in the books of accounts.

NOTE NO. - 59

Previous Year figures have been regrouped / rearranged wherever necessary to conform with the figures of the current year.

As per our attached report of even date

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh
Partner
Membership No.114622

Place : Mumbai
Date : 30th May, 2014

K. K. Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

Place : Mumbai
Date : 30th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax	(29,335.00)	15,499.78
Adjustments for :		
Depreciation/Amortisation	10,533.31	10,542.86
Interest and Finance Charges	27,325.14	21,089.69
Unrealised Exchange Rate Fluctuations (net)	1,064.42	961.20
(Profit)/ Loss on Sale/Discard of Fixed Assets	25.17	224.28
Dividend Received	-	(50.99)
Interest Income	(10,793.71)	(6,156.82)
Exceptional Items	15,928.32	-
Operating Profit before working capital changes	14,747.65	42,110.00
Adjustments for :		
Inventories	(9,985.40)	2,001.51
Trade and Other Receivables	(828.47)	116.43
Trade and Other Payables	4,991.56	15,054.76
Cash Generated from Operations	8,925.34	59,282.70
Direct Taxes Paid / Refunds	(2,740.77)	(1,859.75)
Net Cash flow from / (used in) Operating Activities	6,184.57	57,422.94
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including capital work-in-progress)	(4,746.08)	(10,667.26)
Sale of Fixed Assets	50.88	31.26
Interest and Dividend Income Received	7,219.55	6,171.33
Inter Corporate Deposit (Net)	(60,153.24)	(14,754.00)
Investments in Subsidiaries / Associates	(2,403.26)	(19,190.08)
Due from Subsidiaries / Associates	(560.00)	15,088.00
Other Advances	(11,927.09)	374.00
Net Cash flow from / (used in) Investing Activities	(72,519.24)	(22,946.75)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	110,751.42	30,745.55
Repayment of Long Term Borrowings	(34,149.50)	(42,885.76)
Payment of Deferred Indirect Taxes	(2,319.54)	(59.11)
Inter Corporate Deposit (Net)	1,015.16	-
(Repayment of)/ Proceeds from Bank Borrowings (Net)	5,606.16	920.20
Proceeds from Trade Deposits	576.59	154.27
Interest and Finance Charges Paid	(21,958.95)	(21,201.51)
Proceeds from Short Terms Borrowings	3,785.60	749.06
Repayment of Short Terms Borrowings	-	(3,600.00)
Net Cash flow from / (used in) Financing Activities	63,306.94	(35,177.30)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

PARTICULARS	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(3,027.73)	(701.10)
E. CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	7,507.12	8,208.22
F. CASH AND CASH EQUIVALENTS AS AT END OF THE YEAR	4,479.39	7,507.12

- Note : 1 Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statements" as specified In the Companies (Accounting Standards) Rules 2006.
- 2 Cash and Cash Equivalents are Cash and Bank Balances as per Balance Sheet and includes ₹ 19.12 Lakhs (Previous Year ₹ 19.23 Lakhs) in respect of Unclaimed Dividend and ₹ 3,513.80 Lakhs (Previous year ₹ 5,444.03 Lakhs) as margin / pledge, the balance of which is not available to the Company.
- 3 Previous year figures have been recast / regrouped wherever considered necessary.

As per our attached report of even date

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh
Partner
Membership No.114622
Place : Mumbai
Date : 30th May, 2014

K. K. Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

Place : Mumbai
Date : 30th May, 2014

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Binani Cement Limited

We have audited the accompanying consolidated financial statements of **Binani Cement Limited** ("the Company"), its subsidiaries and Joint Venture ("Components"), which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Based on our audit and on consideration of individual audit reports of other auditors on separate financial statements of the components as explained in point 2 of other matters below and financial statements compiled and furnished by the management for remaining components as explained in point 1 and 3 of other

matters below and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the consolidated Profit and Loss Account, of the loss for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters:

1. We draw attention to Note No. 45 to the Consolidated financial statements, relating to the order of the Competition Commission of India (CCI), concerning alleged contravention of the provisions of the Competition Act, 2002 and thereby imposed penalty of ₹ 16,732 Lakhs (excluding interest, if any) on the Company. The Company is advised by external legal counsel that it has a good case for the Competition Appellate Tribunal setting aside the order passed by CCI, and accordingly no provision has been considered necessary by the Company in this regard. Our opinion is not qualified in respect of this matter.
2. We draw attention to Note No. 27 to the financial statements, relating to Sales Tax Matters as per the order there is liability on the Company for Interest of ₹ 27,767.68 Lakhs. The Company has filed an application with Commissioner, Commercial Tax Department, Jaipur for waiver of Interest under Section 51 of Rajasthan Value Added Tax Act and management is of the view that it has a good case of getting waiver from the department for Interest and hence provision of interest is not required. Our opinion is not qualified in respect of this matter.
3. With reference to the Note No. 26 to the financial statement regarding guarantees aggregating of ₹1,68,420.60 Lakhs issued by the Company to banks and financial institutions in respect of loans given to holding Company and its subsidiaries, step down subsidiaries, which are significant in relation to the net worth of the Company at the year end. In the opinion of the management, these are not expected to result into any financial liability to the Company.

Other Matters:

1. We have not audited the financial statements of the seven foreign subsidiaries (including 3 step down subsidiaries) included in the consolidated financial statements. These financial statements have been audited for the financial year ended 31st December, 2013 as per respective laws of the other country. However, the management has compiled these financial statements for financial year ending March 31, 2014 as per accounting policies of the Company and

for the said purpose management approved accounts for the period from Jan 2014 to March 2014 have been considered. These financial statements reflect total assets of ₹ 2,94,030.30 Lakhs as at 31st March, 2014, total revenues of ₹ 65,965.15 Lakhs and net cash outflows of ₹ 3,067.56 Lakhs for the year then ended.

2. Further, we have not audited the financial statements of four subsidiaries included in consolidated financial statements whose financial statements reflect total assets of ₹ 10,191.38 Lakhs as at 31st March, 2014, revenue of ₹ 118.67 Lakhs and net cash outflows of ₹ 112.69 Lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the report of other auditors.
3. We have relied on the unaudited financial statements and financial information of 5 step down subsidiaries and one step down joint venture, whose financial statements reflect total assets of ₹ 13.26 Lakhs as at 31st March, 2014, having ₹ 204.35 Lakhs revenue and net cash outflows of ₹ 68.25 Lakhs for the year then ended. These unaudited financial statements have been approved by the management and our report in so far as it related to the amount included in respect of these subsidiaries is based solely on such unaudited financial statements and financial information.

We are unable to comment upon the resultant effect of the

change, if any, had the subsidiaries (including 8 step down subsidiaries and one step down joint venture) mentioned in para 1 and 3 been audited, on profit, assets and liabilities of the consolidated financial statements as at 31st March, 2014, however our opinion is not qualified in respect of this matter.

4. We draw attention to note no. 46, regarding appointment of company secretary.
5. With reference to Short term Loan given to Holding Company of ₹ 1,14,857.24 Lakhs, as per the Management, the said loan will be repaid by the Holding Company through sales proceeds received by divesting Investment of Holding Company in Equity Shares of Binani Cement Limited.
6. With reference to Loan given to its Holding Company, the Company has not taken an approval from a financial institution as per section 372 A of Companies Act, 1956.

For Kanu Doshi Associates

Chartered Accountants
Firm Registration Number: 104746W

Ankit Parekh

Partner
Membership No.114622

Place : Mumbai
Date : May 30, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2014	31st March, 2013
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
(a) Share Capital	3	18,860.38	18,860.38
(b) Reserves and Surplus	4	39,928.32	54,415.53
		<u>58,788.70</u>	<u>73,275.91</u>
MINORITY INTEREST			
		3,696.21	3,636.66
NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	5	215,097.64	137,618.89
(b) Deferred Tax Liabilities (net)	34	10,250.68	19,873.30
(c) Other Long Term Liabilities	6	4,096.76	3,520.17
(d) Long Term Provisions	7	485.66	406.74
		<u>229,930.74</u>	<u>161,419.10</u>
CURRENT LIABILITIES			
(a) Short-Term Borrowings	8	25,304.99	11,078.72
(b) Trade Payables	9	64,716.62	62,438.72
(c) Other Current Liabilities	10	109,675.53	87,399.49
(d) Short-Term Provisions	11	169.63	293.99
		<u>199,866.77</u>	<u>161,210.92</u>
TOTAL		<u><u>492,282.42</u></u>	<u><u>399,542.59</u></u>
ASSETS			
NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	12	207,925.05	208,287.81
(ii) Intangible Assets	12	57,475.03	52,479.21
(iii) Capital Work-in-Progress		22,591.65	15,802.57
(iv) Intangible Assets Under Development		8.99	8.99
(b) Long Term Loans and Advances	13	26,161.10	18,292.72
		<u>314,161.82</u>	<u>294,871.30</u>
CURRENT ASSETS			
(a) Inventories	14	31,706.16	20,696.22
(b) Trade Receivables	15	6,769.63	3,468.62
(c) Cash and Bank Balances	16	7,056.20	13,332.42
(d) Short-term Loans and Advances	17	124,706.24	65,801.41
(e) Other Current Assets	18	7,882.37	1,372.62
		<u>178,120.60</u>	<u>104,671.29</u>
TOTAL		<u><u>492,282.42</u></u>	<u><u>399,542.59</u></u>
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes are integral part of the financial Statements.

As per our attached report of even date

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh
Partner
Membership No.114622
Place : Mumbai
Date : 30th May, 2014

K. K. Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

Place : Mumbai
Date : 30th May, 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2014	31st March, 2013
INCOME			
Revenue from Operations	19	276,511.45	300,832.49
Less : Excise Duty		26,859.72	33,939.67
Revenue from Operations (net)		249,651.73	266,892.82
Other Income	20	11,957.26	6,586.22
TOTAL REVENUE		261,608.99	273,479.04
EXPENSES			
Cost of Materials Consumed	21	52,650.08	42,880.54
Purchase of Stock-in-Trade		7,298.70	2,387.22
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(7,274.24)	(1,421.44)
Employee Benefits Expenses	22	9,811.39	8,284.32
Financial Costs	23	31,251.44	24,836.03
Depreciation and Amortization Expense		16,557.60	15,404.19
Other Expenses	24	170,538.33	173,083.89
Total Expenses		280,833.30	265,454.75
Profit before prior period item, exceptional and extraordinary items and tax		(19,224.31)	8,024.29
Exceptional Items		15,278.46	-
Profit / (Loss) before extraordinary items and tax		(34,502.77)	8,024.29
Extraordinary Items		-	-
Profit / (Loss) Before Tax		(34,502.77)	8,024.29
Tax Expense:			
Less -Current Tax		21.90	3,128.19
Less -Tax of Earlier Years		384.83	(200.21)
Less -Deferred Tax (net)		(9,622.62)	410.66
Less - Fringe Benefit Tax		-	3.06
Profit / (Loss) for the period from Continuing Operations		(25,286.88)	4,682.59
Profit / (Loss) for the Year		(25,286.88)	4,682.59
Earning Per Equity Share (in ₹):	42		
Basic		(13.41)	2.48
Diluted		(13.41)	2.48
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes are integral part of the financial Statements.

As per our attached report of even date

For Kanu Doshi Associates

Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh

Partner
Membership No.114622

Place : Mumbai

Date : 30th May, 2014

K. K. Jain

Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani

Chairman

Jotirmoy Ghose

Managing Director

Place : Mumbai

Date : 30th May, 2014

NOTES ATTACHED ON CONSOLIDATED BALANCE SHEET & PROFIT & LOSS STATEMENT AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 1

CORPORATE INFORMATION

Binani Cement Limited is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

NOTE NO. - 2

SIGNIFICANT ACCOUNTING POLICIES

(i) BASIS OF ACCOUNTING

The accompanying consolidated financial statements of the Company, its subsidiary companies have been prepared under the historical cost convention and on accrual basis in accordance with accounting principles generally accepted in India and in compliance with all material aspect of Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013.

(ii) BASIS OF PREPARATION

a) The financial statements of the Company and its subsidiary companies are consolidated on a line-by-line item basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

The financial statements of a Joint Ventures have been consolidated by using the proportionate consolidation method as per AS-27 - "Financial Reporting of Interests in Joint Ventures".

b) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as Holding Company's separate financial statements, as far as possible, except as provided under para 2(iv) (e), 2(iv) (f), 2(iv) (g), 2(vi) (b), 2 (viii) (g), 2 (viii) (h), 2(xii) (b), 2 (xiii) (d), 2(xv), 2 (xvi) (b) and 2 (xxii).

c) In case of financial statements of an non-integral foreign operation, the assets and liabilities are translated at the closing rate. Income and expense items are translated at exchange rates at an average rates and all resulting exchange differences are accumulated in a foreign currency translation reserve on consolidation until the disposal of the net investment.

d) Minority Interest's share of net profit of consolidated subsidiaries for the year/period is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

e) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated financial Statement separate from liabilities and the equity of the Company's shareholders.

(iii) USE OF ESTIMATES

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires the management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

(iv) REVENUE RECOGNITION

a) Domestic sales are accounted for on transfer of substantial risks and rewards which generally coincide with despatch of products to customers and Export sales are accounted on the basis of dates of Bill of Lading. Sales are net of Rebates & Discounts.

b) In case of sale of Carbon Credits (Certified Emission Reductions), revenue is recognized on submission of application with UNFCCC after execution of agreement with the buyer.

c) Export benefits are accounted on the basis of application filed with the appropriate authority.

d) Dividend income on investments is accounted for when the right to receive the payment is established. Interest income is recognized on accrual basis.

e) In case of Shandong Binani Rong'An Cement Co. Ltd. (SBRCC), subsidy Income is recognized when received and revenue from operating lease is recognized on a straight line basis over the period of the lease.

- f) In case of Binani Cement Factory LLC (BCF LLC) & its subsidiaries, revenue from sale of goods is recognized when goods are delivered and title has passed, and the Company has no managerial involvement or control over the goods sold.
- g) In case of Binani Cement Factory LLC (BCF LLC), interest income is recognized on effective yield basis.
- h) Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.
- i) Income from service are recognized on accrual basis.

(v) ACCOUNTING OF CLAIMS

- a) Claims receivable are accounted at the time when reasonable certainty of receipt is established. Claims payable are accounted at the time of acceptance.
- b) Claims raised by Government Authorities regarding taxes and duties, are accounted for based on the merits of each claim. If same is disputed by the Company, these are shown as 'Contingent Liabilities'.

(vi) TANGIBLE FIXED ASSETS

- a) Fixed Assets are stated at cost, net of Cenvat less specific grants received, if any and accumulated depreciation and impairment loss if any. Cost includes trial run and stabilisation expenses, interest, finance costs and incidental expenses up to the date of capitalization. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits arising from the existing assets beyond its previously assessed standard of performance.
- b) In case of SBRCC, Fixed Assets include assets related to the operation of the Company having useful life over one year. Fixed assets also include equipment other than the main production equipment with individual values of over RMB 2,000 equivalent to ₹ 19,409/- and useful lives in excess of 2 years.
- c) Capital Work-in-Progress includes cost of fixed assets that are not yet ready for the intended use, at the Balance Sheet Date.

(vii) INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition less accumulated amortization.

(viii) DEPRECIATION & AMORTISATION

- a) Depreciation on Plant and Machinery is provided on Straight Line Method, at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 as applicable for continuous process plant except silos where the general rate of depreciation is considered.
- b) Depreciation on other Fixed Assets has been provided on Written Down Value Method at the rates and in the manner prescribed as per Schedule XIV of the Companies Act, 1956 including asset constructed on land not owned by the Company. However Buildings & Roads inside plant are treated as Factory Buildings and depreciation charged accordingly.
- c) In case of Binani Cement Ltd (BCL) the total expenditure on mine exploration and development is amortized in the ratio of ore extracted to the total estimated exploitable reserves.
- d) Leasehold Land is amortised on a straight-line basis over the period of lease.
- e) Assets having individual value below ₹ 5,000 are depreciated @ 100% and mobile phones are charged to revenue considering their useful life to be less than one year.
- f) Expenditure on major computer software is amortised on a straight-line method over the period of five years.
- g) In case of Binani Ready Mix Concrete Ltd , SBRCC , PT Anggana Energy Resources, Bhumi Resources (Singapore) PTE Limited, Binani Mineral Resources LLC and subsidiaries of BCF LLC, the depreciation on fixed assets and intangible assets is provided for on SLM basis over the estimated useful life at rates permissible under applicable local laws.
- h) In Case of Binani Cement Factory (BCFLLC) cost of each assets is depreciated over the estimated useful lives on straight line basis except in respect of Plant and Machinery (Main) where the method of depreciation has been changed from Straight Line method to unit of production method W.e.f 1st January 2012. As a result of the above change, depreciation for the previous year is lower by ₹ 744.17 Lakhs (AED 5,021,565.81) and loss for the previous year is lower by ₹ 744.17 Lakhs (AED 5,021,565.81).
- i) Intangible assets are amortised equally over the useful life and goodwill on consolidation is not amortised.

(ix) IMPAIRMENT OF ASSETS

At the end of each reporting period, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI. An impairment loss is charged to the Profit and Loss account in the period in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized in the earlier accounting periods is reversed, if there has been a change in the estimate of recoverable amount.

(x) VALUATION OF INVENTORIES

- a) Raw Material, Fuel (except for coal lying at Port), Packing materials, Stores & Spares is valued at lower of moving weighted average cost (net of Cenvat) and net realisable value. Coal lying at Port is valued at lower of cost on specific consignment basis plus custom duty and net realisable value. Loose Tools are charged over a period of three years. However, materials held for use in the production of inventories are not written down below cost if the finished products in which they are used and expected to be sold at or above cost.
- b) Finished Goods and Work – in – process is valued at lower of weighted average cost and net Realisable Value. Cost for this purpose includes direct cost & attributable overheads and Cost of finished goods also includes excise duty.
- c) In case of Binani Cement Factory LLC (BCFLLC), Dubai, Stock are valued at the lower of the cost or net realisable value. Raw materials comprising of Clinker & slag and packing materials are valued at cost using the First in First out (FIFO) method. Consumables are valued at cost using specific identification method. Raw material comprising of gypsum and limestone are valued at cost using the Weighted Average Method (WAM).

(xi) INVESTMENTS

Investments classified as long term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current Investments are carried at lower of cost and fair value.

(xii) FOREIGN EXCHANGE TRANSACTIONS

- a) Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the profit and loss account. In case of forward contracts (non speculative), the premium / discount are dealt with in the profit and loss account over the period of contracts. Exchange difference arises on a monetary items in substance form part of enterprises net investment in non integral foreign operation is accumulated in a foreign currency translation reserve till the disposal of the net Investment. Non- monetary items at the balance sheet date are stated at historical cost. Year end Foreign Debtors/Creditors are restated as per the rate prevailing on the date of closing of the accounts for respective currencies.
- b) In case of SBRCC, the accounting of foreign exchange transaction is as follows:

Except for the accounting treatment of paid-in capital, foreign currency transactions are translated into RMB at the exchange rates stipulated by the People's Bank of China ("the stipulated exchange rates") on the first day of the month in which the transactions took place. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into RMB at the stipulated exchange rates at the balance sheet date. Exchange differences arising from these translations are expensed, except for those attributable to foreign currency borrowings that have been taken out specifically for the construction of fixed assets, which are capitalized as part of the fixed asset costs and those arising in the pre-operating period, which are recorded as long-term prepaid expenses.

(xiii) EMPLOYEE BENEFITS

a) Defined Contribution Plan

Contribution to defined contribution plans are recognized as expense in the Profit and Loss Account, as they are incurred.

b) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Profit and Loss Account. Long term compensated absences are provided for based on actuarial valuation.

c) Short Term Employee Benefit

All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employees renders the related services.

d) Employees' Benefits

In case of BCF LLC Provision is made for end of service benefits (gratuity) payable to employees in accordance with UAE Labour Law regulations and is based on current remuneration and cumulative period of service at the reporting date.

In case of BCF LLC's Subsidiaries and PT Anggana Energy Resources , the provision for liability is provided in accordance with laws of country in which the Company is operating.

In case of Binani Mineral Resources LLC , As required by law the Company makes contribution to social and health insurance scheme and such contribution are recognised as an expense in the income statement as incurred.

(xiv) **BORROWING COSTS**

Borrowing costs which are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as a part of the cost of that asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs are recognized as expenses in the period in which they are incurred.

(xv) **STATUTORY RESERVE**

In case of BCF LLC, statutory reserve is created by appropriating 10% of the profit of the Company as required by Article 255 of the UAE Commercial Companies Law No.8 of 1984, as amended. The Company can discontinue such annual transfers when the reserve totals 50% of the paid up share capital. The reserve is not available for distribution except as provided in the Federal Law.

(xvi) **INCOME TAXES**

- a) Tax expense comprises of current tax and deferred tax. Current tax and Deferred tax are accounted for in accordance with Accounting Standard 22 on "Accounting For Taxes on Income", issued by the ICAI. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income taxes reflect the impact of the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available except that deferred tax assets arising on account of unabsorbed depreciation and losses are recognized if there is virtual certainty that sufficient future taxable income will be available to realise the same.
- b) In case of foreign subsidiary & step down subsidiary companies Income Tax / Deferred Tax have been provided in accordance with laws of country in which the Company is operating.
- c) Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(xvii) **CONTINGENCIES/PROVISIONS**

A provision is recognized when an enterprise 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 required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognized nor disclosed in the accounts.

(xviii) **SEGMENT REPORTING POLICIES**

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Company operate.

(xix) **OPERATING LEASE**

The lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Statement.

(xx) **EARNING PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xxi) **EXPENDITURE DURING CONSTRUCTION PERIOD**

For Binani Cement Ltd in case of new projects and substantial expansion of existing factories, expenditure incurred including trial production expenses net of revenue earned, prior to commencement of commercial production are capitalised.

(xxii) **DERIVATIVES**

In case of BCF LLC, Derivatives are stated at fair values. Derivatives with positive market values (unrealised gains) are included in assets and derivatives with negative market values (unrealised losses) are included in liabilities. Change in fair values are recognized in profit or loss.

(xxiii) **CASH & CASH EQUIVALENTS**

Cash & cash equivalent for the purpose of Cash Flow Statement comprise cash in hand and at bank in current accounts and deposit accounts with maturity less than 3 months.

(xxiv) **PRINCIPLES OF CONSOLIDATION**

Subsidiaries / step down subsidiaries and Joint Venture considered for consolidation :

The financial statements of all Indian Subsidiaries including Indian Step down subsidiaries and Joint venture are consolidated on the basis of their stand alone / consolidated accounts available for the year ended 31st March, 2014.

- i) The Consolidated Financial Statements include the financial statements of the following overseas / Indian subsidiaries and overseas step down subsidiaries and Joint Venture:

Name of Company	Relation with Holding Company	Country of Incorporation	% of Share Holding	Accounting Year / Period considered for consolidation
Krishna Holdings Pte Ltd.(KHL)	Subsidiary of BCL	Singapore	100%	April'13 - March'14
Murari Holdings Limited -(MUHL)	-do-	British Virgin Islands	100%	April'13 - March'14
Mukundan Holdings Ltd.(MHL)	-do-	British Virgin Islands	100%	April'13 - March'14
Swiss Merchandise Infrastructure Ltd.	-do-	India	100%	April'13 - March'14
Merit Plaza Ltd.	-do-	India	100%	April'13 - March'14
Binani Readymix Concrete Limited (RMC)	-do-	India	100%	April'13 - March'14
Binani Energy Private Ltd.	-do-	India	100%	April'13 - March'14
Bhumi Resources (Singapore) PTE Ltd	-do-	Singapore	100%	April'13 - March'14
PT Anggana Energy Resources	Step-down Subsidiary of BCL (Subsidiary of Bhumi Resources (Singapore) Pte Ltd).	Indonesia	100%	April'13 - March'14
Shandong Binani Rong'an Cement Company Ltd.(SBRCC)	Stepdown Subsidiary of BCL. (Subsidiary of KHL)	China	90%	April'13 - March'14
Binani Mineral Resources (Mongolia) LLC *	Stepdown Subsidiary of BCL. (Subsidiary of KHL)	Mongolia	100%	April'13 - May'13
Binani Cement Factory LLC. (BCF)	Step-down Subsidiary of BCL (Subsidiary of MHL & MUHL)	United Arab Emirates	100%	April'13 - March'14
BC Tradelink Limited	-do-	Tanzania	100%	April'13 - March'14
Binani Cement Factory (Kenya) Ltd. *	-do-	Kenya	100%	April'13 - March'14

Name of Company	Relation with Holding Company	Country of Incorporation	% of Share Holding	Accounting Year / Period considered for consolidation
Binani Cement (Uganda) Ltd *	-do-	Uganda	100%	April'13 - March'14
Binani Cement Factory Mauritius *	-do-	Mauritius	100%	April'13 - March'14
Surya Ready Mix Private Limited *	Joint Venture of Subsidiary Binani RMC	India	50%	April'13 - 11th June'13

- i) For calculation of Goodwill / Capital Reserve, the pre acquisition profits and reserves of the acquired subsidiaries, wherever applicable, have been considered on (no. of days) prorata basis.
- ii) The excess of cost of investment in the Subsidiary Companies over the Company's portion of equity of the subsidiary at the date of investment made is recognized in the financial statements as goodwill. This goodwill is tested for impairment at the close of each financial year. The excess of Company's portion of equity of the Subsidiary over the cost of the investment therein is treated as Capital Reserve.
- iii) In view of the management, the effect of exception stated in 2 (ii)(c) above is not quantifiable.
- iv) During the year Binani Readymix Concrete Limited has sold the investment in Joint venture in Surya Ready Mix Private Limited.
- * These companies are sold / closed / under liquidation during the year. The financial statements of these Subsidiaries including Step down subsidiaries and joint venture are consolidated on the basis of their stand alone / consolidated accounts available from 1st April 2013 till closure / sale of the companies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE NO. - 3

SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Authorised		
423,899,600 Equity Shares (Previous Year 423,899,600) of ₹10/- each	42,389.96	42,389.96
	42,389.96	42,389.96
Issued, Subscribed and Paid up		
188,601,274 (Previous Year 188,601,274) Equity Shares of ₹ 10/- each fully paid-up	18,860.13	18,860.13
Add: Amount paid up on forfeited Shares	0.25	0.25
TOTAL	18,860.38	18,860.38

3.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Equity Shares	31st March, 2014		31st March, 2013	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	188,601,274	18,860.13	188,601,274.00	18,860.13
Add: Issued During the year	-	-	-	-
Outstanding at the end of the year	188,601,274	18,860.13	188,601,274.00	18,860.13

3.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of 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 shareholders.

3.3 18,56,49,464 - 98.43% (Previous Year 18,56,49,464 - 98.43%) Equity Shares of ₹10/- each fully paid-up held by the Holding Company - Binani Industries Limited and its nominees.

3.4 14,500,000 Equity Shares have been bought back in financial year 2010-11 under tender offer route and later extinguished.

NOTE NO. - 4

RESERVE & SURPLUS

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Capital Redemption Reserve		
Opening Balance	1,450.00	1,450.00
Add / Less : Transfer from / (to) Profit and Loss Statement	-	-
	1,450.00	1,450.00
Debenture Redemption Reserve		
Opening Balance	-	438.00
Less : Transfer to / from Profit and Loss Statement	-	(438.00)
	-	-
General Reserve		
Opening Balance	7,843.00	7,843.00
Add: Transfer from Profit and Loss Statement	-	-
	7,843.00	7,843.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
NOTE NO. - 4 [Contd.]		
Foreign Currency Translation Reserve		
Opening Balance	17,929.49	12,581.74
Add : Exchange Difference during the year on net Investment in non integral foreign operations	10,429.43	5,347.75
	28,358.92	17,929.49
Balance in Profit & Loss Account		
Opening Balance	27,193.04	21,734.63
Transferred from Profit and Loss Statement	(25,286.88)	4,682.59
	1,906.16	26,417.22
Minority Interest	370.24	337.82
Transfer (to) / from Debenture Redemption Reserve	-	438.00
	2,276.40	27,193.04
TOTAL	39,928.32	54,415.53
NOTE NO. - 5		
LONG TERM BORROWINGS		
Term Loans		
From Bank		
Secured	177,097.64	135,807.75
Unsecured	-	-
	177,097.64	135,807.75
Financial Institutions		
Secured	38,000.00	376.26
Unsecured	-	-
	38,000.00	376.26
Deferred Payment Liabilities		
Secured	-	-
Unsecured	-	1,434.88
	-	1,434.88
TOTAL	215,097.64	137,618.89
NOTE NO. - 6		
OTHER LONG TERM LIABILITIES		
Other Payable		
Trade Deposits	4,096.76	3,520.17
TOTAL	4,096.76	3,520.17
NOTE NO. - 7		
LONG TERM PROVISIONS		
Provision for employee benefits		
Gratuity (unfunded)	222.91	159.21
Leave Encashment (unfunded)	262.20	247.53
Other Retirement Obligations	0.55	-
TOTAL	485.66	406.74

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
NOTE NO. - 8		
SHORT TERM BORROWINGS		
Short term Loans		
Loan Repayable on Demand		
From Bank		
Secured	16,358.55	8,418.43
Unsecured	-	-
	16,358.55	8,418.43
Other Loans		
Secured	2,034.67	749.06
Unsecured	6,911.77	1,911.23
	8,946.44	2,660.29
TOTAL	25,304.99	11,078.72
NOTE NO. - 9		
TRADE PAYABLES		
Trade Payables for Goods	41,919.86	43,410.59
Trade Payables for Services	22,796.76	19,028.13
TOTAL	64,716.62	62,438.72
NOTE NO. - 10		
OTHER CURRENT LIABILITIES		
Current maturities of Long term debt	48,849.38	53,252.05
Interest accrued but not due on borrowings	545.12	91.74
Interest accrued and due on borrowings	5,366.15	-
Unpaid dividends	19.06	19.17
Advance from Customers	7,946.30	4,823.63
Statutory Liabilities & Other Liabilities (Includes Payable for Capex)	46,949.52	29,212.90
TOTAL	109,675.53	87,399.49
NOTE NO. - 11		
SHORT TERM PROVISIONS		
Provision for employee benefits		
For Gratuity	128.74	141.72
For Leave Encashment	36.10	28.62
	164.84	170.34
Others		
For Current Tax (net)	3.94	89.88
For Others	0.85	33.77
	4.79	123.65
TOTAL	169.63	293.99

SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

NOTE NO. - 12 TANGIBLE & INTANGIBLE ASSETS

Particulars	TANGIBLE ASSETS										INTANGIBLE ASSETS			Total	Previous Year
	Free hold Land	Lease hold Land	*Buildings (Including Roads)	Plant And Machinery*	Railway Sidings	Mine Explorations & Developments	Furniture & Office Equipments, Other Equipments	Transport Equipments	Sub Total	Other Intangible Assets	Goodwill on Consolidation	Sub Total	Total		
GROSS BLOCK															
As at 1st April 2013	16,981.03	66.80	34,910.99	246,507.23	2,945.17	7,398.85	1,122.48	365.80	310,318.35	6,376.79	46,937.63	53,314.42	363,632.77	347,042.13	
Additions during the year / period	-	-	1,337.25	5,465.43	14.67	-	54.25	137.86	7,009.46	166.49	-	166.49	7,175.95	10,348.95	
Sales/Transfers/ Adjustments during the period	-	10.47	-	234.07	-	-	56.64	36.19	337.37	62.71	-	62.71	400.07	1,262.80	
Foreign currency translation reserve	-	-	2,883.24	7,349.36	-	774.51	20.40	7.54	11,035.05	642.79	4,545.21	5,188.00	16,223.05	7,504.49	
Total as at 31st March 2014	16,981.03	56.33	39,131.48	259,087.95	2,979.84	8,173.36	1,140.49	475.01	328,025.49	7,123.36	51,482.84	58,606.20	386,631.69	363,632.77	
DEPRECIATION AND AMORTISATION															
As at 1st April 2013	-	8.92	6,768.64	90,936.40	656.97	2,692.29	735.26	232.06	102,030.54	835.21	-	835.21	102,865.75	87,704.48	
Additions during the year / period	-	0.58	1,873.53	13,333.20	142.03	799.87	87.61	47.87	16,284.69	272.71	-	272.71	16,557.40	15,404.19	
Sales/Transfers/ Adjustments during the period	-	-	-	157.48	-	-	31.26	16.10	204.84	16.96	-	16.96	221.80	991.97	
Foreign currency translation reserve	-	-	360.55	1,356.94	-	247.62	18.20	6.74	1,990.05	40.21	-	40.21	2,030.26	749.09	
Total as at 31st March 2014	-	9.50	9,002.72	105,469.06	799.00	3,739.78	809.81	270.57	120,100.44	1,131.17	-	1,131.17	121,231.61	102,865.75	
NET BLOCK															
Total as at 31st March 2014	16,981.03	46.83	30,128.76	153,618.89	2,180.84	4,433.58	330.68	204.44	207,925.05	5,992.19	51,482.84	57,475.03	265,400.08	260,767.02	
As at 31st March 2013	16,981.03	57.88	28,142.35	155,570.83	2,308.20	4,706.56	387.22	133.74	208,287.81	5,541.58	46,937.63	52,479.21	260,767.02		

* Plant & Machinery includes assets built on land not owned by the Company Rs. 226.34 Lakhs (Previous year Rs. 226.34 Lakhs).

* In BCL, Buildings include assets built on land not owned by BCL Rs. 398.02 Lakhs (Previous year Rs. 398.02 Lakhs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
PARTICULARS		
NOTE NO. - 13		
LONG TERM LOANS AND ADVANCES		
Unsecured considered good		
Capital Advances	18,306.33	13,001.25
Security Deposits	669.21	933.91
Others (include Advance Tax, MAT Credit)		
Advance Tax Including Tax deducted at Source (net)	2,833.87	93.10
MAT Credit Entitlement	3,877.99	3,877.99
Advances recoverable in cash or in kind	473.70	386.47
TOTAL	26,161.10	18,292.72
NOTE NO. - 14		
INVENTORIES		
Raw Material and Packing Material	5,930.91	5,175.68
Work - in - Process	20.71	72.99
Finished Goods	13,552.69	5,121.47
Stock in Transit	12.55	18.44
Stores and Spares parts and Fuel	12,155.94	10,015.98
Stores and Spares parts and Fuel- in transit	15.96	271.12
Loose Tools	17.40	20.54
TOTAL	31,706.16	20,696.22
NOTE NO. - 15		
TRADE RECEIVABLES		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	6,769.63	3,468.55
	6,769.63	3,468.55
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	0.07
	-	0.07
TOTAL	6,769.63	3,468.62
NOTE NO. - 16		
CASH & BANK BALANCES		
Cash and Cash Equivalent		
Balances with Banks :		
Current Accounts	1,901.73	3,731.76
Deposit Accounts	1,176.86	4,101.54
Cheques, drafts on hand	402.08	10.73
Cash on hand	40.35	22.57
	3,521.02	7,866.60
Other Bank Balances		
Dividend Accounts	19.12	19.23
Bank Deposits with more than three months but less than 12 months (in Margin Money)	3,516.06	5,446.59
	3,535.18	5,465.82
TOTAL	7,056.20	13,332.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
NOTE NO. - 17		
SHORT TERM LOANS AND ADVANCES		
Loans and advances to related parties (Unsecured considered good)		
Due from Fellow Subsidiary Companies	956.97	1,417.13
Due from Holding Company	114,857.24	54,704.00
	<u>115,814.21</u>	<u>56,121.13</u>
Others (Unsecured considered good)		
Advances recoverable in cash or in kind	3,705.65	5,167.92
Advance Tax Including Tax deducted at Source	31.41	2.36
Balance with Statutory and Government Authorities	5,154.97	4,510.00
	<u>8,892.03</u>	<u>9,680.28</u>
TOTAL	<u>124,706.24</u>	<u>65,801.41</u>
NOTE NO. - 18		
OTHER CURRENT ASSETS		
Interest Receivable	3,853.14	276.52
Assets held for disposal	31.31	45.00
Derivative Assets	98.26	88.86
Note receivable	2,955.60	962.12
Other	944.06	-
Preliminary Expense	-	0.12
TOTAL	<u>7,882.37</u>	<u>1,372.62</u>
NOTE NO. - 19		
REVENUE FROM OPERATIONS		
Sale of Products / By Products / Services		
Cement	222,837.46	262,492.04
Clinker	41,915.88	31,003.05
GGBFS	8,669.93	2,820.83
Ready Mix Concrete	115.47	2,365.44
Services	1.48	103.98
	<u>273,540.21</u>	<u>298,785.34</u>
Other operating revenues	2,971.24	2,047.15
TOTAL	<u>276,511.45</u>	<u>300,832.49</u>
NOTE NO. - 20		
OTHER INCOME		
Interest Income	11,513.85	6,280.46
Dividend Income	-	50.99
Other Miscellaneous Income	443.41	254.77
TOTAL	<u>11,957.26</u>	<u>6,586.22</u>
NOTE NO. - 21		
RAW MATERIALS, PACKING MATERIALS AND GOODS CONSUMPTION		
Raw Material Consumed		
Limestone	9,275.74	9,006.45
Clinker	10,780.80	3,990.99
Cement	89.73	1,291.69
Gypsum	5,721.27	5,438.53
Fly Ash	10,600.10	9,257.89
Other	6,476.87	4,246.65
Packing Materials	9,705.57	9,648.34
TOTAL	<u>52,650.08</u>	<u>42,880.54</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
NOTE NO. - 22		
EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	8,404.17	7,333.10
Contribution to Provident and other Funds	437.45	545.38
Workmen and Staff Welfare Expenses	969.77	405.84
TOTAL	9,811.39	8,284.32
NOTE NO. - 23		
FINANCE COSTS		
Interest expenses	29,175.97	23,947.41
Other borrowing costs	1,914.86	767.68
Loss on foreign currency transactions (net)	160.61	120.94
TOTAL	31,251.44	24,836.03
NOTE NO. - 24		
OTHER EXPENSES		
Power & Fuel	83,621.75	77,581.02
Freight and Loading Expenses on Clinker Transfer	4,388.72	5,462.71
Consumption of Stores and Spares	7,714.59	6,272.94
Repairs and Maintenance		
Buildings	182.78	176.64
Plant and Machinery	1,833.47	1,567.68
Others	195.52	118.02
Other Operating Expenses	2,254.40	3,106.13
Rent	630.85	746.82
Insurance	797.08	1,013.64
Rates and Taxes	479.88	191.11
Advertisement and Sales Promotion	824.59	76.57
Directors Fee	15.39	12.27
Freight & Forwarding	47,975.74	51,657.42
Foreign Exchange fluctuation (Gain) / Loss (net)	1,877.82	2,541.53
Royalty on Trade mark	5,500.52	11,045.13
Bad Debts written off	157.12	-
Commission	3,340.96	3,520.45
Loss on sale / discard of Fixed Assets	26.38	230.76
Management Fees	3,886.50	3,938.50
Miscellaneous Expenses	4,834.27	3,824.55
TOTAL	170,538.33	173,083.89

NOTE NO. - 25 ESTIMATED AMOUNT OF CONTRACTS AND COMMITMENTS REMAINING TO BE EXECUTED AND NOT PROVIDED FOR (NET OF ADVANCES):

PARTICULARS	(₹ in Lakhs)	
	31st March, 2014	31st March, 2013
The estimated amount of contracts and commitments remaining to be executed on capital account not provided for (Consolidated)	40,596.77	27,912.16

NOTE NO. - 26 CONTINGENT LIABILITY

Contingent Liabilities not provided for:-

Sr. no.	PARTICULARS	(₹ in Lakhs)	
		31st March, 2014	31st March, 2013
a)	Claims against the Companies not acknowledged as debts in respect of various Tax matters	10,890.69	3,378.16
b)	Claims against the Companies not acknowledged as debts in respect of other matters	17.11	1,835.32
c)	Guarantees given by Banks	546.95	435.08
d)	Corporate Guarantees given to Bank for Loans to Holding Company & Fellow Subsidiaries	168,420.60	190,443.62
e)	Letter of Credit opened by Banks	2,352.60	622.84

NOTE NO. - 27

The Company has opted for Sales Tax Incentive Scheme, 1989. Earlier 25% incentive was allowed by State Level Screening Committee, but pursuant to order of Rajasthan Tax Board, 75% incentive from Sales Tax for sales effected in Rajasthan for 9 years subject to a limit of Eligible Fixed Capital Investment (EFCI) is being availed of. The Company has availed Sales Tax Incentive of ₹ 20,266.98 Lakhs upto 31st March, 2006. The Sales Tax Department filed a revision petition before the Hon'ble Rajasthan High Court, Jodhpur contesting the order of Rajasthan Tax Board, which allowed the Company to avail 75% sales tax incentive. The Hon'ble High Court has dismissed the revision petition of Sales Tax Department. The Department has filed a revision petition before Hon'ble Supreme Court. On introduction of Value Added Tax (VAT) in the State of Rajasthan w.e.f. 1st April, 2006, an option has been given to switch over to deferment scheme for twice the remaining validity period as available under the erstwhile Sales Tax Incentive Scheme, 1989 subject to the original limit of EFCI. The Company has exercised this option w.e.f. 1st April, 2006 under which 75% of VAT collected and payable after the said date is being deferred for a period of 7 years. Till 26th May, 2007, ₹ 3,813.54 Lakhs was deferred. The Company has paid ₹ 2,378.65 Lakhs during 2012-13 & 2013-14.

Hon'ble Supreme Court has decided the case against the Company. As per order, the Company is eligible for 25% sales tax incentive for 7 years only. After decision of Hon'ble Supreme Court, the assessing authority passed revised assessment orders and raised demand notices for the year 1998-99 to 2007-08 amounting ₹ 41,421.55 Lakhs (₹ 16,731.80 Lakhs towards tax & ₹ 24,689.75 Lakhs towards interest). Company has accepted the tax liability and made provision towards the tax amount in the books as on 31.03.2014. Company has filed application for payment of tax amount in 36 monthly installments & also filed application for waiver of interest with the Commissioner, Commercial Taxes Department, Jaipur & same is pending for decision, as no interest is payable for the period when the matter is subjudice. The similar decision was given by the Hon'ble Supreme Court in the case of State of Rajasthan v/s J.K. Udaipur Udyog Ltd. , directing that no interest or penalty will be charged from the Company by the Tax Department for the period when the matter was sub judice before the Court. The Company has also filed review petition in Hon'ble Supreme Court in respect of the order passed by Hon'ble Supreme Court.

The Company was eligible for EFCI of ₹ 48,849.53 Lakhs based on applicable guidelines under the Incentive Scheme, but the amount sanctioned by SLSC was ₹ 28,047.61 Lakhs, against which writ petition was pending with the Hon'ble Rajasthan High Court. The Company has continued to avail the deferment benefit, pending the decision of Hon'ble High Court / State Government. The case was subsequently disposed by Hon'ble High court, Jaipur against the Company, which was challenged by the Company in Hon'ble Supreme Court. But, the same was also decided against the Company.

After disposal of matter by Hon'ble Supreme Court, Commercial Taxes Deptt. has issued demand notice of ₹ 17,302 Lakhs for the period 30th April, 2008 to 31st August, 2011. Against this tax liability, ₹ 2,155.11 Lakhs has been deposited by the Company / recovered by the Sales Tax Deptt. For the balance demand of ₹ 15,146.89 Lakhs, Company filed application with the Commercial Taxes Deptt. for grant of installments, but the same was not accepted as proposed by the Company. Against which, writ petition was filed in Hon'ble High Court, Jaipur. The case has been finally decided by Hon'ble High Court. As per the order, the Company has been directed to make the initial payment of ₹ 5,000 Lakhs by 30.06.2014 and balance in 12 equal monthly installments alongwith interest.

The Commercial Taxes Deptt. has also raised demand of interest amounting ₹ 3,077.93 Lakhs, for which application for waiver of interest has been filed by the Company with Commissioner, Commercial Taxes Deptt., Jaipur and the same is pending for decision.

In addition to above, during the year 2007-08, the Company has filed an application with Sales Tax department for extension of period of EFCI scheme, which was not accepted. The Company has filed a writ petition with H'ble Rajasthan High Court, Jaipur to instruct

the Sales Tax department to extend the EFCI scheme period. However, the Company had availed deferment of 75% of the VAT / CST liability amounting to ₹ 3,967.09 Lakhs for the period 27th May, 2007 to 30th April, 2008.

NOTE NO. - 28

The excise duty shown as deduction from turnover is total excise duty on sale of goods for the year. However, the excise duty related to the difference between opening stock and closing stock samples etc. amounting to ₹ 987.87 Lakhs is shown under Changes in inventories of finished goods, work-in-progress and Stock-in-Trade in profit & loss account.

NOTE NO. - 29

The Company was selling Cement on inter-state sales @ 6% CST without "C" form u/s 8(5) of CST Act as per notification no. F.4(1)FD/Tax Div./99-266 dated 21.01.2000. The State Government has amended certain notifications for requirement of "C" or "D" form in the earlier notifications issued prior to 11.05.2002 on 27.09.2005, which clearly establishes that prior to amendment in the notification, there was no requirement of 'C' forms unless the notifications are amended. The above referred notification dated 21.01.2000 was rescinded by the Rajasthan Government on 01.12.2006, hence it was in application up to 30.11.2006. The Assessing Authority has raised demand notices in respect of sale of Cement @6% CST for the period 27.09.2005 onwards. The matter was challenged by us in Hon'ble Rajasthan High Court, Jodhpur. The case was heard on 10.01.2012 and stay has been granted by Hon'ble High Court against submission of bank guarantee for the demand amount. In compliance of Hon'ble High Court order, the Company has submitted Bank Guarantees of ₹ 60.52 Lakhs (including interest) to the Assessing Authority, Commercial Taxes Department, Pali.

NOTE NO. - 30 LOANS- SECURED

I BINANI CEMENT LIMITED

(₹ in Lakhs)

Sr. no.	Nature of Loans	Nature of Security	31st March, 2014	31st March, 2013
A	TERM LOANS			
I)	Financial Institutions			
a)	Ekspart Kredit Finansiering A/S - Foreign Currency Loans	Secured by (a) Exclusive first charge on the assets imported from M/s. F.L.Smidth, Denmark under the Export Contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered with EKF A/s. (b) Pari Passu charge on Trust and Retention account and (c) Corporate Guarantee of BIL. Loan repayable in 11 equal half yearly installments of USD 6.86 Lakhs commencing from June'2009 and interest rate 1.10% p.a. (Libor+75 bps).	414.72	1,128.78
	IFCI Ltd.	Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company, excluding assets which have been charged on exclusive basis. (b) Post dated Cheques for principal and interest amount (c) Demand Promissory Note (d) Interim Security till such time first pari passu charge on fixed assets of the Company is created - 1) Corporate Guarantee of BIL. 2) Subservient Charge by way of Hypothecation on movable fixed assets and current assets of the Company giving a cover of 1.46 times. 3) Pledge of shares of Binani Cement Limited to provide security cover of 1.75 times of the outstanding loan amount (presently 33,773,490 equity shares). Term loans repayable in 3 quarterly installments of ₹ 1,333 Lakhs each beginning from the end of 21st month from initial date of disbursement i.e. from 15.08.2015, 15 equal quarterly installments of ₹ 2,125 Lakhs each beginning from the end of 30th month from the initial date of disbursement and last installments of ₹ 2,126 Lakhs There is delay in payment of Interest ₹ 879.44 Lakhs for a period of 17 days to 76 days.	38,000.00	-

NOTE NO. - 30 LOANS- SECURED (Contd.)

(₹ in Lakhs)

S r. no.	Nature of Loans	Nature of Security	31st March, 2014	31st March, 2013
II)	Banks			
a)	IDBI Bank Ltd. (IDBI) - Term Loans	Secured/to be secured (a) first mortgage and charge created on movable and immovable properties of the Company both present and future except the assets charged Specifically (see note below) (b) Corporate Guarantee of BIL, except the term loan of ₹7,500 Lakhs (whose outstanding as on 31st March 2014 is ₹ 5,000 Lakhs) and (c) Pari Passu charge on Trust & Retention Account (Except for term loan of ₹7,500 Lakhs). Term loans repayable ₹ 5,571.01 Lakhs from Financial Year 2014-15 to 2015-16, ₹ 2,680.96 Lakhs for Financial Year 2016-17, ₹ 2,290.92 Lakhs for Financial Year 2017-18 and ₹ 1,145.46 Lakhs for Financial Year 2018-19 and Interest rate ranging from 12.50% to 14.25% per annum. There is delay in repayment of loan amounting to ₹ 511.83 Lakhs for a period of one to two months and Interest ₹ 465.04 Lakhs for the period one day to two months.	17,771.20	24,074.46
b)	Syndicate Bank - Term Loan	Secured/to be secured by a) Exclusive first charge on Plant and Machinery, Equipments of 4th Cement grinding unit situated at Binanigram, Pindwara, Sirohi, Rajasthan and b) pari passu first charge on the portion of land pertaining to the 4th Cement grinding unit situated at Binanigram, Pindwara, Sirohi, Rajasthan. Loan repayable in 14 equal quarterly installments of ₹ 285.71 Lakhs commencing from December '11 and Interest rate 13.50% per annum. There is delay in repayment of loan amounting to ₹ 576 Lakhs for one day to six month and Interest ₹ 78.92 Lakhs for a period of one day to three months.	1,718.84	2,285.70
c)	Syndicates Bank - Term Loan	Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company except the Assets Specifically charged (see note below) b) Post dated cheques for payment of principal & Interest and c) Personal Guarantee of a promoter Director. Loan repayable in 8 equal quarterly installments of ₹ 937.50 Lakhs commencing from June, 2015 and Interest rate @ 12.50% per annum. There is delay in payment of Interest ₹ 318.29 Lakhs for a period of one day to three months.	7,500.00	7,500.00
d)	Syndicate Bank - Rupee Term Loan	Secured/to be secured by second charge on the Company's fixed assets both present and future except assets specifically charged [see note below]. Loan repayable in 5 yearly installments (at the end of 1st and 2nd year ₹ 1,500 Lakhs each, at the end of 3rd and 4th year ₹ 2,500 Lakhs each and of 5th year ₹ 2,000 Lakhs) commencing from November, 2012 and Interest rate @ 12.50% per annum. There is delay in repayment of loan amounting to ₹ 1,500 Lakhs for a period of 129 days and Interest ₹ 347.98 Lakhs for a period of one day to three months.	8,500.00	8,500.00

NOTE NO. - 30 LOANS- SECURED (Contd.)

(₹ in Lakhs)

Sr. no.	Nature of Loans	Nature of Security	31st March, 2014	31st March, 2013
e)	Syndicate Bank - Rupee Term Loan	Secured/to be secured by a) first pari passu charge on fixed assets of the Company except assets specifically charged (see note below) b) post dated cheques for principal installments c) Corporate Guarantee of Binani Industries Limited. Loan repayable in 7 yearly installments (at the end of 1st year ₹ 469 Lakhs, 2nd year ₹ 656 Lakhs, 3rd to 5th year ₹ 1,125 Lakhs each, 6th & 7th year ₹ 1,500 Lakhs each, commencing from 31st March, 2015 and Interest rate @ 13.25% per annum. There is delay in payment of Interest ₹ 339.07 Lakhs for a period of one day to four months.	7,500.00	-
f)	Punjab National Bank - Term Loan	Secured / to be secured by pari passu subservient hypothecation charge on the Fixed Assets of the Company except assets specifically charged (see note below) Loan repayable in 2 equal quarterly installments of ₹ 2,500 Lakhs commencing from October, 2013 and Fixed Interest rate @ 11% per annum. There is delay in repayment of loan amounting to ₹ 1,747.61 Lakhs for 72 days and Interest ₹ 26.20 Lakhs for a period of one day	1,747.61	5,000.00
g)	Bank of Baroda - Term Loan	Secured/to be secured by subservient charge on fixed assets of the Company both movable & immovable except assets specifically charged (see note below). Loan repayable in 4 equal quarterly installments of ₹ 2,500 Lakhs commencing from December, 2012 and Interest rate @ 12.75% per annum.	-	5,000.00
h)	Central Bank of India - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 20 equal quarterly installments of ₹ 1,000 Lakhs commencing from December 2011 and Interest rate @ 13.75% per annum. There is delay in repayment of loan amounting to ₹ 1,000 Lakhs and Interest ₹ 133.17 Lakhs for a period of one day.	11,000.00	14,000.00
i)	Yes Bank - Term Loan	Secured/to be secured by a) Exclusive first charge on movable and immovable properties including land of first phase of 2x22.30 MW captive thermal power plant, comprising of 1x22.30 MW power plant, all associated equipments and shared facilities situated at Pindwara, Sirohi, Rajasthan and all goods and equipments forming part of the plant and on other such assets. b) post dated cheques. Loan repayable in 16 equal quarterly installments of ₹ 625 Lakhs commencing from December 2012 and Interest rate @ 13.35% per annum. There is delay in repayment of loan amounting to ₹ 625 Lakhs for 13 days and Interest ₹ 149.72 Lakhs for a period of one day to one month.	6,875.00	8,750.00

NOTE NO. - 30 LOANS- SECURED (Contd.)

(₹ in Lakhs)

S r. no.	Nature of Loans	Nature of Security	31st March, 2014	31st March, 2013
j)	Bank of Baroda - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 8 equal quarterly installments of ₹ 937.50 Lakhs commencing from January 2015 and Interest rate @ 12.50% per annum. There is delay in payment of Interest ₹ 142.41 Lakhs for a period of one day to one month.	7,500.00	7,500.00
k)	Indian Overseas Bank - Rupee Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 8 equal quarterly installments of ₹ 1,875 Lakhs commencing from June 2015 and Interest rate @ 13.25% per annum. There is delay in payment of Interest ₹ 480.70 Lakhs for a period of one day to two months.	15,000.00	15,000.00
l)	Central Bank of India - Rupee Term Loan	Secured / to be secured by a) first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) b) Corporate Guarantee of Binani Industries Limited. Loan repayable in 7 yearly Instalments of ₹ 700 Lakhs in 1st year, ₹ 1,300 Lakhs in 2nd year, ₹ 2,000 Lakhs, in each from 3rd year to 7th year, commencing from 31.03.2015 and Interest rate @ 13.75% per annum. There is delay in payment of Interest ₹ 134.36 Lakhs for a period of one day.	12,000.00	12,000.00
m)	Union Bank of India - Rupee Term Loan	Secured / to be secured by a) first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) b) second charge on current assets of the Company and c) Corporate Guarantee of Binani Industries Limited. Loan repayable ₹ 290 Lakhs in Financial Year 2014-15, ₹ 540 Lakhs in Financial Year 2015-16 and ₹ 834 Lakhs from Financial Year 2016-17 to 2020-21 and Interest rate @ 12% per annum. There is delay in payment of Interest ₹ 97.79 Lakhs for a period of seven days to 66 days.	5,000.00	5,000.00
n)	State bank of Patiala - Term Loan	Secured / to be secured by a) first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) . b) second charge on current assets of the Company and c) Corporate Guarantee of Binani Industries Limited. Loan repayable ₹ 205 Lakhs in Financial Year 2014-15, ₹ 380 Lakhs in Financial Year 2015-16 and ₹ 583 Lakhs from Financial Year 2016-17 to 2020-21 and Interest rate @ 12.75% per annum. There is delay in payment of Interest ₹ 81.26 Lakhs for a period of one day to one month.	3,500.00	2,500.00

NOTE NO. - 30 LOANS- SECURED (Contd.)

(₹ in Lakhs)

Sr. no.	Nature of Loans	Nature of Security	31st March, 2014	31st March, 2013
o)	Bank of Baroda - Term Loan	Secured / to be secured by first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) Loan repayable ₹ 875 Lakhs in Financial Year 2014-15, ₹ 1,625 Lakhs in Financial Year 2015-16 and ₹ 2,500 Lakhs from Financial Year 2016-17 to 2020-21 and Interest rate @ 11.75% per annum. There is delay in payment of Interest ₹ 447.55 Lakhs for a period of one day to two months.	15,000.00	9,000.00
p)	Punjab National Bank - Term Loan	Secured / to be secured by first pari passu charge on the fixed assets of the Company except assets specifically charged (see note below). Loan repayable in 20 quarterly installments of ₹ 450 Lakhs each from 30-10-2013 and Interest rate @ 13.25% per annum. There is delay in repayment of loan amounting to ₹ 0.54 Lakhs for 61 days and Interest ₹ 60.96 Lakhs for a period of one day.	5,097.51	2,245.55
q)	Central Bank of India - Term Loan	Secured/to be secured by a) First pari passu charge on the fixed assets of the Company except assets specifically charged (see note below) b) Corporate Guarantee of BIL. Loan repayable in 4 equal quarterly installments of ₹ 142.80 Lakhs each from FY 2015-16 to FY 2017-18, 4 equal quarterly installments of ₹ 285.60 Lakhs each in FY 2018-19, 4 equal quarterly installments of ₹ 428.40 Lakhs each from FY 2019-20 to FY 2020-21, 4 equal quarterly installments of ₹ 714.00 Lakhs each in FY 2021-22, 4 equal quarterly installments of ₹ 715.20 Lakhs each in FY 2022-23 and Interest rate @ 13.75% per annum. There is delay in payment of Interest ₹ 1.13 Lakhs for a period of one day.	1,000.00	-
r)	Indian Overseas Bank - Term Loan	Secured/to be secured by a) first pari passu charge on fixed assets of the Company both present and future except assets specifically charged (see note below) b) corporate guarantee of Binani Industries Limited. Loan repayable in 7 yearly installments (1st year ₹ 293 Lakhs, 2nd year ₹ 542 Lakhs, 3rd to 7th Year ₹ 833 Lakhs each) commencing from 31st March 2015 and Interest rate 13.25% per annum. There is delay in payment of Interest ₹ 180.38 Lakhs for a period of one day to two months.	5,000.00	-
s)	State Bank of Bikaner and Jaipur - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below) b) second charge on current assets of the Company and c) Corporate Guarantee of Binani Industries Ltd. Loan repayable in 7 years in quarterly installments in 4 equal quarterly installments of ₹ 51.25 Lakhs each from Feb 14 - Jan 15, ₹ 95 Lakhs each from Feb 15- Jan 16, ₹ 145.75 Lakhs each from Feb 16 to Jan -21 and Interest rate of 13% per annum. There is delay in repayment of loan amounting to ₹ 51.25 Lakhs and Interest ₹ 34.91 Lakhs for a period of one month.	3,500.00	-

NOTE NO. - 30 LOANS- SECURED (Contd.)

(₹ in Lakhs)

S r. no.	Nature of Loans	Nature of Security	31st March, 2014	31st March, 2013
t)	United Bank of India - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 7 yearly installments (1st year ₹ 1,167 Lakhs, 2nd year ₹ 2,167 Lakhs, 3rd to 6th year ₹ 3,333 Lakhs each, 7th year ₹ 3,334 Lakhs) commencing from 31st March '15 and Interest Rate of 12.25% per annum). There is delay in payment of Interest ₹ 404.81 Lakhs for a period of one day to one month.	20,000.00	-
u)	Bank of India - Term Loan	Secured/to be secured by first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below). Loan repayable in 16 quarterly installments each of ₹ 312.50 Lakhs commencing from May 2014 and interest rate of 13% per annum. There is delay in payment of Interest ₹ 113.88 Lakhs for a period of one day to one month.	5,000.00	-
v)	Canara Bank - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except assets specifically charged (see note below) and b) Corporate Guarantee of BIL. Loan repayable in 7 yearly installments (1st year ₹ 1,167 Lakhs, 2nd year ₹ 2,167 Lakhs, 3rd to 6th year ₹ 3,333 Lakhs each, 7th year ₹ 3,334 Lakhs) commencing from April '15 and Interest Rate of 12.70% per annum). There is delay in payment of Interest ₹ 413.01 Lakhs for a period of one day to one month.	20,000.00	-
w)	SIDBI	Secured by i) First pari-passu charge on movable assets of the Company, both present and future and ii) Bills of Exchange There is delay in repayment of loan amounting to ₹ 1,320.78 Lakhs and interest ₹ 20.12 Lakhs for the period ranging from two days to fifty two days.	2,034.67	749.06
B.	WORKING CAPITAL DEMAND LOANS / CASH CREDIT			
	From Scheduled Banks	Secured against (a) First pari passu charge by way of hypothecation of Raw Materials, Stock in Trade, Stock-in-Process, Finished Goods, Consumables, Stores & Spares and packing Material, Book Debts and other receivables belonging to the Company, b) Second pari passu charge on the fixed assets of the Company c) Corporate Guarantee of BIL and (d) pari passu charge on Trust and Retention Account. The Company has defaulted during the year in LC payment for ₹ 4,126 Lakhs. The same has been debited to Cash credit a/c of the Company by banks. Therefore Cash credit a/c has been overdrawn by such amount. Further the Company has defaulted in payment of working capital interest of ₹ 9.48 Lakhs of Bank of Baroda.	9,709.64	4,103.48

Assets Specifically Charged

- i) The assets (including land) of the first phase of the 2X22.30 MW captive thermal power plant comprising of 1X22.30 MW thermal power plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Yes Bank Limited,
- ii) The assets imported from M/s F.L.Smith, Denmark under the export contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S and the Company charged in favour of M/s EKF A/S and
- iii) The assets of 4th Cement grinding unit at Binanigram, Pindwara, Dist. Sirohi, Rajasthan charged to Syndicate Bank.

II Mukundan Holdings Limited

TERM LOANS

-Bank

Bank of Baroda Bank : Outstanding - ₹ 11,962.1 Lakhs (US \$ 20 Million) (Previous Year ₹ 10,901 Lakhs (US \$ 20.00 Million)).

The term facility is secured by following:

- Pari Passu Pledge of 100% shares of the Company held by Binani Cement Limited, India, the Guarantor.
- Negative lien on the assets of the Binani Cement Factory LLC, Dubai.
- Non –disposal undertaking for beneficial interest of 51% shares of Binani Cement Factory LLC, Dubai held by Murari Holdings Limited.
- Non –disposal undertaking for beneficial interest of 49% shares of Binani Cement Factory LLC, Dubai held by Mukundan Holding Ltd, 100% WOS of BCL.
- Paripassu charge over the ESCROW Account held under the USD85 Million Syndicate loan facility.
- Irrecoverable and unconditional corporate guarantee of Binani Cement Limited(as permitted by Foreign Exchange Management Act, India and Reserve Bank of India guidelines.

The guarantor's maximum liability under is limited to a total aggregate amount of US\$25,000,000 (the Guarantee Cap) and shall remain in full force and effect and shall be valid until the date falling six months after the termination date (the Expiry Date) regardless of any intermediate payment or discharged in whole or in part whichever is earlier.

III Krishna Holdings Pte Limited

TERM LOANS

-Bank

State Bank of India (HK) : ₹ 7,880.63 Lakhs (USD 13,176,000) (Previous Year - ₹ 10,179.35 Lakhs (USD 18,676,000))

The loan is secured by irrecoverable and unconditional corporate guarantee of Binani Cement Limited, the Holding Company.

IV Binani Cement Factory LLC

Bank Borrowings

Trust Receipts & Bill discounted with Recourse ₹ 6,648.91 Lakhs (AED 40,831,169) (Previous Year ₹ 4,314.95 Lakhs (AED 29,077,683))

The bank borrowings are secured by:

- Assignment of insurance policies covering Stocks .
- Charge over Plant & Machinery
- Lien over fixed deposits.
- Corporate guarantee of Mukundan Holdings Ltd. , Murari Holdings Ltd. & Binani Cement Ltd.

V Murari Holdings Limited

TERM LOANS

An analysis by bank of amounts outstanding is as follows:

Punjab National Bank: ₹ 1,196.21 Lakhs (USD 2,000,000) (Previous Year ₹ 1,907.68 Lakhs (USD 3,500,000))

Bank of Baroda: ₹ 747.63 Lakhs (USD 1,250,000) (Previous Year ₹ 1,090.10 Lakhs (USD 2,000,000))

State Bank of India: ₹ 1,794.32 Lakhs (USD 3,000,000) (Previous Year ₹ 2,452.73 Lakhs (USD 4,500,000))

Syndicate Bank: ₹ 897.16 Lakhs (USD 1,500,000) (Previous Year ₹ 1,226.36 Lakhs (USD 2,250,000))

The loan are secured by :

- Corporate Guarantee of Binani Cement Limited,
- Pledging of 100% shares of the Company (held by Binani Cement Limited),
- A negative lien on the assets of the Binani Cement Factory LLC, Dubai,
- Non disposal undertaking for the beneficial interest for 51% shares of Binani Cement Factory LLC, Dubai,
- Non disposal undertaking for 49% shares of Binani Cement Factory LLC held by Mukundan Holdings Limited.

VI Shandong Binani Rong'an Cement Company

Loan Outstanding ₹ 19,409.2 Lakhs (RMB 200,000,000) (Previous Year ₹ 17,374.80 Lakhs (RMB 200,000,000)).

The Loan is secured by Plant & Machinery and land purchased for 2nd Clinker Production Line.

NOTE NO. - 31

The Company has also made defaults in repayment of unsecured term loans amounting to ₹ 2,500 Lakhs for the period of 35 days and Interest amounting to ₹ 35.18 Lakhs for the period of 1 day to 35 days.

NOTE NO. - 32 OTHER INCOME (CONSOLIDATED)

(₹ in Lakhs)

	PARTICULARS	31st March, 2014	31st March, 2013
i)	Interest & Dividend from Banks/ Others	11,416.76	6,309.82
ii)	Liability no longer required written back	-	5.46
iii)	Profit on sale of Fixed Assets / Investment	11.94	0.12
iv)	Scrap Sale / Industrial waste	3.81	5.16
v)	Subsidy income of SBRCC	-	-
vi)	Others	524.75	265.65
	TOTAL	11,957.26	6,586.22

NOTE NO. - 33 REMUNERATION TO AUDITORS

(₹ in Lakhs)

	PARTICULARS	31st March, 2014	31st March, 2013
	For Audit Fees	53.82	64.51
	For Taxation Matters	4.03	4.03
	For other services	7.50	15.00
	For certifications / others	3.40	8.35
	Reimbursement of expenses	1.38	1.18
	TOTAL	70.13	93.07

NOTE NO. - 34 Deferred Tax Liability of the Group as on March 31, 2014 comprises of the following :

The tax effect of significant timing differences that has resulted in deferred tax assets and liabilities are given below:

(₹ in Lakhs)

	PARTICULARS	31st March, 2014	31st March, 2013
a)	Deferred Tax Liability		
	Depreciation	20,707.15	21,610.95
	TOTAL	20,707.15	21,610.95
b)	Deferred Tax Asset		
	Disallowance under Income Tax Act, 1961	(7,230.73)	(1,737.66)
	Unabsorbed Depreciation and Business Loss for the year	(3,225.74)	-
	TOTAL	(10,456.47)	(1,737.66)
	Deferred Tax Liability	10,250.68	19,873.29
	Provided up to last year	19,873.30	19,463.00
	Provision for additional Deferred Tax Liability	(9,622.62)	410.29
	Rounded off	(9,622.62)	410.30

NOTE NO. - 35

Selling and Administration Expenses includes ₹ 3,886.50 Lakhs (Previous Year ₹ 3,938.50 Lakhs) paid to Binani Industries Ltd. (BIL), the Holding Company towards corporate support services related to Accounting, Finance, Treasury, Forex / Commodity Risk Management, Purchases, Audit, Taxation, Corporate strategy, Media Services, Project Management etc. BIL provides the above mentioned services to its subsidiaries including the Company on payment of monthly Management Services Fees. Also a sum of ₹ 5,481.26 Lakhs (Previous Year ₹ 11,032.35 Lakhs) paid to BIL as Royalty on account of license fee for use of trademark, corporate name, logos etc. and ₹ nil (Previous Year ₹ 550.85 Lakhs) towards capital / recurring cost towards software licenses.

NOTE NO. - 36

The Company is having various ongoing projects in hand at Gujarat, Nimbri (Raj.) and other places. Incidental expenses pertaining to these projects incurred, included under capital work in progress, are as under:

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
Balance Brought forward	4,949.96	4,090.46
Power and Fuel	-	2.39
Other Operating Expenses	5.24	63.23
Repairs and Maintenance	0.04	0.04
Management / Consultancy Fee	78.65	125.75
Salaries and Wages	126.26	110.45
Contribution to Provident and other Funds	7.57	6.31
Workmen and Staff Welfare Expenses	-	0.01
Rent	-	0.68
Insurance	(0.55)	17.11
Other Sundry Expenses	0.91	104.34
Depreciation	0.10	0.16
Interest - Term Loans	395.21	-
Exchange Loss (net)	153.73	309.19
Financial / Bank Charges	51.66	119.85
	5,768.77	4,949.96
Less : Capitalised	33.45	-
Balance carried forward	5,735.33	4,949.96

NOTE NO. - 37

Related Party disclosure as per Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India :
The Company has entered into transactions in ordinary course of business with related parties at arms length as per details below :

(₹ in Lakhs)

PARTICULARS	Holding Company	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
Payment of Services charges / Reimbursement of Expenses - Triton Trading Co. Pvt. Ltd.		-	95.66	95.66
		-	(92.54)	(92.54)
Balance Receivable as on 31.03.14		-	17.53	17.53
		-	(36.00)	(36.00)
Execution of transportation / other services contract - Dhaneshwar Solution Pvt. Ltd.		-	12,773.66	12,773.66
		-	(37,428.63)	(37,428.63)
Dhaneshwar Solution - A Division of Binani Metals Ltd.		-	24,569.23	24,569.23
Balance (Payable) as on 31.03.14		-	-	-
		-	(3,646.92)	(3,646.92)
Interest paid on Inter Corporate Deposit - Dhaneshwar Solution Pvt. Ltd.		-	11.26	11.26
		-	(15.68)	(15.68)
- Inter Corporate Deposit received / repaid		-	2,500.00	2,500.00
		-	(2,850.00)	(2,850.00)
Execution of works / supply contract by - BIL Infratech Ltd.		95.51	-	95.51
		(518.47)	-	(518.47)
Balance (Receivable) as on 31.03.14		3,399.66	-	3,399.66
		(732.50)	-	(732.50)
Service Charges for vehicle / Rent etc. - Binani Metals Ltd.		-	43.36	43.36
		-	(92.63)	(92.63)
Sale of Traded Goods - Binani Metals Ltd.		-	1,481.38	1,481.38
		-	-	-
Donation - G D Binani Charitable Foundation		-	-	-
		-	(125.00)	(125.00)
Interest Income 3B Binani Glassfibre S.a.r.l.		15.11	-	15.11
		(148.47)	-	(148.47)
Interest Receivable		-	-	-
		(140.59)	-	(140.59)
Interest Income CPI Binani Inc.		57.90	-	57.90
		(-)	-	(-)
Interest Receivable		57.90	-	57.90
		(-)	-	(-)
Loan given CPI Binani Inc.		629.94	-	629.94
		(327.03)	-	(327.03)
Balance as on 31st March, 2014		956.97	-	956.97
		(-)	-	(-)

(₹ in Lakhs)

PARTICULARS	Holding Company	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
3B Binani Glassfibre S.a.r.l. Loan given	-	-	-	-
	-	(1,090.10)	-	(1,090.10)
Loan repaid	-	1,090.10	-	1,090.10
	-	-	-	-
Balance as on 31st March, 2014	-	-	-	-
	-	1,090.10	-	1,090.10
Loan received Golden Global Pte Ltd				
Loan received during the year	-	-	149.53	149.53
	-	-	(-)	(-)
Balance as on 31st March, 2014	-	-	149.53	149.53
	-	-	(-)	(-)
Interest received on dues / ICD	10,337.16	-	-	10,337.16
	(5,980.53)	-	-	(5,980.53)
Inter Corporate Deposit given	60,153.24	-	-	60,153.24
	(40,650.00)	-	-	(40,650.00)
Balance outstanding as on 31st March, 2014	114,857.24	-	-	114,857.24
	(54,704.00)	-	-	(54,704.00)
(Receipt) / Payment (Net) arising out of transactions in current account				
- Binani Industries Ltd.	-	-	-	-
	-	-	-	-
Other Current Assets				
Interest Receivable	3,601.07	-	-	3,601.07
	-	-	-	-
Trade Payables	2,498.07	-	-	2,498.07
	(1650.34)	-	-	(1650.34)

[Figures in bracket pertain to Previous Year]

Note:

- 1 The payment towards Management Services Fee & Royalty to Holding Company and interest allocated to Holding Company have been separately disclosed vide note no. 35.
- 2 Guarantees given/to be given to Banks by Holding Company on behalf of the Company have been separately disclosed in note no.30
- 3 Guarantee given by the Company to Banks for loans given to subsidiary is disclosed in note no. 26 (d).
- 4 Names of related parties and description of relationship:
 - a) Holding Company : Binani Industries Limited
 - b) Fellow Subsidiary : Binani Zinc Limited(BZL), Goa Glass Fibre Limited(GGFL) , BT Composites Limited(BTCL), Wada Industrial Estate Limited(WIEL) and BIL Infratech Ltd,Binani Infrastructure (Mauritius) Limited,BZ Minerals (Australia) Pty Limited , CPI Binani INC, (USA) , 3B Binani Glassfibre S.a.r.l.
 - c) Transactions with Binani Metals Ltd. where key Management Personnel have got significant influence : Mr. Braj Binani and Mr. V. Subramanian.
 - d) Transactions where key Management Personnel have got significant influence : Mr. Braj Binani and Mr. V. Subramanian with Binani Metals Ltd. and Mr. Braj Binani with Triton Trading Co. Pvt. Ltd. , Dhaneshwar Solutions Pvt. Ltd.& Golden Global Pte Ltd

NOTE NO. - 38

- a) Particulars of unhedged foreign currency exposure as at Balance Sheet date
Binani Cement Limited

Particulars	Currency	₹ in Lakhs)	
		31st March, 2014	31st March, 2013
Outstanding Creditors for Coal	USD	10,123.68	13,199.93
Outstanding Creditors for Machinery	USD	7.88	1,470.78
Outstanding Creditors for Spares	DKK	3.03	-
Loans Payables	USD	414.72	1,128.78

- b) The details of forward contracts outstanding at the year end are as follows

Currency	Number of Contracts	Buy Amount	Purpose
USD	17	18,710,000	Creditors Payment

NOTE NO. - 39

Segment reporting as per Accounting Standard AS - 17 issued by The Institute of Chartered Accountants of India.

Since the Company along with its subsidiaries are primarily in the business of production and sales of Clinker and Cement, the same has been considered the primary reportable segment. Further, it has identified geographical segment as India, Dubai and China based on Segment Revenue, Result & Asset for reporting purpose.

Segment Revenue	₹ in Lakhs)					
	India	Dubai	China	Unallocated	Elimination Inter Segment	Total
Sales (net of Excise)	185,185.66 (223,604.88)	17,507.74 (7,542.47)	46,958.33 (35,378.64)	- (2,688.29)	- (2,321.46)	249,651.73 (266,892.82)
Other Income	365.37 (126.32)	- -	68.20 (86.34)	202.14 (42.11)	- -	635.71 (254.77)
Total	185,551.03 (223,731.20)	17,507.74 (7,542.47)	47,026.53 (35,464.98)	202.14 (2,730.41)	- (-2321.46)	250,287.44 (267,147.59)

Segment Result	₹ in Lakhs)					
	India	Dubai	China	Unallocated	Inter Segment	Total
Net Profit/ (loss) before tax from ordinary activities.	(12,297.09) (30,033.39)	(1,328.89) (-4009.23)	(1,037.25) (-911.68)	(9.39) (1,416.40)	- -	(14,672.62) (26528.87)
Add: Interest & Dividend Income						11,513.85 (6,331.45)
Less: Financial Costs						31,251.43 (24,836.03)
Less: Income Taxes						(9,215.89) (3,341.70)
Loss on sale of investment						92.53 -
Total					- -	(25,286.83) (4,682.59)

(₹ in Lakhs)

Capital Employed	India	Dubai	China	Unallocated	Inter Segment	TOTAL
Total Segment Assets	408,485.75 (331,774.66)	37,649.68 (32,245.55)	86,272.54 (82,553.78)	197,385.42 (185,600.21)	(248,107.36) 236,605.05	481,686.02 (395,569.14)
Total Segment Liabilities	110,064.36 (89,134.26)	3,495.19 (1,651.27)	10,766.78 (10,512.98)	238.28 (75.99)	(185.00) -	124,379.61 (101,374.50)
Capital Employed	298,421.39 (242,640.39)	34,154.48 (30,594.28)	75,505.76 (72,040.80)	197,147.14 (185,524.22)	(247,922.36) (236,605.05)	357,306.41 294,194.64

(Figures in bracket pertain to previous year)

NOTE NO. - 40

EMPLOYEE BENEFITS :

a) **Defined Contribution Plans :**

During the year the Company has recognised ₹ 368.07 Lakhs (Previous Year ₹ 394.54 Lakhs) in the Profit and Loss Account on account of defined contribution plans i.e. Employers Contribution to Provident Funds and ESIC.

i) Binani Cement Limited

b) **Defined benefit plans : as per actuarial valuation on 31st March, 2014**

(₹ in Lakhs)

	Particulars	Gratuity Funded		Leave Encashment Non-Funded	
		31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
I	Expenses recognised in the Statement of Profit & Loss				
1	Current Service Cost *	95.43	86.65	2.37	25.77
2	Interest Cost	59.42	50.88	-	-
3	Employee Contributions	-	-	-	-
4	Expected return on plan assets	(50.88)	(47.93)	-	-
5	Net Actuarial (Gains) / Losses	(94.66)	41.48	-	-
6	Past service cost	-	-	-	-
7	Settlement cost	-	-	-	-
8	Total expenses	9.32	131.08	2.37	25.77

* Current service cost in case of leave encashment are net of benefit paid during the year included under salary and allowance.

(₹ in Lakhs)

	Particulars	Gratuity Funded		Leave Encashment Non-Funded	
		31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
II	Net Asset/(Liability) recognised in the Balance Sheet				
1	Present value of Defined Benefit Obligation	727.14	720.30	232.12	229.75
2	Fair value of plan assets	607.41	584.88	-	-
3	Funded status [Surplus/(Deficit)]	(119.73)	(135.41)	-	-
4	Net asset/(liability)	(119.73)	(135.41)	232.12	229.75

(₹ in Lakhs)

	Particulars	Gratuity Funded		Leave Encashment Non-Funded	
		31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
III	Change in obligation during the year				
1	Present value of Defined Benefit Obligation at beginning of the year	720.30	598.64	229.75	203.98
2	Current Service cost *	95.43	86.65	2.37	25.77
3	Interest cost	59.42	50.88		
4	Settlement cost	-	-	-	-
5	Past service cost	-	-	-	-
6	Employee Contributions	-	-	-	-
7	Actuarial (Gains) / Losses	(82.12)	34.46		
8	Benefits Payments	(65.90)	(50.33)		
9	Present value of Defined Benefit Obligation at the end of the year	727.14	720.30	232.12	229.75

* Current service cost in case of leave encashment are net of benefit paid during the year included under salary and allowance.

	Particulars	Gratuity Funded	
		31st March, 2014	31st March, 2013
IV	Change in Assets during the Year		
1	Plan assets at the beginning of the year	584.88	557.30
2	Assets acquired on amalgamation in Previous Year	-	-
3	Settlements	-	-
4	Expected return on plan assets	50.88	-
5	Contributions by Employer	25.00	37.00
6	Actual benefits paid	(65.90)	(50.33)
7	Actuarial (Gains) / Losses	12.53	(7.01)
8	Actual return on plan assets	-	47.93
9	Plan assets at the end of the year	607.40	584.88
V	The major categories of plan assets as a percentage of total plan		
	Qualifying Insurance Policy	YES	YES
VI	Actuarial Assumptions :		
	Discount Rate	9.31%	8.25%
	Rate of Return on Plan Assets	8.70%	8.70%
	Salary Escalation	7.00%	7.00%
	Attrition rate	2.00%	2.00%

- b) Provision towards liability for Leave Encashment made on the basis of actuarial valuation as per Accounting Standard 15 (Revised). Actuarial value of liability is ₹ 232.12 Lakhs (Previous Year ₹ 229.75 Lakhs) based upon following assumptions.

Discount Rate	9.31%	8.25%
Salary Escalation	7%	7%

II) Binani Cement Factory LLC

Employees terminal benefits

For employees terminal benefit provision, actuarial calculations are not made. Hence, provision is made on the assumption that all employees were to leave as of the end of the reporting period since this provides, in management's opinion, a reasonable estimate of the present value of the terminal benefits.

NOTE NO. - 41 OPERATING LEASE

I Binani Cement Limited

a) Future Lease Rental payments

Particulars	[₹ in Lakhs]	
	31st March, 2014	31st March, 2013
i) Not later than one year	35.47	6.36
ii) Later than one year and not later than five years	31.16	12.72
iii) Later than five years	-	-

b) Operating lease payment recognised in Profit & Loss Account amounting to ₹ 498.47 Lakh (Previous Year ₹ 498.47 Lakhs)

c) General description of the leasing arrangement:

- i) Leased Assets: Car and Godowns.
- ii) Future lease rentals are determined on the basis of agreed terms.
- iii) At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.

II Binani Ready Mix Concrete Limited

Particulars	[₹ in Lakhs]	
	31st March, 2014	31st March, 2013
(a) Lease payments recognised in the Profit and Loss Account.	6.74	74.97
(b) Significant lease arrangements:		
(i) The agreements is initially for a period of five years which may be extended or terminated as per the conditions of the agreements.	-	-
(ii) the Company has given interest free security deposit of ₹ 30 Lakhs.	-	-
(iii) Agreement provide for increase in rent by 10% after 3 years from the date of lease.	-	-
(c) Future minimum lease payments are:		
(i) Not later than one year	-	72.00
(ii) Later than one year and not later than five years	-	173.40
(iii) Later than five years	-	-

NOTE NO. - 42 Consolidated Earning per share is calculated as follows :

Particulars	31st March, 2014	31st March, 2013
Net Profit / (Loss) after tax attributable to equity shareholder (₹in Lakhs)	(25,286.88)	4,682.59
Net Profit / (Loss) after tax before extraordinary item attributable to equity shareholder (₹in Lakhs)	(25,286.88)	4,682.59
Equity shares outstanding as at the year end (in Nos.)	188,601,274	188,601,274
Weighted average number of Equity Shares used as denominator for calculating Basic and Diluted Earning Per Share (in Nos.)	188,601,274	188,601,274
Nominal Value per Equity Share (in ₹)	10.00	10.00
Earning Per Share (Basic) (in ₹)	(13.41)	2.48
Earning Per Share (Diluted) (in ₹)	(13.41)	2.48

NOTE NO. - 43

Miscellaneous expenses in Note no. 24 includes donation ₹ nil (Previous Year ₹ 125 Lakhs) to G. D. Binani Charitable Foundation.

NOTE NO. - 44

Trade Receivables of ₹ 4,420.98 Lakhs have been netted off against advance received towards those sales and the excess of advance over receivables amounting to ₹ 4,894.91 Lakhs has been shown under current liability. Such advances are settled after full amount is received from the debtors.

NOTE NO. - 45

The Competition Commission of India (CCI) vide its order dated June 20, 2012 had imposed a penalty of ₹ 16,732 Lakhs on the Company alleging contravention of certain provisions of the Competition Act, 2002. The Company has filed an appeal before the Competition Appellate Tribunal (COMPAT) against the aforesaid Order of CCI and the Company has been advised by its legal advisors that it has a good case for the COMPAT to set aside the CCI order and accordingly no provision has been considered necessary by the Company in this regard.

NOTE NO. - 46

During April 14, the incumbent Company Secretary resigned. The Company has already appointed a new Company Secretary and is expected to take charge in 1st week of June 2014.

NOTE NO. - 47

No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at that date or for the period then ended, other than those reflected or fully disclosed in the books of accounts.

NOTE NO. - 48

The Scheme for hive off of Power Undertaking is scheduled to come up for hearing before Hon'ble High Court, at Kolkata on 2nd June, 2014.

NOTE NO. - 49

During the year, the Company has received a notice from Rajasthan Commercial Taxes department for a demand of ₹ 41,421.55 Lakhs (Sales Tax dues ₹ 16,731.80 Lakhs & Interest ₹ 24,689.75 Lakhs). The Company has provided ₹ 15,278.46 Lakhs as an exceptional item and the balance amount of tax ₹ 1,453.34 Lakhs already provided in the books. The Company has also filed an application with department for waiver of Interest (refer note no. 27 above).

NOTE NO. - 50

Advance Income Tax is net of provision for Income Tax of ₹ 17,749.72 Lakhs (Previous Year ₹ 17,749.72 Lakhs).

NOTE NO. - 51

Previous Year's figures have been regrouped / reclassified wherever necessary.

As per our attached report of even date

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh
Partner
Membership No.114622

Place : Mumbai
Date : 30th May, 2014

K. K. Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

Place : Mumbai
Date : 30th May, 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax and Prior period items	(34,502.77)	8,024.29
Adjustments for:		
Depreciation / Amortisation	16,557.60	15,404.19
Interest and Finance Charges	31,251.44	24,836.03
Unrealised Exchange Rate Fluctuations (net)	1,064.42	961.20
Bad Debts written off	157.12	-
Loss/(Profit) on sale of Fixed Assets	26.38	230.76
Interest Income	(11,513.85)	(6,280.46)
Dividend Income	-	(50.99)
Operating Profit Before Working Capital Changes	3,040.34	43,125.02
Adjustments for:		
Inventories	(11,009.94)	695.98
Trade and Other Receivables	(66,331.47)	(15,905.71)
Trade and Other Payables	14,269.82	11,056.61
Cash Generated from Operations	(60,031.25)	38,971.90
Direct Taxes Paid (including Fringe Benefit Tax) (Net)	(3,090.61)	(1,592.87)
Net Cash flow from Operating Activities	(63,121.86)	37,379.03
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including capital work - in progress)	(19,170.17)	(10,048.91)
Sale of Fixed Assets	50.88	40.07
Long term loans & Advances	177.47	(178.73)
Dividend Income Received	-	50.99
Interest income Received	7,937.23	6,103.40
Net Cash Used in Investing Activities	(11,004.59)	(4,033.18)
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term Borrowings	(35,421.69)	(45,997.54)
Proceeds of Long term Borrowings	115,607.88	33,282.81
Payment of Deferred Indirect Taxes	(2,319.54)	(59.11)
Proceeds from Trade Deposit	576.59	153.51
Interest & Finance Charges paid	(25,431.91)	(25,019.71)
Dividend Paid / Dividend Distribution Tax Paid	(0.11)	(0.06)
Proceeds / Repayment from Short Terms Borrowings (Net)	14,839.01	1,403.81
Net Cash from Financing Activities	67,850.23	(36,236.29)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

(₹ in Lakhs)

PARTICULARS	31st March, 2014	31st March, 2013
D NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(6,276.22)	(2,890.44)
E OPENING CASH & CASH EQUIVALENTS (CASH AND BANK BALANCES)	13,332.42	16,222.86
F CLOSING CASH & CASH EQUIVALENTS (D+E) (CASH AND BANK BALANCES)	7,056.20	13,332.42

Note:

- Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) - 3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.
- Cash & Cash Equivalents are Cash and Bank balances as per the Balance Sheet and includes ₹ 3,535.18 Lakhs (Previous Year ₹ 5,465.82 Lakhs) as restricted Bank Balances.
- Previous year figures have been recast / regrouped wherever considered necessary.

Summary of significant accounting policies - Note No. 2.

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No. 104746W

Ankit Parekh
Partner
Membership No.114622

Place : Mumbai
Date : 30th May, 2014

K. K. Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

Place : Mumbai
Date : 30th May, 2014

SUMMARISED FINANCIAL INFORMATION FOR THE YEAR / PERIOD ENDED ON MARCH 31, 2014, IN RESPECT OF SUBSIDIARIES OF THE COMPANY IN COMPLIANCE WITH THE GENERAL EXEMPTION GRANTED BY THE MINISTRY OF COMPANY AFFAIRS UNDER SECTION 2(128) OF THE COMPANIES ACT, 1956.

Sr.no	Name of the Subsidiary Company	Country of Incorporation	Relationship	Currency	Conversion Rate	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments (except investment in subsidiaries)	Turnover excluding other income	Profit/(Loss) before taxation	Provision for Taxation	Profit/(Loss) after taxation
1	Krishna Holdings Pte. Ltd. (KHL)	Singapore	Subsidiary of BCL	USD	59.8105	682.78	11.52	828.71	134.41	-	-	4.69	(0.34)	5.03
				INR		40,837.46	688.81	49,565.33	8,039.07	-	-	280.29	(20.61)	300.89
2	Mukundan Holdings Ltd. (MHU)	British Virgin Islands	Subsidiary of BCL	USD	59.8105	920.05	(102.96)	1,025.98	208.89	-	-	(11.48)	-	(11.48)
				INR		55,028.65	(6,158.11)	61,364.20	12,493.66	-	-	(686.55)	-	(686.55)
3	Murari Holdings Ltd. (MUHL)	British Virgin Islands	Subsidiary of BCL	USD	59.8105	701.05	(52.70)	806.12	157.78	-	-	(5.48)	-	(5.48)
				INR		41,930.15	(3,152.25)	48,214.53	9,436.63	-	-	(327.76)	-	(327.76)
4	Swiss Merchandise Infrastructure Ltd. (Swiss)	India	Subsidiary of BCL	INR		5.00	1.57	5,827.74	5,821.17	-	-	(0.28)	-	(0.28)
5	Merrit Plaza Ltd. (Merit)	India	Subsidiary of BCL	INR		5.00	(2.10)	4,333.07	4,330.17	-	-	(0.25)	-	(0.25)
6	Bhumi Resources (Singapore) Pte. Ltd. (Bhumi)	Singapore	Subsidiary of BCL	USD	59.8105	150.00	2.66	154.07	1.41	-	-	0.52	0.06	0.46
				INR		8,971.58	159.01	9,215.02	84.44	-	-	31.11	3.47	27.65
7	Binani Cement Factory LLC (BCF LLC)	United Arab Emirates	Subsidiary of MHL & MUHL	AED	16.2839	319.43	131.96	2,312.08	1,860.69	-	1,065.49	(104.95)	-	(104.95)
				INR		5,201.57	2,148.88	37,649.68	30,299.23	-	17,350.26	(1,708.91)	-	(1,708.91)
8	Binani Energy Private Ltd.	India	Subsidiary of BCL	INR		1.00	1.97	3.06	0.08	-	-	0.05	-	0.05
9	Shandong Binani Rong An Cement Co. Ltd. (SBRCC)	China	Subsidiary of KHL	RMB	9.7046	4,500.00	(691.28)	8,889.86	5,081.14	-	4,786.78	(336.06)	41.35	(377.41)
				INR		43,670.70	(6,708.59)	86,272.54	49,310.43	-	46,453.80	(3,261.35)	401.27	(3,662.62)
10	PT Anggana Energy Resources (Anggana)	Indonesia	Subsidiary of Bhumi	IDR	0.0053	54,630.00	(14,833.98)	330,000.34	290,204.32	-	-	(1,477.78)	3,342.50	(4,820.28)
				INR		289.54	(78.62)	1,749.00	1,538.08	-	-	(7.83)	17.72	(25.55)
11	BC Tradelink Limited	Tanzania	Subsidiary of BCF LLC	TZS	0.0367	0.02	(3,009.00)	323.75	3,332.73	-	-	(436.05)	-	(436.05)
				INR		0.00	(110.43)	11.88	122.31	-	-	(16.00)	-	(16.00)
12	Binani Cement Factory (Kenya) Ltd. *	Kenya	Subsidiary of BCF LLC	KES	0.6909	-	-	-	-	-	-	(9.51)	-	(9.51)
				INR		-	-	-	-	-	-	(6.57)	-	(6.57)
13	Binani Cement (Uganda) Ltd *	Uganda	Subsidiary of BCF LLC	UGX	0.0235	0.02	(0.17)	58.53	56.68	-	-	(78.04)	-	(78.04)
				INR		0.00	(0.00)	1.38	1.38	-	-	(1.83)	-	(1.83)
14	Binani Ready Mix Concrete Ltd.	India	Subsidiary of BCF LLC	INR		620.90	(947.76)	27.52	354.39	-	114.62	(237.30)	-	(237.30)

* These companies are under liquidation.

Notes

- 1) For the purpose of the above statement, the financial statements of the overseas subsidiaries are converted into INR on the basis of closing exchange rate as on March 31, 2014.
- 2) Turnover, Profit/(Loss) before Taxation and Profit/(Loss) after Taxation shown above are for the period / year April 01, 2013 to March 31, 2014.
- 3) The Statement does not include companies which have been closed / sold during the year.

For and on behalf of the Board of Directors

Braj Binani
Chairman

Jotirmoy Ghose
Managing Director

K. K. Jain
Chief Financial Officer

Place : Mumbai
Date : 30th May, 2014

Binani

Binani Cement Limited

(CIN : U26941WB1996PLC076612)

Registered Office : 601, Axis Mall, 6th Floor, Block -C, Action Area -I, Rajarhat, New Town, Kolkata - 700156,

Website: www.binanicement.in.

Tel: 033-23240069 Fax: 033-23240023.

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*	
--------	--

Folio No.	
-----------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

Name of the Member / proxy _____

I hereby record my presence at the 18th Annual General Meeting of the Company to be held on Monday, 29th September, 2014 at 2.00 p.m. at Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700020 .

* Applicable for investors holding shares in electronic form.

Signature of Shareholder / proxy

Binani

Binani Cement Limited

(CIN : U26941WB1996PLC076612)

Registered Office : 601, Axis Mall, 6th Floor, Block -C, Action Area -I, Rajarhat, New Town, Kolkata - 700156,

Website: www.binanicement.in.

Tel: 033-23240069 Fax: 033-23240023.

PROXY FORM

(Pursunt to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): _____

Registered address: _____

E-mail ID: _____

Folio No/ Client ID: _____

DP ID: _____

I/We, being the member (s) of Binani Cement Limited holding _____ Share(s) of the Company, hereby appoint:

1. Name: _____ Address _____

E-mail ID _____ Signature _____ or failing him,

2. Name: _____ Address _____

E-mail ID _____ Signature _____ or failing him,

3. Name: _____ Address _____

E-mail ID _____ Signature _____

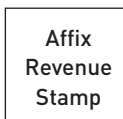
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eighteenth Annual General Meeting of the Company, to be held on the Monday, 29th September, 2014 at 2.00 p.m. at Rotary Sadan, 94/2 , Chowringhee Road, Kolkata - 700 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution
1	To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date together with Reports of the Directors' and the Auditors' thereon.
2	Re - appointment of Mr. Braj Binani, as a Director of the Company.
3	Appointment of M/s. Kanu Doshi and Associates, Chartered Accountants as Auditors of the Company.
4	Appointment of Mr. S. Sridhar as an Independent Director.
5	Ratification of Cost Auditors' remuneration.
6	Power to the Board to borrow in terms of section 180 (1) (c) of the Companies Act, 2013.
7	Power to the Board to create security in terms of section 180 (1) (a) of the Companies Act, 2013.
8	Adoption of new Articles of Association of the Company.

Signed this _____ day of _____ 2014

Signature of Member _____

Signature of Proxy holder(s) _____



Note

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at its new address at 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata-700 157, not less than 48 hours before the commencement of the Meeting.



BINANI CEMENT LIMITED

Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Mumbai-400001.
www.binanicement.in