

BOARD OF DIRECTORS

Mr. Braj Binani – Chairman
Ms. Nidhi Singhania
Ms. Shradha Binani –
[Alternate Director to Ms. Nidhi Singhania – from 21/4/2012]
Mr. S. Padmakumar – till 20/11/2011
Dr. V.C. Shah - till 20/11/2011
Mr. V. Subramanian
Mr. M.K. Chattopadhyaya – till 21/4/2012
Mr. Ramakrishna Moogimane
Mr. P. Acharya - Sr. Executive Director & Wholetime Director
Mr. T.R.C.Nair - from 21/4/2012

AUDIT COMMITTEE

Mr. Ramakrishna Moogimane
Mr. V. Subramanian
Mr. M.K. Chattopadhyaya – till 21/4/2012
Mr. T.R.C. Nair – from 21/4/2012

COMPANY SECRETARY

Mr. Atul P. Falgunia

CHIEF FINANCIAL OFFICER – GROUP CONTROL ACCOUNTS (Nominated by Holding Company)

Mr. R. Venkiteswaran

MANAGEMENT COMMITTEE

Mr. P. Acharya – Sr. Executive Director & Wholetime Director
Mr. Darshan Lal – President (Operations)
Mr. R.P. Sharma – President (Works) .
Mr. Dinesh Randad – EVP (Operations)
Mr. R.K. Ghia – Sr. V.P. (Technical)

AUDITORS

M/s. Kanu Doshi Associates

TERM LENDERS & BANKERS

IDBI Bank Limited
Syndicate Bank
Axis Bank Limited
Export Kredit Finansiering A.S.
State Bank of India
UCO Bank
Central Bank of India
Bank of Baroda
Punjab National Bank
Dena Bank
Oriental Bank of Commerce
Jammu & Kashmir Bank Limited
Canara Bank
Indian Overseas Bank

REGISTRAR & TRANSFER AGENTS

M/s Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (w)
Mumbai - 400 078.

LOCATIONS

Registered Office:

37/2, Chinar Park, New Town, Rajarhat Main Road,
P.O. Hatiara, Kolkata – 700 157.

Corporate & Mumbai Office:

Mercantile Chambers, 12, J.N. Heredia Marg,
Ballard Estate, Mumbai – 400 001.

WORKS

1. Binanigram, Pindwara
District Sirohi, Rajasthan – 307 025.
2. Village: Sirohi, Taluka: Neem Ka Thana
District Sikar, Rajasthan

INDIAN SUBSIDIARIES:

1. Binani Ready Mix Concrete Limited
2. Merit Plaza Limited
3. Swiss Merchandise Infrastructure Limited

OVERSEAS SUBSIDIARIES:

1. **Krishna Holdings Pte. Ltd. Singapore (KHL)**
21, Bukit Batok Crescent, No 15-74 WCEGA
Tower, Singapore - 658065.
2. **Shandong Binani Rongan Cement Co. Ltd. China (SBRRC)**
Fujiiazhuang, Dong Guan Town, Ju County,
Rizhao City Shangdong Province
3. **Mukundan Holdings Limited**
P.O. Box 957, Offshore Incorporations, Centre Road,
Town, Tortola, British Virgin Islands (BVI)
4. **Murari Holdings Limited**
Akara Building, 24 De Castro Street, Wickham Cay,
Road Town, Tortola British Virgin Islands
5. **Binani Cement Factory LLC**
Jabel Ali, Dubai
6. **Bhumi Resources (Singapore) Pte Limited**
21, Bukit Batok Crescent, No 15-74 WCEGA Tower,
Singapore - 658065.

MARKETING OFFICES:

1. 705-706, Sakar II Ellisbridge, Ahmedabad – 380 006
2. 231,233,235, Ansal Chambers –II ,
6, Bhikaji Cama Place, Delhi – 110 066
3. Miracle 22, Shubham Enclave
Jamnalal Bajaj Marg, C Scheme, Jaipur – 302 001
4. Flat no. 2&3, Jeet Apartments, Airport Road,
Ratannada, Jodhpur – 342001
5. 1st Floor, Eldeco Corporate Chamber-1,
Vibhuti Khand, Gomti Nagar, Lucknow -226010
6. 401, Krishna Building, 4th Floor,
224-A, A.J.C. Bose Road, Kolkata -700 017.
7. Feltham House, 1st Floor, 10, J. N. Heredia Marg,
Ballard Estate, Mumbai – 400 001.

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NOTICE TO SHAREHOLDERS

Notice is hereby given that the 16th Annual General Meeting of the Members of the Company will be held at 2.15 pm or immediately after the conclusion of the 12th Annual General Meeting of Binani Zinc Limited if the meeting concludes after 2.15 pm at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020 on Saturday, the 4th August, 2012 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012 and the Profit and Loss Statement for the year ended on that date together with the Reports of the Directors' and Auditors thereon.
2. To appoint a Director in place of Mr. Braj Binani, who, retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. V. Subramanian, who, retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s Kanu Doshi Associates, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and authorize the Board of Directors/Committee thereof to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

"RESOLVED THAT Mr. T. R. C. Nair who was appointed as an Additional Director by the Board of Directors and who in terms of Section 260 of the Companies Act, 1956 read with Article 85, 85A and Article 89 of the Articles of Association of the Company, holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, alongwith a deposit of Rs. 500 /- be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT" pursuant to the provisions of Sections 198, 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, if any, consent of the Company be and is hereby accorded to the appointment and payment of Remuneration and Perquisites to Mr. P. Acharya, as Sr. Executive Director and Wholetime Director w.e.f. 1st March, 2012 to 28th February, 2014 on the terms and conditions as set out in the agreement dated 21st March, 2012 entered into between the Company and Mr. P. Acharya (a copy of which is placed before the meeting) with liberty to the Board of Directors to alter and vary the terms and

conditions of the said agreement as the Board of Directors may consider necessary and as may be agreed to by Mr. P. Acharya within the overall limits as specified in Schedule XIII to the Companies Act, 1956 for the time being in force or any statutory modification or re-enactment thereof and /or any rules or regulations framed thereunder and the terms of the aforesaid Agreement between the Company and Mr. P. Acharya shall be suitably modified to give effect to such variation or increase as the case may be."

"Resolved further that even in the absence or inadequacy of profits in any Financial Year, subject to the approval of the Central Government and such other approvals as may be required, Mr. P. Acharya be paid the same remuneration and perquisites as set out in the Agreement dated 21st March, 2012 as minimum remuneration for the entire tenure or such period as may be approved by the Shareholders of the Company and Central Government."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

"Resolved that in supersession of the Resolution passed at the Meeting of the Shareholders held on 15th February, 2008 consent of the Company be and is hereby accorded and such consent shall be deemed to have always been accorded to the Board of Directors (hereinafter referred to as "The Board " which term shall be deemed to include any committee which the Board may constitute for this purpose) of the Company pursuant to Section 293(1) (d) and other applicable provisions, if any, of the Companies Act, 1956 for borrowing from time to time any sum or sums of moneys for the business purpose of the Company notwithstanding that the moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, i.e. to say reserves not set apart for any specific purpose, provided, however that the aggregate amount of moneys which may be borrowed shall not at any time exceed the limit of Rs. 3,000 Crores [Rupees Three Thousand Crores only]."

"Resolved further that for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowings aforesaid and further to do all such acts, deeds and things and to execute all documents of writings as may be necessary, proper, desirable or expedient to give effect to this Resolution."

By order of the Board
For Binani Cement Limited

Atul P. Falgunia
Company Secretary

Place : Mumbai
Date : 21st April 2012

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **The proxy form in order to be effective should be duly stamped, signed and completed in all respects and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.**
3. No person shall be entitled to attend or vote at the meeting as a duly authorized representative of any body corporate which is a shareholder of the Company, unless a certified copy of the resolution appointing him/her as duly authorized representative has been deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 28th July, 2012 to Saturday, 4th August, 2012 [both days inclusive].
5. Those members who have not encashed their Dividend Warrants for the Financial Year ended 31st March, 2007, 31st March, 2008, 31st March, 2009, 31st March 2010 and 31st March 2011 may lodge a claim with the Company failing which the balance will be transferred to the Investor Education and Protection Fund established by the Central Government on or before 7.08.2014, 4.08.2015, 7.08.2016, 6.08.2017 and 6.08.2018 respectively. After the above dates, the shareholders are not entitled to claim the amount pursuant to the existing provisions of Section 205 C (2) of the Companies Act, 1956.
6. A brief write up about the directors coming up for reappointment in respect of items no. 2 and 3 of the notice are annexed hereto and forms part of this notice.
7. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of item no. 5, 6 and 7 of the notice alongwith a brief write up about the director coming up for appointment are annexed hereto.
8. The documents required under the law will be available for inspection during working hours from 11.00 a.m. to 1.00 p.m. at the Registered Office of the Company on any working day except Saturdays and Sundays prior to the date of the Annual General Meeting.
9. The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copy of the Annual Report and Attendance Slip duly completed to the Meeting.
10. The Ministry of Corporate Affairs, Government of India, vide Circular No. 17/2011 allowed service of documents by e-mode as a Green initiative in the Corporate Governance. Members are requested to Register their e-mail addresses with the Company's Registrar & Share Transfer Agents M/s. Link Intime India Pvt. Limited Unit: Binani Cement Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West) Mumbai - 400 078 for the purpose of service of documents under Section 53 of the Companies Act, 1956
11. i) Pursuant to the General Exemption granted by the Central Government, Ministry of Corporate Affairs under Section 212 of the Companies Act, 1956 vide Circular No.2/2011 dated 8th February, 2011,

- the Board of Directors at its meeting held on 28th January, 2012 granted its consent not to attach the Director's Report, Auditors Report, Balance Sheet, Profit and Loss Statements of the subsidiaries viz Swiss Merchandise Infrastructure Limited, and Merit Plaza Limited for the year ended 31st March 2012, Krishna Holdings Pte Limited, Singapore, Shandon Binani Rongan Cement Company Limited, China, Mukundan Holdings Limited, British Virgin Islands, Murari Holdings Limited, British Virgin Islands, Bhumi Resources (Singapore Pte Limited, PT Angganna Energy Resources, Indonesia, Binani Cement Factory (Mauritius) Limited, Mauritius, Binani Cement Factory (SFZ) Limited, Sudan, Binani Cement Company Limited, Sudan, BC Tradelink Limited, (Tanzania), Binani Cement Company WLL (Kuwait), Binani Cement Factory (Kenya) Ltd., Binani Cement SARL, Djibouti, Binani Cement (Uganda) Ltd., Binani Cement LLC, Dubai. Binani Mineral Resources (Mongolia) LLC, Rightside Investments (Pty) Ltd, Binani Cement Co Ltd (South Sudan), Trans Africa Cement Ltd, Mauritius, Weighbridge Investments (Pty) Ltd. Botswana, Christo Schutte Investments Number Nine Pty Ltd, Namibia and Binani Cimentos (Mozambique) LDA for the year ended 31st December 2011 with the Company's Annual Accounts. Accordingly, the same are not attached to the Annual Report of the Company.
- (ii) The Company has fulfilled the conditions (i) to (v) & (vii) of the said Circular by attaching the consolidated Financial Statement of the holding and all the Subsidiaries duly audited by the Statutory Auditors.
 - (iii) The Company undertake to the shareholders that the Annual Accounts of the aforesaid Subsidiary Companies and the related detailed information shall be made available to the Shareholders of the Company and that of the Subsidiary companies free of cost. A copy of the Annual Accounts of the aforesaid subsidiaries shall also be given to Shareholders free of cost on demand.
 - (iv) The Annual Accounts of the Company and its subsidiaries as above shall be kept for inspection by any shareholder at the Registered Office of the Company at 37/2, Chinar Park, Rajarhat, P.O. Hatiara, Kolkata 700 157 between 11.00 a.m. and 1.00 p.m. on any working day [excluding Saturdays & Sundays] upto the date of the Annual General Meeting.
 - (v) The Annual Accounts of the Company and all its subsidiaries as above have also been posted on the Company's Website www.binani.com. Any shareholder may access the Company's website for the Annual Accounts of the Company and its subsidiaries.
12. Members are requested to:
- a) Notify promptly any change in their address and send all correspondence relating to shares including requests for transfers, change of status, change of mandate, fresh mandate etc either to the Company at its Registered Office or to the Company's Registrar and Share Transfer Agents **M/s Link Intime Pvt. Limited**. Unit: Binani Cement Limited, C-13 Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 071, Tel.No.022-25946970 - Fax: 022-25946969 E-mail : rnt.helpdesk@linkintime.co.in

- b) Notify the change in the address and change in the bank mandate to the concerned Depository Participants only if the shares are held in dematerialized form.
 - c) Send their queries, if any, at least 15 days in advance of the meeting at the Company's Registered office so that information can be made available at the meeting.
 - d) Fill in the attendance slip for attending the meeting and those who hold the shares in dematerialized form are requested to bring their client ID and DPID for identification of attendance at the meeting.
13. Members may note that the Company's website is www.binani.com

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

Item No. 5

Mr. T. R. C. Nair was appointed as an Additional Director of the Company by the Board of Directors at their Meeting held on 21st April, 2012 under Section 260 of the Companies Act, 1956 read with Article 85, 85A and 89 and he would hold office upto the date of this Annual General Meeting. The Company has received a notice from a member signifying his intention to propose the appointment of Mr. T. R. C. Nair as Director of the Company liable to retire by rotation at the ensuing Annual General Meeting. The said notice is accompanied by a deposit of Rs. 500 as required by law.

Mr. T.R. C. Nair, aged about 60 years is a post graduate and graduate in law besides being a fellow member of the Institute of Company Secretaries of India. He also has a diploma in Personal Management and Industrial Relations. Mr. T.R. C. Nair has over 35 years of experience including more than 25 years of experience in secretarial and legal matters. His last assignment was as Executive Director (Corporate Legal) & Company Secretary of Binani Industries Limited. He is now acting as Advisor /Consultant. He has been associated with Braj Binani Group for the last two decades.

Besides being a Director of the Company, he is also Director in BT Composites Limited, Goa Glass Fibre Limited, Binani Metals Limited and Binani Zinc Limited. He is also on the Board of some Private Limited Companies of Braj Binani Group.

Your Directors recommend appointment of Mr. T. R. C. Nair as Director of the Company.

None of the Directors is in any way concerned or interested in this resolution except Mr. T. R. C. Nair to the extent of his appointment.

Item No. 6

Mr. P. Acharya has been appointed as Sr. Executive Director & Whole-time Director of the Company for the period from 1st March, 2012 to 28th February, 2014. .

Mr. P. Acharya, aged about 60 years, is a Mechanical Engineer from M.B.M. Engineering College, University of Jodhpur. Mr. P. Acharya, has more than 35 years experience. He has worked in cement industries in organisations such as Dalmia Cement (Bharat) Limited as Executive Director, Senior Vice President (Tech) with Gujarat Ambuja Cement Limited and in various managerial capacities in Lakshmi

Cement Limited, Manikgarh Cement Limited, Udaipur Cement Limited etc.

Considering his long experience, the remuneration proposed to be paid to Mr. P. Acharya is comparable with the prevailing market rate and commensurate with his practical experience, professional qualifications and technical competence. He is a professional and does not hold any shares of the Company.

The following are the details of the Remuneration and perquisites payable to Mr. P. Acharya as Sr. Executive Director & Wholetime Director of the Company which was duly recommended by the Remuneration Committee and the Board of Directors of the Company.

1. Mr. P. Acharya be appointed as Wholetime Director of the Company with effect from 1st March, 2012 to 28th February, 2014 .

2. Salary:

A. Basic Salary: Basic Salary has been fixed at Rs. 7,10,843 p.m plus variable pay of Rs. 61,758 and perquisites based on the basic salary per month for 2 years or till such time as may be permitted by the Central Government.

Basic Salary and Variable pay will be revised every year in the month of April as may be determined by the Chairman / Executive Vice Chairman & Managing Director of Binani Industries Limited (Holding Company) /Board of Directors.

B. Perquisites:

Category – A

1. **House Rent Allowance (HRA) :** Rs. 2,50,000 p.m.

Category –B

2. **Gratuity .:** As applicable in case tenure of 5 years is completed inclusive of extension, if any. In the event of non completion of 5 years compensation equivalent to gratuity amount will be paid.

Category –C

3. **Residence Telephone & Mobile Phone :** The Company will provide one landline telephone with STD facility at the residence of Mr.P. Acharya. The Company will reimburse / pay expenses for official calls on monthly basis . All personal STD/ISD call charges shall be paid by Mr. P. Acharya

3. Minimum Remuneration

In the event of loss or inadequacy of profits in any Financial Year, the Company may pay Mr. P. Acharya by way of salary and perquisites the remuneration approved as minimum remuneration for a period not exceeding 2 years subject to such approvals including that of Central Government

4. He is not entitled to payment of any sitting fees for attending the Meetings of the Board or a Committee thereof.
5. **Termination :** The appointment shall be terminable by the Company giving to him a notice of one month of such termination or on payment of one month's Basic Salary in lieu thereof.

Your Directors recommend the resolution for your approval. None of the Directors except Mr. P. Acharya is concerned or interested in the resolution.

Item No. 7

"At the Extra Ordinary General Meeting held on 15th February, 2008 , the Shareholders of the Company had authorized the Board of Directors of the Company to borrow moneys for Company's business notwithstanding that the moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary

course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, i.e. to say reserves not set apart for any specific purpose, provided, however that the aggregate amount of moneys which may be borrowed shall not at any time exceed the limit of Rs. 2,000 Crores (Rupees Two Thousand Crores only)."

The Company is expected to borrow moneys from Financial Institutions and Banks for the expansion programme of the Company and its subsidiaries and for meeting the long term working capital requirements. Thus the Resolution as proposed above is for increasing the borrowing powers of

the Board of Directors from the present limit of Rs. 2,000 Crores to Rs. 3,000 Crores .

The Directors recommend the resolution for your approval None of the Directors are concerned or interested in the resolution.

A copy of the Agreement referred to in the Resolution as Item no. 6 of the accompanying notice and notice referred to in the resolution appearing as item no. 5 will be open for inspection by the Members of the Company at the Registered Office of the Company between 11.00 a.m to 1.00 p.m on any working day except Saturdays and Sunday's upto the date of the ensuing Annual General Meeting.

FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE REAPPOINTED, VIDE ITEMS 2 and 3 OF THE NOTICE DATED 21st April, 2012

Name of the Director	Mr. V. Subramanian	Mr. Braj Binani
Date of Birth	25.11.1930	14.12.1959
Date of appointment on the Board as Director	27.02.2006	01.04.2005
Date of last reappointment as Director	25th June, 2010	26th June, 2009
Expertise in specific functional areas	Finance & Accounts.	Entrepreneurship & Management
Qualification	B.Com, ICWA	B.Com
Number of Equity shares held in the Company by the Director or for other persons on a beneficial basis	10 Equity Shares of Rs. 10 each. (Nominee of Binani Industries Limited)	50 Equity Shares of Rs. 10 each. (Nominee of Binani Industries Limited)
List of outside Directorships held	Binani Zinc Limited Goa Glass Fibre Limited BT Composites Limited Binani Metals Limited Wada Industrial Estate Ltd. Sambhaw Holdings Limited Amrit Kalash Finance Ltd. K.B. Vyapar Private Ltd. Swiss Merchandise Infrastructure Limited Merit Plaza Limited . B.M. Retailers Pvt. Limited Vijayshree Holdings Private Ltd. Suryamukhi Vintrade Private Ltd. Total Composites Private Ltd. Binani Energy Pvt. Ltd. Everest Goods Pvt. Ltd.	Binani Industries Limited Binani Zinc Limited Goa Glass Fibre Limited Binani Metals Limited
Chairman / member of the Committees of Board of Directors of the Company	Member –Audit Committee Member –Investor Relations Committee	Nil
Chairman/ Member of the Statutory (Audit / Investor Relations) Committees of Board of Directors of other Companies in which he is a Director	Chairman – Audit Committee BT Composites Limited Binani Zinc Limited Binani Metals Limited Wada Industrial Estate Limited Member –Audit Committee Goa Glass Fibre Limited Binani Industries Limited Member –Investor Relations Committee Binani Zinc Limited Goa Glass Fibre Limited	Nil

By Order of the Board
For Binani Cement Limited

Atul P. Falgunia
Company Secretary

Place : Mumbai
Date : 21st April, 2012

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Sixteenth Annual Report of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

The financial results for the year ended 31st March, 2012 are summarised below:

Rs. in Lacs

Particulars	2011-12	2010-11	Increase (Decrease) %
Net Sales and Other Income	205,668	174,335	18%
Operating Costs	172,607	145,814	18%
EBIDTA	31,810	28,521	12%
Interest & Financial charges	16,140	10,344	56%
Cash Profit	15,670	18,177	(14%)
Depreciation and Amortisation	10,355	9,950	4%
Profit before Tax	5,315	8,227	(35%)
Profit after Tax	4,840	9,051	(47%)

OPERATIONAL PERFORMANCE

During the year 2011-12, the Company has achieved highest ever production of 55.84 Lakhs MT and sold 56.06 Lakhs MT of cement as against 54.58 Lakhs MT and 54.38 Lakhs MT respectively in the Previous Year.

Sales volumes increased by 3.20% and net turnover increased from Rs. 1,733.23 crore to Rs. 2,027.81 crore i.e. by 17%, which is mainly due to higher sales volumes and increased Cement prices.

Despite increase in cement prices, profit (before tax) dropped to Rs. 5,315 Lakhs from Rs. 8,227 Lakhs during Previous Year which is mainly due to higher input costs of coal, power and other raw materials, higher logistics and Interest costs.

The Cement Production and Power Generation details are as under :-

Production	2011-12	2010-11
Cement (Lakhs MT)	55.84	54.58
Power Generation (net) - Lakhs kWh	3,281.65	3,056.69

INVESTMENTS IN OVERSEAS COMPANIES –

During the year under review the Company has further invested in its overseas subsidiaries Mukandan Holdings Limited and Murari Holdings Limited by providing equity support for meeting its long term obligations.

PROJECT OVERVIEW :

MODERNISATION / EXPANSION

Binanigram unit :

During the year 2011-12 following modifications / expansion projects have been commissioned:

- Truck loading capacity has been enhanced by 5000 tonnes per month during non availability of rake with the installation of additional 2 nos. truck loaders. System commissioned in March'12.
- Alternate feeding circuit for Cement Mill 3 and 4 commissioned in March'12.
- Fly ash loading system commissioned in August'11 at Suratgarh Super Thermal Power station.

Neem Ka Thana unit :

Packer 2 commissioned in May'11 and handed over for commercial production.

Following modifications / expansion projects are under progress:

- Installation of wagon tippler for unloading of coal rakes and coal conveying belt conveyor. Erection of belt conveyor is in progress whereas the job of wagon tippler is awaiting approval from Railways and State PWD department.
- Engineering and pre-execution activities for Mechanized loading arrangement of clinker in the rakes has been done and awaiting approval from Railways and State PWD department.

Overseas Projects

- Shandong Binani Rongan Cement Co. Ltd., China (SBRCCCL)
The capacity of the plant has been increased to 3 million tons per annum after commissioning of 2.5 MTPA clinkerisation unit during the year.
- Binani Cement Factory L.L.C., Dubai
Cement Mill#3 has been commissioned during the year

Binani Cement Factory LLC, Dubai (BCFLLC)

The Dubai market continues to be in slump during the year under review. To tide over the situation and to capitalise on the demand for Cement in the East African Countries, the Company has opened marketing offices through its subsidiaries in Sudan, Dibrouti, Kuwait, Uganda and Madagascar. Further marketing offices are proposed to be set up in Tanzania, Namibia, Botswana, Mozambique and Mauritius. Packing capacity of Dubai plant has been enhanced. However initially despatches are 20000 MT per month only which will be increased depending upon demand and price realisable.

FUTURE PLANS

Overseas

- The growth in cement consumption in China is expected to remain robust. With the new Clinkerisation Plant of SBRCC, which commenced operations in December 2011 now stable and operating at 90% capacity utilization with improved

thermal efficiency following the successful commissioning of the new waste heat recovery system, the Company plans to keep pace with the demand by setting up a split-CGU to ramp up the cement output.

- The East African markets that have been tapped by the Company are expected to continue growing at a healthy pace fuelled by investments in Construction. As the Company's Grinding Unit in the UAE is ideally located to supply the East African markets, the Company targets a clinkerisation facility in the Middle East either through organic or inorganic route, to feed this Grinding Unit.

India

- Inflationary pressures and weak Government finances are expected to adversely impact the growth of the infrastructure and housing sectors during the next Financial Year. Some recovery is expected in the latter half of the year with marginal softening of the interest rates. However, the Company believes that the long-term growth prospects of our economy are intact. the Company's growth agenda for this vertical includes continued efforts towards setting up Greenfield opportunities for Grey Cement in the western part of India.
- While energy and transportation costs are expected to continue on a higher trend and put pressure on pricing in the near term, the Company firmly believes that the markets have the capacity to absorb cost increases in the long run. To mitigate the risks associated with energy cost and availability, the Company recognizes that investing in Captive Coal Assets is an important step. Efforts are on to identify and pursue investments in such assets from a long term perspective.
- Company has been allotted Nimbri lignite mine. A detailed techno-economic study is underway for an early exploitation of lignite.
- BCL is consciously improving its Pozzolana Portland Cement (PPC) share to capitalize on the perceived opportunities associated with Kyoto protocol and its CDM which can additionally bring financial benefits.

With the acquisition of RMC business from BIL, the way forward is to leverage on the synergies and grow the business.

Lignite Project at Nimbri Chandrawatan in District. Nagaur, Rajasthan

The Government of India allocated lignite block [56.4 sq. km] in Dist: Nagaur, Rajasthan on 7th February, 2007 for use of lignite as raw material for captive power generation. Company has acquired 72 Hectare of private land within the Mining Lease area and also requested State Government to assist in acquiring remaining private and government land for the integrated project.

The Public hearing for mine and 120 MW Pit Head Power Plant has been successfully completed. The recommendations have been forwarded to the Secretary State Pollution Control Board by Regional Officer, Jodhpur. Formal approval from MoEF, Government of India and State pollution Control Board are awaited.

EXIT OFFER OF SHARES

The Company had last year applied for delisting of the Company's shares from Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Both the Stock Exchanges have granted approval and the Company's shares have been delisted with effect from 30th May, 2011. The Company has consequently sent an exit offer to the remaining public shareholders to tender their shares in the exit offer. The exit offer has been open from 30th May, 2011 and shall close on 29th May, 2012. The exit offer payments are being made on fortnight settlement cycle and till 31st March, 2012 the promoters shareholding has increased to 97.49%. The offer shall close on 29th May, 2012 and thereafter there shall be no exit option for the shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company's shares have been delisted with effect from 30th May, 2011 and as such the Company is not required to give a Management Discussion and Analysis Report. However the Company has as a measure of good corporate practice annexed the Management Discussion and Analysis to this report.

CORPORATE GOVERNANCE

Your Company is committed to maintaining the good Corporate Governance practices. The Company's Equity Shares have been delisted from the Stock Exchange and as such is not required to submit corporate governance report, however a separate section on voluntary compliance of Corporate Governance together with a certificate from the Company's Auditors confirming compliance is set out in the Annexure C and D forming part of this report. Further a declaration on the Code of Conduct signed by the Wholtime Director of the Company is given as Annexure E.

AUDIT COMMITTEE

The Company has complied with the requirements of Section 292A of the Companies Act, 1956. The Audit Committee has been reconstituted and now has 3 independent Directors while earlier the Audit Committee comprised of 2 Independent Directors and Non Executive Director. The details regarding the Audit Committee are provided in details in the Corporate Governance Report.

BOARD OF DIRECTORS

In accordance with Article 100 of the Articles of Association of the Company, Mr. Braj Binani and Mr. V. Subramanian, retire by rotation and being eligible, offer themselves for reappointment.

Mr. P. Acharya, Wholtime Director, was reappointed as Sr. Executive Director and Wholtime Director with effect from 1st March, 2012 for a period of 2 years. The proposal for the payment of remuneration to the Wholtime Director has been placed before you for approval.

During the year, Mr. T.R.C. Nair was appointed as Additional Director on the Board at the Meeting of the Board of Directors held on 21st April, 2012. He holds office as Additional Director upto the date of the ensuing Annual General Meeting. The Company has received notice from a shareholder alongwith a deposit of Rs. 500 /- proposing the appointment of Mr. T.R.C.Nair as regular director at the ensuing 16th Annual General Meeting.

During the year Mr. S. Padmakumar and Dr. V. C. Shah, retired as Directors of the Company with effect from 20th November,

2011 and Mr. M.K. Chattopadhyaya resigned as Director of the Company with effect from 21st April, 2012. The Directors wish to record their appreciation for the significant and valuable contribution made by the Directors during their tenure as Directors on the Board of the Company.

Further Ms. Shradha Binani has been appointed as an Alternate Director to Ms. Nidhi Singhania at the Meeting of the Board of Directors held on 21st April, 2012.

AUDITORS

M/s Kanu Doshi Associates, Chartered Accountants, the Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The retiring Auditors have given their consent for re-appointment. The Company has received a certificate under Section 224(1) of the Companies Act, 1956 from the Auditors that their appointment, if made, will be in accordance with the limits as specified as per Section 224(1) of the Companies Act, 1956 and the proposal has been placed before you for approval.

AUDITORS OBSERVATIONS

The Auditors in their report on standalone and consolidated accounts have not made any observations and hence management comments are not required.

COST AUDIT

Audit of Cost Accounts of the Company relating to Cement for the plants at Binanigram and Neem Ka Thana for the year ended 31st March, 2012 will be audited by Cost Auditors, M/s K. G. Goyal & Co., Jaipur, Cost Accountants and Cost Audit Report will be submitted to the Ministry of Corporate Affairs, Government of India. Approval of the Central Government for the reappointment of M/s K. G. Goyal & Co, Jaipur, Cost Accountants as Cost Auditors for the year 2012-13 is being obtained.

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. With a view to bridge the gap between the different accounting periods of the holding company and the overseas subsidiaries and step down subsidiaries whose accounting years/first accounting period ending 31st December 2011, the consolidation of their financial statements has been done for the combined year/period ended 31st December 2011 and quarter ended 31st March, 2012.

Accordingly, for the purpose of consolidation i) the audited accounts of the overseas subsidiaries/step down subsidiaries for their years/first accounting period ended 31st December, 2011 ii) their unaudited accounts for the quarter ended 31st March, 2012 iii) unaudited accounts for the period ended 31st March, 2012 of the companies whose first accounting year/period would close on 31st December 2012 and iv) the audited accounts of Indian/overseas subsidiaries/step down subsidiaries for the year/period ended 31st March, 2012 have been considered, as the case may be.

STATEMENT PURSUANT TO SECTION 212

The statement pursuant to Section 212 of the Companies Act, 1956 relating to the subsidiaries is annexed to this report. The Board of Directors at their meeting held on 28th January, 2012 have given their consent for not attaching the financial statements of

the subsidiaries referred to in the aforesaid annexed statement, pursuant to general circular no. 2/2011 dated 8th February, 2011 of the Ministry of Corporate Affairs, Government of India.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with Section 217(2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief and according to the information and explanation obtained by them, state that:

- a) in the preparation of the Annual Accounts for the year ended March 31, 2012, the applicable Accounting Standards have been followed and proper explanation relating to material departures, if any, have been furnished;
- b) accounting policies as listed in Note no. 22 to the financial statements have been selected, consistently applied and prudent judgments and estimates have been made so as to give true and fair view of the state of affairs of the Company as on 31.03.2012 and of the Profit of the Company for the year ended on that day;
- c) proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 has been taken so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- d) the annual accounts for the year ended March 31, 2012 have been prepared on a going concern basis.

PARTICULARS UNDER SECTION 217

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 annexed as Annexure A and form part of this report.

Particulars of Employees:

The statement of particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended is annexed as Annexure B.

ACKNOWLEDGEMENT

Your Board of Directors places on record its sincere appreciation for the continued co-operation and support received from the Holding Company, Banks, various State and Central Government agencies, valued Customers, Dealers, Distributors, Market Organisers, Suppliers, Contractors and all who have directly or indirectly contributed in the growth of your Company.

Your Directors also take this opportunity to appreciate the committed and dedicated services of the employees and contract workers at all levels.

By Order of the Board
For **Binani Cement Limited**

Braj Binani
Chairman

Place : Mumbai

Date : 21st April 2012

ANNEXURE A TO THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2012.

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 variable frequency drive in Raw Mill 2 Secondary Crusher Jet pulse filter fan (352FN1).
2. Installed Variable frequency drive in Packer no 4 JPF fan (644FN1).
3. To reduce line pressure drop of main compressor house of Kiln 2/ RM2 and packing plant compressors connected to cement mills by connecting CM1, 2 & 3 with CM4 compressors house thereby dedicated compressors for cement mill section.
4. Optimize CM 4 vent Bag house compressed air consumption by providing DP base logic.
5. Installed grid resistance circuit with vapromatic LRS in O-Sepa fan of CM 4 in place of damper control.
6. Replacement of 02 no's fine coal blower of 187 kW motor to 160 /132 kW motor in Kiln 2 to reduce fixed losses of motors.
7. Installed 70 no's LED based street light in colony in place of 70 Watt HPSV.
8. Reduction of power consumption of water pumps by modifying water spray system of Cooler hydraulic room P & V system in Kiln 2.
9. Replacement of LS Crusher Apron conveyor DC motor to AC Motor resulting in power saving due to no requirement of motor cooling blower (2 no's blower with DC motor stopped)

Cement Plant - Neem ka Thana

1. Sepax dedusting JPF bag house screw conveyor replaced with air slide.
2. Installed variable frequency drive in Sepax Dedusting JPF fan and Mill vent fan
3. Installed HT Capacitor bank at 132KV substation.
4. Optimized dedusting in gypsum hoper feeding system.

Thermal Power Plant

1. Replaced existing ACC fan blade of unit II with aerodynamic high efficiency blades (four numbers in phase II).
2. Installed one stand by common cooling water pump for CPP2 & CPP3.

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

Cement Plant - Binanigram

1. Installation of high flame momentum burner in Kiln 1 to utilize more pet coke
2. Installation of slip power recovery system in Kiln 2 both Preheater fans

3. Provision of connection of RM 2 with CF Silo 1 (Avoid loss of production in Kiln 1 in want of raw meal)
4. Installation of automatic clinker loading and coal unloading system
5. Provision of enhancement of mining operations by procuring high capacity machines.
6. Provision of energy saving devices LED lights and energy saver starters
7. To improve Kiln 1 cooler ESP efficiency by refurbishing of first field.
8. Implementation of ISO 50001 (Energy Management System)

Thermal Power plant

1. Installation of lime stone feeding system to increase more pet coke use.
2. Fabrication of bypass chute of primary coal crusher (Stacking) for Pet Coke stacking.
3. Installation of over bed firing system at AFBC boiler to use alternative fuel.
4. Installation of sonic soot blower at Super Heater of Unit 2 & 3.

Measures to improve efficiency

1. Installed additional oil pumps for slide shoes lubrication system in Cement Mill1,2 & 3 for avoiding stoppage / Breakdown.
2. Installed coating repellent bricks (Kronal-60) in safety zone of Kiln 1 .
3. Installed blaster to avoid dust setting in cooler hood slop area in Kiln 2.
4. Installed SS ring at burner tip to enhance burner life in Kiln1.
5. Installed slide gate below bag house hoppers in Kiln 1 to eliminate hazard due to spillage of hot material while maintenance work.
6. Installed sonic soot blower on CPP 3 boiler APH, reduction in flue gas temperature by 5°C.

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 EARNINGS AND OUTGO

1. Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plan.

The Company has not exported clinker or cement during the year since the prices in the domestic markets were more remunerative than the price in the export market. The Company will however explore

the possibility of exporting its products in the future depending on the price becoming more remunerative for the Company in overseas markets.

Rs. Lakhs

2. FOREIGN EXCHANGE EARNED AND USED

Foreign Exchange Earnings	Nil
Foreign Exchange Outgo *	
Loan Repayment	651.36
Coal/Raw Material	22,437.04
Stores & Spares	1,023.48
Interest	95.35
Other Expenses	55.51
Capital Expenses **	949.27

* Excluding Investment in overseas subsidiaries

** Net of refund of earlier advances

ANNEXURE B

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 2011-12

Name	Age (Yrs)	Designation / Nature of Duties	Remuneration Received (Rs. Lacs)	Qualifications	Experience (Years)	Date of commencement of Employment	Previous Employment
Mr. P. Acharya	60	Senior Executive Director & Wholetime Director	88.09*	B.E.(Mech.) & MBA	33	17.11.2008	Executive Director M/s Dalmia Cement (Bharat) Ltd.
Mr. R.S. Joshi	57	President (Corporate Affairs)	80.91	M.A. (Economics)	35	10.10.2005	Vice President (Commercial) M/s Grasim Industries Ltd.
Mr. Darshan Lal	53	President-Tech. (Cement Group)	61.19	B.E.(Chemical)	30	18.01.1996	Manager (Process) M/s.CCW, Chittorgarh (Raj.)
Mr. Mahendra Mehta @	58	Executive Vice President	67.98	B.COM, C.A. & I.C.W.A. (INTER)	32	23.06.2008	Senior Vice President M/s.Binani Industries Ltd.,
Mr. R.P. Sharma #	54	President (Works)	20.95	B.TECH.(Chemical Engg.) & PGDMM	31	30.11.2011	Vice President M/s Ambuja Cements Ltd.

Note :

1. Remuneration includes salary and allowances, medical benefits, leave travel assistance and perquisites
2. *Does not include monetary value of non cash perquisites as per Income Tax Act, 1961, amounting to Rs. 5.57 Lakhs (Previous Year Rs. 4.21 Lakhs)
3. @ part of the year upto 16.01.2012
4. # part of the year from 30.11.2011

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, 2012.

CONSERVATION OF ENERGY

Total Energy Consumption and Energy Consumption per Unit of Production.

			For the year ended 31/03/2012	For the year ended 31/03/2011
A	Power & Fuel Consumption			
1	Electricity			
a	Purchased			
	Unit	(KWh)	102,514,704	112,356,169
	Total Cost	(Rs. Lakhs)	5,183.30	5,217.11
	Cost/Unit	Rs.	5.06	4.64
b	Own Generation			
	Unit	(KWh)	328,165,047	305,668,870
	Cost of HSD / LDO Consumed	(Rs. Lakhs)	80.76	72.64
	Cost of Coal Consumed	(Rs. Lakhs)	8,299.02	7,296.40
	Cost of Lignite Consumed	(Rs. Lakhs)	182.48	-
	Cost of Pet Coke Consumed	(Rs. Lakhs)	4,865.21	3,819.87
	Cost of Fuel Consumed (Coal, Lignite,HSD/LDO)	(Rs. Lakhs)	13,427.47	11,188.91
	Cost/Unit	Rs.	4.09	3.66
2	Fuel Consumption			
a	Coal-Imported (Steam Non-coking) (Used in Kiln for Clinker Production)			
	Quantity	(M.T.)	444,402	467,687
	Total Cost	(Rs. Lakhs)	33,438.23	29,807.53
	Cost/Unit	Rs.	7,524.32	6,373.39
b	Pet Coke (Used in Kiln for Clinker Production)			
	Quantity	(M.T.)	83,965	37,071
	Total Cost	(Rs. Lakhs)	6,186.65	2,823.06
	Cost/Unit	Rs.	7,368.13	7,615.32
c	Alternative Fuel - (Used in Kiln for Clinker Production)			
	Quantity	(M.T.)	16,001	29,528
	Total Cost	(Rs. Lakhs)	381.71	809.45
	Cost/Unit	Rs.	2,385.51	2,741.33
d	Lignite - (Used in Captive Power Plant)			
	Quantity	(M.T.)	7,383.90	-
	Total Cost	(Rs. Lakhs)	182.48	-
	Cost/Unit	Rs.	2,471.38	-
e	Coal-Imported (Steam Non-coking) (Used in Captive Power Plant)			
	Quantity	(M.T.)	108,591	95,032
	Total Cost	(Rs. Lakhs)	6,954.35	5,886.23
	Cost/Unit	Rs.	6,404.16	6,193.95
f	Coal-Indegenous (Steam Non-coking) (Used in Captive Power Plant)			
	Quantity	(M.T.)	34,013	36,602
	Total Cost	(Rs. Lakhs)	1,344.68	1,410.17
	Cost/Unit	Rs.	3,953.38	3,852.71
g	Pet Coke - (Used in Captive Power Plant)			
	Quantity	(M.T.)	64,575.00	53,496.36
	Total Cost	(Rs. Lakhs)	4,865.21	3,819.87
	Cost/Unit	Rs.	7,534.20	7,140.43
3	HSD / LDO - (Used in Kiln for Clinker Production)			
	Quantity	(Litre)	442,874	426,827
	Total Cost	(Rs. Lakhs)	167.26	154.28
	Average Rate	Rs.	37.77	36.15
b	HSD / LDO - (Used in Captive Power Plant)			
	Quantity	(Litre)	228,861	200,039
	Total Cost	(Rs. Lakhs)	80.76	72.64
	Average Rate	Rs.	35.29	36.31

Consumption per ton of Production

Electricity (KWh/MT of Cement)		Coal, Lignite, Pet Coke & Alternative Fuel (Kg./MT of Clinker)		HSD / LDO (Ltr./ Kg. of clinker)	
2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
76.27	76.72	0.12	0.12	0.09	0.10

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Cement demand growth has lagged GDP growth in past two years due to slowdown in real estate sector and lack of order inflows from infrastructure sector. Lower-than-expected demand coupled with incremental supplies has also resulted in declining capacity utilizations for the companies. Sector has also witnessed continued cost pressures in terms of higher power, fuel and freight costs. However it is expected that Interest rates will soften in the coming months leading to higher demand from Housing Sector.

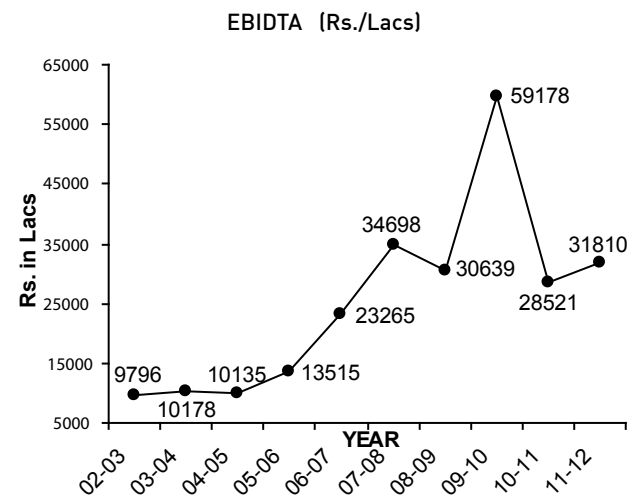
COMPANY'S PERFORMANCE

1. FINANCIAL PERFORMANCE

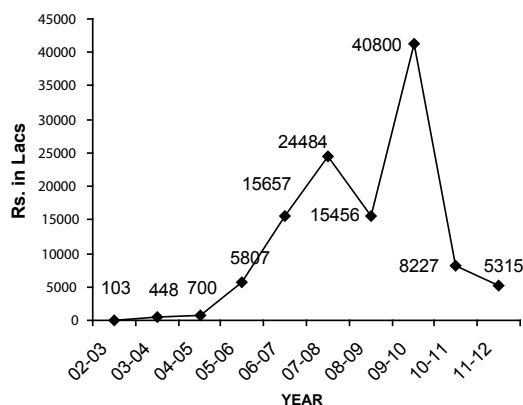
The financial performance for the year ended 31st March, 2012 is summarized below:

(Rs. in Lacs)

	2011-12	2010-11
Sales & Other Income	205,668	174,335
EBIDTA	31,810	28,521
Cash Profit	15,670	18,177
Profit before Tax	5,315	8,227
Profit after Tax	4,840	9,051



PROFIT BEFORE TAX (Rs./Lacs)



2. OPERATIONS

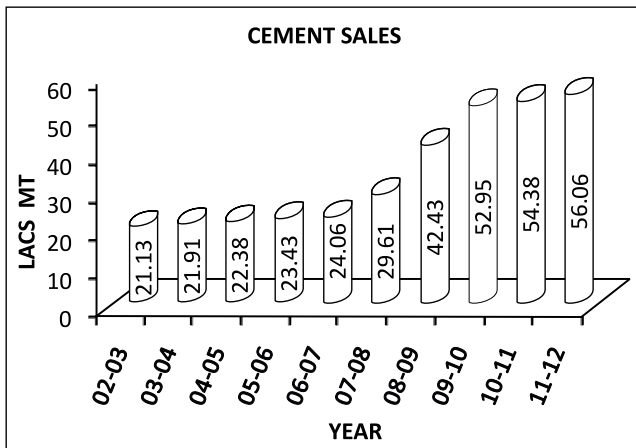
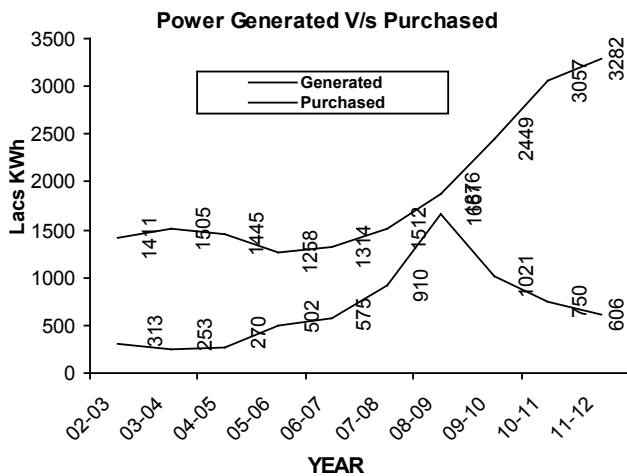
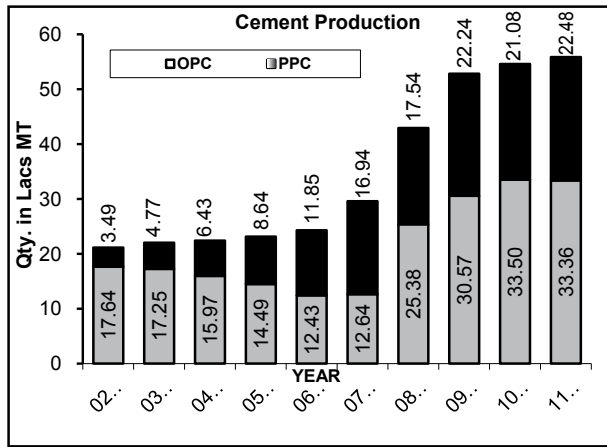
The Company is continuing its efficient operating performance. During the year under review the Company has surpassed all its previous highest achievements.

The production of the cement has increased by 2.31% over 2010-11. The Company produced 55.84 lacs MT cement as compared to 54.58 lacs MT in 2010-11. During the year share of PPC increased to 40.27% of total cement production from 38.63% during 2010-11.

The sales of the cement has increased by 3.20% over the Previous Year sales. The Company sold 56.06 lacs MT of cement as against 54.38 lacs MT in the Previous Year.

Captive power generation (net) during the year under review was 3281.65 lacs KWh as against 3056.69 lacs KWh in 2010-11.

The Company's profitability could not match Previous Years performance in line with Industry trends, primarily because of increased cost of Fuel, Raw Materials, Power and Logistics costs which the markets could not absorb fully. However, January onwards, there is sign of improvement in prices resulting in improved bottom-line. Company has registered profit (before tax) of Rs. 5,315 Lakhs as compared to Rs. 8,227 Lakhs during the year 2010-11.



FUTURE OUTLOOK

Indian Cement Industry :

Lower demand from housing sector in view of higher Interest rates and weakening of government finances may adversely impact infrastructure spending in 2012 as well. However it is expected that interest rate trend may soften in coming months leading to pick up in demand from housing sector from second half of 2012-13. Industry may also experience pressure on margins in short to medium term due to rising power and fuel and logistic costs.

INTERNAL CONTROL SYSTEM

The Company's internal control system provides high level of system based checks and controls commensurate with the nature and size of operations. Regular internal audits and checks ensure that responsibilities are executed efficiently. The Audit Committee of Board of Directors reviews the adequacy and effectiveness of internal control system and suggests improvement for strengthening them from time to time. Company has a robust risk management policy in place.

OPPORTUNITIES/THREATS/RISKS/CONCERNS

Opportunities

Demand for Cement in India is likely to see a recovery process and will touch levels of 6-8 percent growth in 2012. The increase in growth will be triggered by the government's drive to revive economic activity by initiating investment in infrastructure projects. A correction is foreseen in interest rates and improved regulation as regards land acquisition and environmental clearance leading to revival of several on-hold projects. Cement prices are likely to maintain an upward curve due to increasing production and ownership costs.

The Union Budget's focus on developing infrastructure and on affordable and rural housing should provide a boost to cement demand over the next few quarters.

Threats, Risks and Concerns

Despite a strong GDP growth forecast of 8-9% in next 3-4 years, Industry is likely to see pressures on prices due to higher demand supply gap and increased Cost of Inputs, Fuel, and Logistics.

RECOGNITION AND AWARDS

During the year 2011-12 your Company was bestowed with following award / recognitions in a wide variety of functional areas – Safety, Productivity, Quality, Employee Relations, Energy Excellence and Environment and Water Management :

1. Excellence in Energy Management:

1. National Award for “**Best Thermal Energy Performance**” – 2009-10
2. National Award for “**Best Electrical Energy Performance**” – 2009-10
3. National Award for “**Best Thermal Energy Performance**” – 2010-11
4. National Award for “**Best Electrical Energy Performance**” – 2010-11

It's worth highlighting that since 1998, the Company has received the National Award for “**Best Thermal Energy Performance**” from NCCBM seven times .

2. Excellence in Environment Management:

- (i) National Award for “**Best Environment Excellence in Limestone Mines**” for the year 2009-10 and National Award for “**Second Best Environment Excellence in Limestone Mines**” for the year 2010-11 from NCCBM, New Delhi. These awards recognize Company's notable contribution towards preservation of environment as well as conservation of earth's natural resources.
- (ii) **FE-EVI Green Business Leadership Award – 2010-11:** The award was conferred on the Company for imbuing sustainability into its operations by consistently minimizing carbon footprint and energy consumption, securing natural resources and adopting better technologies for value addition beyond regulatory compliance.
- (iii) **Greentech Environment Excellence Gold Award:** The Company has won this award 4 times in a row; i.e. in the years 2008, 2009, 2010 and 2011.

3. Excellence in Water Management:

The award for “**Excellence in Water Management 2011**”, instituted by CII Soharabji Godrej Green Business Centre, Hyderabad.

4. Excellence in Productivity:

“**Certificate of commendation**”, 4th RCCI Excellence Awards for 2008-09 and 2009-10 from Rajasthan Chamber of Commerce and Industry, Jaipur in recognition of Company's

sustained initiatives towards productivity enhancement.

5. Excellence in Safety:

‘Safety Innovation Award – 2011’ from the Institute of Engineers, New Delhi for implementing innovative practices aimed at improving the health and safety of employees and nearby communities.

6. Excellence in Quality: The Company received the following National Awards in the field of quality and business excellence:

- (i) National Award for “**Best Quality Excellence**” for the year 2009-10 from NCCBM, New Delhi
- (ii) National Award for “**Best Quality Excellence**” for the year 2010-11 from NCCBM, New Delhi
- (iii) **Commendation Certificate for Rajiv Gandhi National Quality Excellence Award 2010** in recognition to its efforts towards achieving excellence in every sphere of business operations progressing through a systematic, planned and strategic approach.

7. Excellence in Employee relations:

‘Certificate of Excellence’ – Best Employer Award 2010 from the Employees Association of Rajasthan, Jaipur. The award recognizes Company for showcasing excellent performance in the field of Employee – Employer relations and Corporate Social Responsibility.

SOCIAL RESPONSIBILITY AND COMMUNITY DEVELOPMENT

The focus areas under our community development programme are broadly categorized as :

1. Development of infrastructure
2. Increase in literacy levels by imparting education to children.
3. Poverty alleviation and sustaining livelihood through employment creation and skill development
4. Improvement of medical and health services and
5. Development and expansion of green cover in the surrounding area,

We developed schools, community centres, temples, bus stands, public gardens, cattle troughs, and took up various activities for the improvement of sanitation such as construction of low-cost sanitation blocks, renovation of abandoned ponds and construction of water harvesting structures in the nearby area

in collaboration with local government administration, non-government organizations and the local villagers.

During the reporting period, the following notable additions were made to our pre-existing Community Development Programme :

- We launched a programme on 'Educating Communities on Livelihood Skills' covering four nearby villages in the initial phase.
- Skill Development: Among our programme initiatives aimed towards empowering the rural community with skills for generating livelihood, we have successfully contributed towards upliftment of rural women through setting up of training centres wherein women are provided training in tailoring with additional monetary support for purchase of sewing machines.
- Economic Sustenance: We provided assistance to the villagers, including old-age residents and widows, for opening post office pension accounts under the Mahatma Gandhi National Rural Employment Guarantee Act (NREGA) scheme.
- SHGs & Savings Schemes: We assisted in the organization and operation of self-help groups across the surrounding villages. The SHG members are provided with training on aspects such as book-keeping, M.I.C. development and opening bank accounts to enable them take control of their own finances.
- Educating Farmers: Through effective public-private partnership and in association with a non-governmental organization, we are working extensively with the local agricultural community to educate them on efficient agricultural and irrigation practices aimed at making optimal use of fertilizer and cropping patterns that can maximize the yield of their crops.
- Water Resource Development: Construction of various water harvesting and water resource development schemes such as check dams, Tanka, farm ponds, water troughs for cattle, renovation of ponds and wells in the surrounding villages.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Employee / Industrial Relations have been cordial during the year. We enjoy very healthy relationship with workmen and union which is authenticated by zero man day's loss due to Industrial Relation (IR) problem for four consecutive years. Mutual trust and mutual understanding are neatly blended in peaceful Industrial Relation (IR) culture.

Measures taken for the safety of employees' training and development continue to get top priority at all levels, which are reflected in the improved quality and efficiency.

The Company's training programmes as per Training Need Identification (TNI) and on value-based teachings enhance motivational levels among its people.

Your Company aims at making every employee to contribute to their full potential in their job. To have robust relationship with employees your Company launched a communication platform named "Rubaru" (Interface) with all employees. It will be helpful in evolving a value system based on trust, transparency and fairness within the organisation.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objective, estimates, projections, expectations or predictions may be forward looking statements within the meaning of applicable laws and regulations.

Your Company's actual results, performance or achievements could differ materially from those expressed in or implied from such forward looking statements. Important factors that could influence the Company's operations include input availability and prices, demand and pricing of finished goods in the Company's principal markets, changes in government regulations, tax laws, economic developments within the country and other incidental factors.

ANNEXURE - C TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

CORPORATE GOVERNANCE REPORT

(The Company is not listed on Stock Exchange and is not required mandatorily to give the Corporate Governance Report but the Company is voluntarily providing information to its shareholders)

Note: [Certain mandatory information which is to be provided as per listing agreement is not applicable and hence not given here]

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 best business practices.

The Management endeavours the attainment of highest 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's Board comprises of Non-Executive Promoter Director as Chairman, 1 Executive Director as Wholetime Director, 2 Independent Directors and 2 Non Executive Non Independent Directors.

The Board functions both as a full Board and through Committees. The Board of Directors and the Committees meet at regular intervals. There are 5 Committees which oversee operational issues. The Committees are Audit Committee, Shareholders' / Investors Grievance Committee, Remuneration Committee, Finance Committee, and Investment Committee.

The Composition and category of Directors as on 31st March, 2012 are as follows:

Category	Name of Director
Non Executive Promoter Chairman	Mr. Braj Binani , Chairman
Executive Director	Mr. P. Acharya – Wholetime Director
Independent Directors	Mr. V. Subramanian Mr. Ramkrishna Moogimane
Non Independent Non Executive Director	Mr. M. K. Chattopadhyaya Ms. Nidhi Singhanian

During the year ended 31st March 2012, 10 Board Meetings were held on the following dates viz. 22nd April, 2011, 26th July 2011, 19th September, 2011, 26th September, 2011, 22nd October, 2011, 20th November, 2011, 27th December, 2011, 7th January, 2012, 28th January, 2012 and 13th March 2012. None of the Directors on the Board are members of more than 10 Committees and Chairman of more than 5 Committees which are mandatory in nature in public companies in which they are Directors.

The composition of Directors, Attendance of each Director at the Meetings of the Board of Directors during the year and the last Annual General Meeting and Directorship held by them in other Public Companies (excluding Directorship in Private Companies, Foreign Companies, Companies under Section 25) are given below :

Sl No.	Name of the Director	Category of Directorship	No. of Board meeting attended (From 1.4.12 to 31.3.12)	Attendance at last AGM	No. of other Directorships	No. of Membership / Chairmanship * in other Board Committee(s). Chairman (C) Member (M)	
1.	Mr. Braj Binani, Chairman	Non Independent Non Executive	8	Yes	4	-	1
2	Mr. S. Padmakumar (Retired on 20.11.2011)	Independent Non Executive Director	4	Yes	5	3	3
3	Dr. V. C. Shah (Retired on 20.11.2011)	Independent Non Executive Director	5	Yes	4	1	2
4	Mr. V. Subramanian	Independent Non Executive Director	10	Yes	9	4	5
5	Ms. Nidhi Singhania	Non Independent Non Executive Director	-	Yes	2	-	-
6	Mr. Ramkrishna Moogimane	Independent Non Executive Director	7	Yes	2	1	1
7	Mr. M.K. Chattopadhyaya	Non Independent Non Executive Director	9	Yes	4	-	2
8	Mr. P. Acharya	Non Independent Executive Director	8	Yes	1	-	-

*only Audit Committee and Shareholders'/Investors' Grievance Committee are considered for the purpose.

Material Transactions of Directors

The Company does not have any pecuniary relationship or transaction with any of the non executive Directors except to the extent of commission and sitting fee being paid to them. Mr. V. Subramanian is Director in Binani Industries Limited, Holding Company (w.e.f. 20.11.2011), Binani Zinc Limited, Goa Glass Fibre Limited, Wada Industrial Estate Limited and BT Composites Limited which are fellow subsidiaries.

Audit Committee

Audit Committee of the Board was constituted in the year 2000 and has been reconstituted from time to time. The Company has complied with the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the listing agreement relating to the composition and terms of reference of the Audit Committee. The Committee comprised of two independent non Executive Directors one of whom is the Chairman and one non independent non Executive Director.

Audit Committee is responsible for the financial reporting and ensuring compliances with accounting standards and reviewing financial policies of the Company and to recommend the appointment of Statutory Auditors, Internal Auditors, Tax Auditors and Cost Auditors and fix their fees.

The Audit Committee is responsible for the financial reporting and ensuring compliances with accounting standards and reviewing financial policies of the Company and to recommend the appointment of Statutory Auditors, Cost Auditors and Internal Auditors and fix their fees. The Committee examines in detail the reports of the Internal Auditors of the Company as well as those of the subsidiaries. The Committee reviews the risk management reports on quarterly basis. The Committee also reviews all the unaudited quarterly Financial Results and the audited results including that of Subsidiaries before submission to the Board.

The Audit Committee met 4(four) times during the year under review on 21st April, 2011, 25th July 2011, 21st October, 2011 and 27th January, 2012. The gap between two meetings was not more than four months. The Chairman and all the members of the Audit Committee attended the last AGM.

The names of the Directors who are members of the Audit Committee and their attendance at last AGM is given below.

Name of the Director	No. of Meeting Attended	Whether attended AGM
Mr. S. Padmakumar – Chairman (retired w.e.f. 20.11.2011)	3	Yes
Dr. V.C. Shah (retired w.e.f. 20.11.2011)	3	Yes
Mr. V. Subramanian	4	Yes
Mr. M. K. Chattopadhyaya	3	Yes
Mr. Ramakrishna Moogimane	1	Yes

Mr. P. Acharya , Wholetime Director designated as Sr. Executive Director and Mr. R. Venkiteswaran –CFO Group Control Accounts attend all the meetings of the Audit Committee. Representatives of the Statutory Auditors and Internal Auditors are invited to attend the meetings. the Company Secretary acts as the Secretary of the Audit Committee.

Shareholders/Investors Relations Committee

The Investor Relations Committee comprises of 2 Independent Directors and 1 Non Independent and Non Executive Director to ensure speedy disposal of the share transfer, Dematerialisation and Rematerialisation requests received by the Company. The Committee, apart from overseeing the Share transfer and Dematerialisation and Rematerialisation work, also looks into various investor complaints.

During the year 2011-12, 86 complaints were received from investors mainly pertaining to the non receipt of dividend, Buy back of shares, delisting of shares and exit offer. All the investors' complaints have been resolved to the satisfaction of the complainants. As on 31.3.2012 there were no complaints pending to be resolved.

The Committee met once during the year on 28th January, 2012 to consider requests for rematerialisation of shares. The attendance in the said Committee is as under :-

Name of the Director	No. of Meetings Attended
Mr. V. Subramanian	1
Mr. Ramkrishna Moogimane	1
Mr. M. K. Chattopadhyaya	Nil

Mr. Atul P. Falgunia, the Company Secretary of the Company is the Compliance Officer.

Remuneration Committee

The Remuneration Committee has been constituted as required by Schedule XIII of the Companies Act, 1956 to recommend/review the remuneration package of the Wholetime Directors taking into account their qualification, experience, expertise, contribution and the prevailing levels of remuneration in Companies of corresponding size and stature.

The Remuneration Committee at present consists of 2 Independent Directors and 1 Non Executive Non Independent Director.

The Committee met once during the year on 28th January, 2012 for approving appointment of Mr. P. Acharya as Sr. Executive Director

The composition of Remuneration Committee is given below:

SI. No.	Name of the Member
1.	Mr V. Subramanian
2.	Mr. Ramkrishna Moogimane
3.	Mr. M. K. Chattopadhyaya

Details of remuneration paid to the Directors for the year ended 31st March, 2012

(i) Executive Directors

(Rs in Lacs)

Name & Position	Salary	Commission	Perquisites	Provident Fund	Retirement Benefits	Total
P. Acharya, Wholetime Director	67.51	-	14.12	6.47	-	88.10

The Wholetime Director (Executive Director) was paid remuneration as decided by the Board of Directors / Remuneration Committee of Board of Directors of the Company with the approval of Shareholders.

There are no stock options available / issued to any Director of the Company.

(ii) Non-Executive Directors

Remuneration by way of sitting fees is paid to all Non-Executive Directors. The Company pays Rs. 5000 by way of Sitting Fees for Board Meeting and Rs. 2500 for every Committee Meeting. The Sitting Fees is being revised to Rs. 20,000/- per Board Meeting and Rs. 10,000/- per Committee Meeting with effect from 1st April, 2012. The Shareholders of the Company have approved the payment of commission to the Non Executive Independent Directors at the Extraordinary General Meeting held on 15th February, 2008 and accordingly commission aggregating to Rs. 18.00 Lakhs was paid to the Non Executive Independent Directors.

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the year 2011-12 other than the above.

There are no convertible instruments issued to any of the Non-Executive Directors of the Company

Finance Committee

The Board has also constituted a Committee of Directors to oversee the financial function and for availing various facilities including working capital facilities from bankers and for matters connected therewith. The Committee consisted of two Independent Directors viz, Mr. V. Subramanian and Mr. Ramkrishna Moogimane and one non Independent Non-Executive Director viz Mr. M. K. Chattopadhyaya.

The Committee met 7 times during the year 2011-12 to consider matters relating to availing of Corporate Loans, grant of Corporate Guarantee on behalf of subsidiaries for the loans and other credit facilities availed by the Subsidiaries.

Disclosures

a) There are no significant Related Party transactions during the year of material nature with the promoters, directors or the management or their subsidiaries or relatives, etc, potentially conflicting with Company's interest at large, Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report.

b) There were no instance of non-compliance on any matter relating to the capital market since the shares have been listed. There are no penalties or strictures imposed on the Company by any Stock Exchange or SEBI or any statutory Authority relating to the above.

The Company has not raised any funds through Public Issue or Rights Issue during the year. The Company has however bought back 1,45,00,000 Equity Shares of Rs. 10/- at a buy back price of Rs. 90/- per share from the public after complying with the requirements. The Exit offer given to the shareholders of the Company is open till 29th May, 2012.

d) Mandatory Requirements : The Company has complied with all Mandatory requirements of the Clause 49 of the listing agreements with Stock Exchanges till it was listed on the Stock Exchanges. .

Non-Mandatory requirements :

The extent of Compliance is given below :

1. The Company has set up a Remuneration Committee of the Board of Directors. The details of the same have already been given above.

2. The Company does not have a Whistle Blower policy.
3. The Company does not have any mechanism for evaluating the performance of the Non Executive Board Members.
4. The Company does not have any training programme for the Directors.

e) Details of information on appointment of new/re-appointment of directors :

A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or for other person on beneficial basis, names of companies in which the person already holds directorship and membership of committees of the Board forms part of the Notice convening the 16th Annual General Meeting .

f) BCL Code of Conduct for prevention of Insider Trading

The Company has adopted and implemented a BCL Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended. The code prohibits purchase / sale of securities of the Company by Insider including Directors, Designated employees etc., while in possession of unpublished price sensitive information.

g) BCL Code of Conduct for Directors and Senior Management:

The Company has framed and implemented BCL Code of Conduct for its Directors and Senior Management. The Code of Conduct has also been posted on the Company's website www.binani.com Affirmation on compliance of Code of Conduct for the financial year 2011-12 has been received from all the Directors and Senior Management personnel of the Company.

h) Disclosures of Accounting Treatment wherever applicable have been made in the Audited Financial Accounts for the year ended 31.03.2012.

i) Shareholding of Non Executive Directors :

The Shareholding of Non Executive Directors as on 31.3.2012 are as under :

Sr. No	Names of the Directors	No. of Shares held
1	Mr Braj Binani	Nil
2	Ms Nidhi Singhanian	Nil
3.	Mr V. Subramanian	Nil
4.	Mr Ramkrishna Moogimane	Nil
5.	Mr. M. K. Chattopadhyaya	Nil

Mr. P. Acharya, Sr. Executive Director also does not hold any shares in the Company.

Subsidiary Companies

The Company now has six overseas subsidiaries namely Mukundan Holdings Limited, Krishna Holdings Pte Limited, Murari Holdings Limited, Shandong Binani Rongan Cement Co. Limited, Binani Cement LLC, Dubai and Bhumi Resources (Singapore) Pte Limited and three Indian Subsidiaries namely Swiss Merchandise Infrastructure Limited, Merit Plaza Limited and Binani Ready Mix Concrete limited which are non material non listed subsidiaries. The Audit Committee has now reviewed the Financial Statements of all the Subsidiaries. The Minutes of the subsidiary companies are also being placed before the Board of Directors of the Company on a regular basis.

Wholetime Director / CFO Certificate

The Company has obtained a Certificate from the Sr. Executive Director & Wholetime Director and CFO (Group control Accounts) which has been placed before the Board stating and certifying that:

- (a) they have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2012 and that to the best of their knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations read with the notes to the accounts; and
- (b) there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year 2011 - 2012 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) they accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the Company and they have not observed any deficiencies in the design or operation of internal controls.
- (d) they have indicated to the Auditors and the Audit Committee that there are:
- (i) no significant changes in the internal control during the year;
 - (ii) no significant changes in accounting policies during the year; and
 - (iii) no instances of significant fraud where the involvement of management or an employee having a significant role in the Company's internal control system have been observed.

Risk Assessment and Minimisation Procedures

The Company has identified certain risk areas with regard to the operations of the Company and have taken steps, wherever possible for minimization of risk. The Company's Board is conscious of the need to review the risk assessment and minimization procedures and same are reviewed by the Audit Committee at regular intervals.

Annual General Meetings:

The last three Annual General Meetings were held as under :

Year	Type	Location	Date	Time	Special Resolutions passed in the AGM by the Shareholders
2009	13th AGM	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020	26th June, 2009	11.30 a.m	No.
2010	14th AGM	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020	25th June, 2010	11.30 a.m	Special Resolution for change in the Articles of Association by amending Article 126 pertaining of affixation of common seal.
2011	15th AGM	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020	27th June, 2011	3.45 p.m.	No

Postal Ballot

During the year under review, Special Resolution under Section 372A of the Companies Act, 1956 for increasing the overall limits for the Guarantee / Securities, intercorporate, loans and investments upto Rs.2,410 Crores by Postal Ballot was passed by the members the result of which was declared on 12th December, 2011 in the presence of Mr. V. Subramanian, Director of the Company. Further, Special Resolution for increasing overall limits for the guarantee / securities, inter corporate loans and investments upto Rs.3,360 Crores was

passed by Postal Ballot the result of which was declared on 28th March, 2012 in the presence of Mr. M.K. Chattopadhyaya, Director of the Company. The Special Resolutions were passed with requisite majority.

Means of Communication

- a) Quarterly / Half Yearly results as applicable are published in the pro-forma prescribed by Stock Exchanges, in The Economic Times/ Financial Express and Aajkal, a Bengali Newspaper.
- b) The annual financial results of the Company are also communicated in the prescribed pro-forma to Stock Exchanges and also published in the newspapers.
- c) The financial results are displayed on the Company's website www.binani.com
- d) The Company has been submitting its Shareholding Pattern, Financial Results, Report on Corporate Governance till it was listed and same are posted on the website of BSE /NSE in accordance with the Listing Agreement with the Stock Exchanges which may be accessed by the Shareholders /Investors. Since the Company's Debentures are issued on Private Placement basis, the Company is submitting Financial Results on half yearly basis to BSE Limited.

General Information for Shareholders

(i)	Date, Time and Venue of the Annual General Meeting	: 4th August, 2012 at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020 at 2.15 p.m or on completion of the AGM of Binani Zinc Limited
(ii)	Financial Year –	: 1st April to 31st March
(iii)	Date of Book closure	: Saturday, 28th July, 2012 to Saturday, 4th August, 2012 [Both days inclusive]

Listing on Stock Exchanges

The Company's shares have been delisted from all the Stock Exchanges w.e.f. 30th May, 2011. However, its privately placed debentures are listed on BSE.

Registrar and Transfer Agents

The Company has appointed Link Intime India Private Limited as Registrar and Transfer Agents. In respect of shares held in Demat mode all communications for change of address, bank mandate etc should be sent through the concerned depository participant only. Shareholders'/Investors'/Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the Registrar at the following address:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W)
Mumbai – 400 071
Phone: 022 -25946970
Fax: 022- 25946969
Email: rnt.helpdesk@linkintime.co.in

Share Transfer System

Shares lodged in physical form with the Company / RTA are processed and returned, duly transferred, within 30 days from the date of receipt, if the documents submitted are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

Distribution of Shareholding as on 31st March, 2012

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 500	15119	92.549	1810266	0.96
501 to 1000	828	5.07	585778	0.31
1001 to 2000	293	1.79	372529	0.20
2001 to 3000	37	0.23	96610	0.05
3001 to 4000	15	0.09	55002	0.03
4001 to 5000	24	0.15	115663	0.06
5001 to 10000	18	0.11	142583	0.07
10001 and above	11	0.07	185422843	98.32
TOTAL	16345	100.00	188601274	100.00

Pattern of Shareholding as on 31st March, 2012

(I) (a) Statement showing Shareholding Pattern

Name of the Company: BINANI CEMENT LIMITED	As on: 31st March 2012
Scrip Code: BSE : 532849	
Scrip Code: NSE : BINANICEM	
Class of Security : EQUITY	

Cate-gory code	Category of shareholder	Number of share-holders	Total number of Shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of Shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
(A)	Shareholding of Promoter and Promoter Group					
(1)	Indian					
(a)	Individuals/ Hindu Undivided Family					
(b)	Central Government/ State Government(s)					
(c)	Bodies Corporate	9	181996064	181995964	96.49	96.50
(d)	Financial Institutions/ Banks					
(e)	Any Other (specify)					
	Sub-Total (A)(1)	9	181996064	181995964	96.49	96.50
(2)	Foreign					
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)					

Category code	Category of shareholder	Number of shareholders	Total number of Shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of Shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Other (specify)					
	Sub-Total (A)(2)	9	181996064	181995964	96.49	96.50
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)					
(B)	Public Shareholding					
(1)	Institutions					
(a)	Mutual Funds/ UTI					
(b)	Financial Institutions/ Banks	2	3295053	3295053	1.75	1.75
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					
(e)	Insurance Companies					
(f)	Foreign Institutional Investors					
(g)	Foreign Venture Capital Investors					
(h)	Any Other					
	Sub-Total (B)(1)	2	3295053	3295053	1.75	1.75
(2)	Non-institutions					
(a)	Bodies Corporate	210	155596	155596	0.08	0.08
(b)	Individuals -					
	1. Individual shareholders holding nominal share capital up to Rs. 1 Lakh.	15896	2952379	2951353	1.56	1.56
	2. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	5	106826	106826	0.06	0.06
(c)	Any Other (specify)					
	1. Clearing Members	37	15938	15938	0.01	0.01
	2. NRIs	185	74418	74418	0.04	0.04
	3.Trusts	1	5000	5000	0.00	0.00
	Sub-Total (B)(2)	16334	3310157	3309131	1.75	1.75
	Total Public Shareholding (B)= (B)(1)+(B)(2)	16336	6605210	6604184	3.50	3.50
	TOTAL (A)+(B)	16345	188601274	188600148	100.00	100.00

Dematerialisation of Equity Shares and Liquidity

As on 31st March, 2012, 99.99% of the Company's Equity Shares have been dematerialized.

As per directives issued by SEBI, it is compulsory to trade in the Company's shares in the dematerialised form. The ISIN Number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for trading in the Company's shares in Demat form is INE042H01019

Outstanding GDRs /ADRs/ Warrants or any Convertible instruments,

There are no outstanding GDRs/ADRs/Warrants due for any conversion in future.

Entities comprising "Group" under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations.

(1) Abhinav Holdings Limited, Cyprus (2) Ace Portfolio & Finance Pvt. Ltd., (3) Akroor Traders Pvt. Ltd., (4) Atithi Tie-up Pvt. Ltd., (5) Asian Industry & Information Services Pvt. Ltd. (6) BIL Infratech Limited (7) B T Composites Limited, (8) Binani Cement Factory (Mauritius) Limited, Mauritius (9) Binani Cement Factory (SFZ) Limited, Sudan (10) B C Tradelink Limited, Tanzania (11) Bhumi Resources (Singapore) Pte Ltd. (12) Binani Cement (Uganda) Limited (13) Binani Cement Co. Ltd (Sudan) (14) Binani Cement Factory (Kenya) Ltd (15) Binani Cement Factory LLC. Dubai, (16) Binani Cement Limited, (17) Binani Cement SARL (Djibouti) (18) Binani Energy Private Limited, (19) Binani Industries Limited, (20) Binani Cement Company WLL (Kuwait) (21) Binani Infrastructure (Mauritius) Limited (22) Binani Metals Limited (23) Binani Ready Mix Concrete Limited (24) Binani Zinc Limited, (25) BZL Minerals Pty Limited, Australia (26) CPI Binani Inc, USA (27) Dharmik Commodeal Pvt. Ltd. (28) Damini Multitrade Pvt. Ltd. (29) Dhaneshwar Solution Pvt. Ltd. (30) Ess Vee Alloys Private Limited, (31) Goa Glass Fibre Limited (32) K B Vyapar Pvt Ltd, (33) Krishna Holdings Pte. Ltd., Singapore, (34) Lexus Holdings & Finance Pvt. Ltd., (35) Lucknow Properties & Finance Private Limited, (36) Manjushree Holdings Pvt Ltd., (37) Merit Plaza Limited (38) Miracle Composites Private Limited, (39) Miracle Securities Private Limited, (40) Nirbhay Management Services Pvt. Ltd. (41) Mr. Braj Binani, (42) Mrs. Kalpana Binani, (43) Ms. Nidhi Singhania, (44) Ms. Shradha Binani, (45) Ms. Vidushi Binani (46) Mukundan Holdings Limited, BVI (47) Murari Holdings Limited, BVI, (48) PT ANGANNA Energy Resources, Indonesia (49) R.B.G. Minerals Industries Limited, (50) Sankalp Holdings Limited, Cyprus (51) Sapan Holdings & Trading Pvt. Ltd. (52) Shandong Binani Rongan Cement Co. Ltd., China, (53) Suryamukhi Vintrade Pvt. Ltd., (54) Swiss Merchandise Infrastructure Ltd (55) Sambhav Holdings Limited (56) Triton Trading Co Pvt. Ltd., (57) Vijayshree Holdings Pvt Ltd, (58) Wada Industrial Estate Limited 59) Hadoti Cement Pvt.Ltd., 60) Glass Fibre Holding 1 SARL, 61) 3B Fibre Glass SPRL,Belgium, 62) 3B Fibreglass AS, Norway, 63) Project Bird Holding Sarl, 64) Project Bird Holding II Sarl, 65) Project Bird Holding IIIA Sarl, 66) Project Bird Holding IIIB Sarl, and 67) Project Bird Holding IIIC Sarl.

Plant Location	:	1. Binani Cement Limited Binanigram, Pindwara, Sirohi, Rajasthan – 307031.
		2. Binani Cement Limited Village : Sirohi, Taluka : Neem Ka Thana District : Sikar Rajasthan.
Address of the Registered Office	:	Binani Cement Limited 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata – 700 157 Tel No. 033 25160063 Fax No. 033 25160053
Contact Person for Investor Complaints	:	Mr. Atul P. Falgunia Company Secretary atul@binani.net

Subsidiaries Plant Locations

- :
1. Shandong Binani RongAn Cement Company Limited
Fujiazhuang Village, Dongguan Town,
Ju County of Rizhao Municipality
Shandong Province,
Peoples Republic of China.
 2. Binani Cement Factory LLC
Jebel Ali, Dubai, UAE

**Address for Communication for the Company
Subsidiaries and Associates**

- :
1. Binani Cement Limited
37/2, Chinar Park, New Town,
Rajarhat Main Road, P.O. Hatiara,
Kolkata – 700 157
Tel No. 033 25160063
Fax No. 033 25160053
 2. Krishna Holdings Pte Limited
21, Bukit Batok Crescent, No 15-74
WCEGA Tower, Singapore - 658065.
 3. Mukundan Holdings Limited
P.O. Box 957, Offshore Incorporations,
Centre Road Town, Tortola,
British Virgin Islands (BVI)
 4. Shandong Binani RongAn Cement Company Limited
Fujiazhuang Village, Dongguan Town,
Ju County of Rizhao Municipality
Shandong Province,
Peoples Republic of China.
 5. Binani Cement Factory LLC
Jebel Ali, Dubai, U.A.E
 6. Murari Holdings Limited
Akara Building, 24m De Castro Street
Wickhams Cay 1, Road Town, Tortola,
British Virgin Islands.
 7. Bhumi Resources (Singapore) Pte Limited
21, Bukit Batok Crescent, No 15-74
WCEGA Tower, Singapore - 658065.
 8. Swiss Merchandise Infrastructure Limited,
Merit Plaza Limited and Binani Ready Mix Concrete Limited
37/2, Chinar Park, New Town,
Rajarhat Main Road, P.O. Hatiara,
Kolkata – 700 157

ANNEXURE - D
AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Binani Cement Limited

We have examined the compliance of conditions of Voluntary Corporate Governance by Binani Cement Limited (The Company) for the year ended March 31, 2012.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance.

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

For Uma Lodha & Co.
Practising Company Secretaries

Uma Lodha
Proprietor
C.P. No. 2593

Place : Mumbai
Date : 21st April, 2012

ANNEXURE - E
CODE OF CONDUCT – DECLARATION UNDER CLAUSE 49(1)(D)

This is to certify that:

1. In pursuance of the provisions of Clause 49(1)(D) of the Listing Agreement with Stock Exchanges, a Code of Conduct for the Board Members and the Senior Management Personnel of the Company has been approved by the Board at its meeting held on 27th February, 2006.
2. The said code of conduct has been uploaded on the website of the Company and has also been circulated to the Board Members and the Senior Management Personnel of the Company.
3. All Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct, for the period ended 31st March, 2012.

For **Binani Cement Limited**
P. Acharya
Wholtime Director

Place : Mumbai
Dated : 21st April 2012.

AUDITORS' REPORT

To

The Members of Binani Cement Limited

1. We have audited the attached Balance Sheet of **BINANI CEMENT LIMITED** ('the Company') as at March 31, 2012 and the Profit and Loss Statement and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended 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 Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:
 - i. 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;
 - ii. 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.
 - iii. The Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv. In our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - b) in the case of the Profit and Loss Statement, of the profit 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.

For KANU DOSHI ASSOCIATES

Chartered Accountants
FRN 104746W

MIHIR HINDOCHA

Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

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, 2012]

- (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 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 information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) 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 (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Duty on DEPB licenses and interest there on	6.77	2000-01	Commissioner of Custom, Kandla
Central Excise Act, 1944	ED demand against dispatch of cement to earthquake area	1.78	2001-02	Hon'ble Rajasthan High Court, Jaipur
Central Excise Act, 1944	Cenvat credit on welding electrodes	21.89	2000 to 2006	CESTAT, Delhi
Central Excise Act, 1944	Cenvat credit on welding electrodes	4.92	2006 to 2008	Commissioner (Appeals), Jaipur II
Central Excise Act, 1944	Cenvat credit on welding electrodes	2.91	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	2008-09	CESTAT, Ahmedabad
Central Excise Act, 1944	Cenvat credit on service tax	0.94	2006-07 & 2007-08	CESTAT, Delhi
Central Excise Act, 1944	Excise duty on sale	1.00	2006-07 & 2007-08	CESTAT, Delhi
Central Excise Act, 1944	Cenvat credit on service tax	43.58	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	3.15	2009-10 & 2010-11	Commissioner (Appeals), Jaipur II
Central Excise Act, 1944	Cenvat credit on service tax	2.04	2010-11	Commissioner (Appeals), Jaipur II
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 Sales Tax	34.58	2005-07	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	133.07	2003-04 to 2007-08	Hon'ble Allahabad High Court
UP Trade tax / Entry tax	Late deposit of UP VAT	8.64	2009-10	Additional Commissioner (Appeals), Ghaziabad
Rajasthan Tax on Entry of Goods into Local Area Act, 1999	Entry Tax	1,185.30	2006 to 2012	Hon'ble Rajasthan High Court.
Rajasthan Finance Act, 2006	M R Cess	1,277.38	2008 to 2012	Hon'ble High Court, Jodhpur
Rajasthan Sales Tax Act, 1994	Sales tax exemption	13,327.19	1998-99	Hon'ble Supreme Court
Rajasthan Value Added Tax Act, 2006	VAT/CST Deferment	21,309.65	2007 to 2012	Hon'ble High Court, Jaipur
Income Tax Act, 1961	Interest under section 234B and 234C	668.01	2009-10	Commissioner of Income Tax (Appeals)
Rajasthan Finance Act, 2006	Land Tax	850.70	2009-12	Tehsildar (Pindwara)

- (x) The Company does not have accumulated losses at the end of the year and it has not incurred cash losses in the current year as well as in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (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. However, the Company has invested surplus funds in mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The mutual fund investments have been held by the Company in its own name.
- (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 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 and mutual funds, 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) The Company has created securities or charge in respect of debentures issued and 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
FRN 104746W

MIHIR HINDOCHA

Partner
Membership No. 112766
Place : Mumbai
Date : April 21, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2012	31st March, 2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	1	18,860.38	18,860.38
Reserves and Surplus	2	45,825.77	39,041.98
		<u>64,686.15</u>	<u>57,902.36</u>
NON-CURRENT LIABILITIES			
Long-term borrowings	3	114,983.58	90,646.62
Deferred tax liabilities (net)		19,463.00	18,999.00
Other Long term liabilities	4	3,365.90	3,143.67
Long term provisions	5	173.18	117.06
		<u>137,985.66</u>	<u>112,906.35</u>
CURRENT LIABILITIES			
Short-term borrowings	6	6,783.28	-
Trade payables	38	37,586.69	20,498.61
Other current liabilities	7	73,592.74	61,996.96
Short-term provisions	8	78.41	5,549.84
		<u>118,041.12</u>	<u>88,045.41</u>
TOTAL		<u>320,712.93</u>	<u>258,854.12</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
-Tangible assets	9	121,761.99	125,348.30
-Intangible assets	9	208.74	230.37
Capital work-in-progress		11,719.17	4,534.69
Non-current investments	10	84,633.09	54,611.62
Long term loans and advances	11	21,046.64	24,408.27
		<u>239,369.63</u>	<u>209,133.25</u>
CURRENT ASSETS			
Inventories	12	16,833.79	16,184.23
Cash and Bank Balances	13	8,208.22	23,046.71
Short-term loans and advances	14	55,998.66	10,139.98
Other current assets	15	302.63	349.95
		<u>81,343.30</u>	<u>49,720.87</u>
TOTAL		<u>320,712.93</u>	<u>258,854.12</u>
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	22		

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

Mihir Hindocha
Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholtime Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2012	31st March, 2011
Revenue from operations (Gross)	16	233,211.14	199,164.32
Less: Excise Duty		30,430.01	25,840.35
Revenue from operations (Net)		202,781.13	173,323.97
Other Income	17	2,886.45	1,010.72
Total Revenue		205,667.58	174,334.69
Expenses :			
Cost of materials consumed	18	26,644.94	22,849.99
Purchase of stock-in-trade		236.50	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade		880.78	1,046.73
Employee benefit expenses	19	4,996.92	4,126.80
Financial costs	20	16,140.07	10,343.56
Depreciation and amortization expense		10,354.61	9,950.27
Other expenses	21	139,848.26	117,790.39
Total Expenses		199,102.08	166,107.74
Profit before exceptional and extraordinary items and tax		6,565.50	8,226.95
Exceptional Items	49	1,250.34	-
Profit before extraordinary items and tax		5,315.16	8,226.95
Extraordinary Items		-	-
Profit before tax		5,315.16	8,226.95
Tax expense:			
Current tax		1,035.00	-
Less : MAT credit entitlement		(1,023.63)	-
Net Current Tax		11.37	-
Deferred tax		464.00	322.00
Excess Provision of earlier year written back		-	1,145.58
Profit(Loss) for the period from continuing operations		4,839.79	9,050.53
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(Loss) from discontinuing operations		-	-
Profit/(Loss) for the period		4,839.79	9,050.53
Earning per equity share:			
Basic		2.57	4.63
Diluted		2.57	4.63
Summary of significant accounting policies	22		

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

Mihir Hindocha
Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholetime Director

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. - 1

SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Authorised		
423,899,600 Equity Shares (Previous Year 423,899,600) of Rs 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 Rs. 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

- 181,686,001 - 96.33% (Previous Year 179,184,178 - 95.01%) Equity Shares of Rs 10/- each fully paid-up held by the holding Company - Binani Industries Limited and its nominees.
- Nil (Previous Year 14,500,000) Equity Shares have been bought back under tender offer route and later extinguished.

	31st March, 2012		31st March, 2011	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
3) Outstanding at the beginning of the year	188,601,274	18,860.13	203,101,274	20,310.13
Less : Shares bought back	-	-	14,500,000	1,450.00
Outstanding at the end of the year	188,601,274	18,860.13	188,601,274	18,860.13

4) Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 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, 2012		31st March, 2011	
Capital Redemption Reserve				
As per Last Balance Sheet	1,450.00		-	
Add / Less : Transfer from / (to) Profit and Loss Statement	-	1,450.00	1,450.00	1,450.00
Debenture Redemption Reserve				
As per Last Balance Sheet	1,200.00		2,500.00	
Add / Less : Transfer from / (to) Profit and Loss Statement	(762.00)	438.00	(1,300.00)	1,200.00
General Reserve				
As per Last Balance Sheet	7,843.00		6,933.00	
Add : Transferred from Profit and Loss Statement	-	7,843.00	910.00	7,843.00
Balance In Profit & Loss Statement				
As per Last Balance Sheet	28,710.43		37,772.37	
Transferred from Profit and Loss Statement	4,839.79		9,050.53	
	33,550.22		46,822.90	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. 2 CONTD

PARTICULARS	31st March, 2012		31st March, 2011	
Transfer to Capital Redemption Reserve	-		(1,450.00)	
Premium paid on Buy Back of Shares	-		(11,600.00)	
Transfer (to) / from Debenture Redemption Reserve	762.00		1,300.00	
Transfer to General Reserve	-		(910.00)	
Proposed Dividend	-		(4,715.03)	
Tax on Proposed Dividend	-	34,312.22	(737.44)	28,710.43
FOREIGN CURRENCY TRANSLATION RESERVE				
As per Last Balance Sheet	(161.45)		-	
Add : Exchange Difference during the year on net Investment in non integral foreign operations	1,944.00	1,782.55	(161.45)	(161.45)
TOTAL		45,825.77		39,041.98

NOTE NO. - 3

LONG TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
DEBENTURES				
Secured (Refer note no. 30 A (i))		-		875.00
TERM LOANS				
From Bank (Refer note no. 30 B (I & II))				
- Secured	97,610.16		69,414.34	
- Unsecured	12,500.00	110,110.16	15,000.00	84,414.34
Financial Institutions				
- Secured		1,059.88		1,543.74
DEFERRED PAYMENT LIABILITIES				
Unsecured (Refer note no. 26)		3,813.54		3,813.54
TOTAL		114,983.58		90,646.62

NOTE NO. - 4

OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Trade Deposits	3,365.90	3,143.67
TOTAL	3,365.90	3,143.67

NOTE NO. - 5

LONG TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
For Leave Encashment	173.18	117.06
TOTAL	173.18	117.06

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. - 6

SHORT TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
LOANS REPAYABLE ON DEMAND		
From Bank		
- Secured	3,183.28	-
OTHER LOANS AND ADVANCES		
- Secured	3,600.00	-
TOTAL	6,783.28	-

NOTE NO. - 7

OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
Current maturities of Long term debt	42,885.75		32,910.51	
Interest accrued but not due on borrowings	7.03		6.61	
Unpaid dividends	19.23		16.56	
VAT & withholding taxes payable	26,635.12		25,758.09	
Advance from customers	4,045.61	73,592.74	3,305.19	61,996.96
TOTAL		73,592.74		61,996.96

NOTE NO. - 8

SHORT TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
PROVISION FOR EMPLOYEE BENEFITS				
For Gratuity	47.61		-	
For Leave Encashment	30.80	78.41	69.91	69.91
OTHERS				
For Proposed Dividend	-		4,715.03	
For Tax on Proposed Dividend	-	-	764.90	5,479.93
TOTAL		78.41		5,549.84

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. 9

FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross Block			Depreciation/Amortisation			Net Depreciated Block		
	As at 1st April, 2011	Additions during the Year	Sales/Transfers/Adjustments	Total as at 31st March, 2012	As at 1st April, 2011	Additions during the Year	Sales/Transfers/Adjustments	Total as at 31st March, 2012	Total as at 31st March, 2011
Tangible Assets									
Freehold Land	1,357.96	2,355.27	-	3,713.23	-	-	-	3,713.23	1,357.96
Leasehold Land	56.33	-	-	56.33	7.76	0.58	-	47.99	48.57
Building* (Including Roads)	7,909.58	479.73	-	8,389.31	2,480.21	391.29	-	5,517.81	5,429.37
Plant and Machinery*	175,314.70	4,201.93	1,271.75	178,244.88	60,160.15	9,555.47	694.15	109,223.41	115,154.55
Railway Sidings	2,965.17	-	-	2,965.17	372.80	142.22	-	2,450.15	2,592.37
Mine Exploration & Developments**	784.12	-	-	784.12	397.73	57.73	-	328.66	386.39
Furniture & Fixtures	254.16	28.66	1.12	281.70	185.11	21.36	-	75.23	69.04
Vehicles	180.88	96.67	0.45	277.10	99.62	26.71	0.24	151.01	81.26
Office and Other Equipments	436.01	85.02	1.72	519.31	207.23	60.15	2.57	254.50	228.79
Total Tangible Assets	189,258.91	7,247.28	1,275.04	195,231.15	63,910.61	10,255.51	696.96	121,761.99	125,348.30
Intangible Assets									
Computer Software	444.55	77.63	-	522.18	214.18	99.26	-	208.74	230.37
Total Intangible Assets	444.55	77.63	-	522.18	214.18	99.26	-	208.74	230.37
Total Fixed Assets	189,703.46	7,324.91	1,275.04	195,753.33	64,124.79	10,354.77	696.96	121,970.73	125,578.67
Total Previous Year	180,050.99	11,128.33	1,475.86	189,703.46	55,282.38	9,950.39	1,107.98	125,578.67	-
Capital Work-in-Progress	-	-	-	-	-	-	-	11,719.17	4,534.69

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

2. Plant & Machinery includes assets built on land not owned by the Company Rs. 212.83 Lakhs (Previous Year Rs. Nil Lakhs)

** Includes expenses of Rs. 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, 2012

NOTE NO. - 10

NON CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
Non Trade (Valued at cost unless stated otherwise)				
Investment in Equity Shares of Subsidiaries				
Unquoted				
75,600,000 fully paid up Shares (Previous Year 11,100,000 Shares) of Mukundan Holdings Limited of US Dollar 1 each fully paid-up		36,096.24		5,128.68
48,749,925 fully paid up Shares (Previous Year 48,749,925 Shares) of Krishna Holdings Pte. Limited, Singapore of Singapore Dollar 1 each		15,798.84		15,798.84
47,300,000 fully paid up (Previous Year 41,400,000 fully paid-up) Shares of Murari Holdings Limited of US \$ 1 each		23,272.67		20,606.63
15,000,000 fully paid up Shares (Previous Year 12,000,000) of Bhumi Resources (Singapore) Pte. Limited of USD 1 each		6,797.53		5,441.74
50,000 fully paid up Shares (Previous Year 50,000) of Merit Plaza Limited of Rs. 10 each		5.00		5.00
50,000 fully paid up Shares (Previous Year 50,000) of Swiss Merchandise Infrastructure Limited of Rs. 10 each		5.00		5.00
3,659,000 fully paid up Shares (Previous Year Nil) of Binani Ready Mix Concrete Limited of Rs. 10 each		41.40		-
Investment in Preference Shares of Subsidiary				
Unquoted				
9,631,835 fully paid up (Previous Year 9,631,835 fully paid-up) 8% Cumulative Preference Shares of Krishna Holdings Pte. Limited, Singapore of Singapore Dollar 1 each		2,616.41		2,616.41
Aggregate value of Unquoted Investments		84,633.09		49,602.30
Advance for Investments in Subsidiaries				
Murari Holdings Limited	-		1,627.41	
Mukundan Holdings Limited	-		675.12	
Bhumi Resources (Singapore) Pte. Limited	-		1,355.79	
Swiss Merchandise Infrastructure Limited	-		1,346.00	
Merit Plaza Limited	-	-	5.00	5,009.32
TOTAL		84,633.09		54,611.62

NOTE NO. - 11

LONG TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
Unsecured Considered Good				
Capital Advances (Includes Rs. 1,000 Lakhs to a related party BIL Infratech, Fellow Subsidiary)	2,249.03		7,685.97	
Security Deposits	891.64		1,000.68	
Loans and Advances to Subsidiary Companies (Refer note no.42)	15,213.00		13,269.00	
Advances recoverable in cash or in kind	218.42		92.50	
Advance Tax Including Tax deducted at Source (net)	2,474.55	21,046.64	2,360.12	24,408.27
TOTAL		21,046.64		24,408.27

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. - 12

INVENTORIES (REFER NOTE NO. 22)

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
Raw Material and Packing Material (Includes Rs. 5.33 Lakhs in transit)	1,685.81		715.20	
Work - In - Process	51.33		97.70	
Finished Goods	2,172.57		3,350.18	
Stores and Spares parts and Fuel (Includes Rs. 48.27 Lakhs in transit)	12,895.37		11,994.01	
Loose Tools Stock	28.71	16,833.79	27.14	16,184.23
TOTAL		16,833.79		16,184.23

NOTE NO. - 13

CASH & BANK BALANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
CASH & CASH EQUIVALENTS				
Balances with Banks :				
Current Accounts	3,578.42		8,665.13	
Collection Accounts	3,848.57		5,038.58	
Deposit Accounts (original maturity of less than 3 months)	152.77		8,743.00	
Cheques, drafts on hand	3.10		2.58	
Cash on hand	5.32	7,588.18	5.38	22,454.67
OTHER BANK BALANCES				
Deposit Accounts (original maturity of more than 3 months) (in margin Accounts)	600.75		575.75	
Dividend Accounts	19.29	620.04	16.29	592.04
TOTAL		8,208.22		23,046.71

NOTE NO. - 14

SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
LOANS AND ADVANCES TO RELATED PARTIES (UNSECURED CONSIDERED GOOD)				
Due from Subsidiary Companies	9,651.00		-	
Due from Holding Company	-		5,500.00	
Inter Corporate Deposits	39,950.00	49,601.00	-	5,500.00
Others (Unsecured considered good)				
Advances recoverable in cash or in kind (Refer note no. 42 for related parties)	2,237.54		2,019.81	
MAT Credit Entitlement	2,733.00		1,709.37	
Fringe Benefit Tax (net)	10.79		10.79	
Balance with Statutory Authorities	1,416.33	6,397.66	900.01	4,639.98
TOTAL		55,998.66		10,139.98

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. - 15

OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
Interest Receivable	99.35		102.84	
Insurance Claims Receivable	-		166.50	
Assets held for disposal	91.27		13.36	
Forward Contract Premium (Unamortised)	112.01	302.63	67.25	349.95
TOTAL		302.63		349.95

NOTE NO. - 16

REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
	Quantity MT	Value	Quantity MT	Value
SALE OF PRODUCTS				
Cement*	5,611,969	232,334.79	5,437,916	197,893.60
OTHER OPERATING REVENUES		876.35		1,270.72
		233,211.14		199,164.32
Less : Excise duty		30,430.01		25,840.35
TOTAL		202,781.13		173,323.97

* Sales include sale of traded goods of 5,598.90 MT amounting to Rs. 316.91 Lakhs (Previous Year Nil) and self consumption of 3,154.48 MT amounting to Rs. 82.91 Lakhs (Previous Year 5,342.96 MT amounting to Rs. 121.29 Lakhs).

NOTE NO. - 17

OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Interest Income	2,577.40	471.92
Dividend Received (Current)	199.00	355.04
Other Miscellaneous Income	110.05	183.76
TOTAL	2,886.45	1,010.72

NOTE NO. - 18

COST OF MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Limestone	7,386.57	6,968.77
Silica Sand (with Iron Ore / Red Ocher)	51.61	35.01
Gypsum	5,242.97	4,212.07
Fly Ash	5,496.05	4,249.37
Packing Materials	8,467.74	7,384.77
TOTAL	26,644.94	22,849.99

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. - 19

EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Salaries and Wages	4,360.25	3,586.19
Contribution to Provident and other Funds	292.38	260.86
Gratuity Expenses	102.52	55.53
Workmen and Staff Welfare Expenses	241.77	224.22
TOTAL	4,996.92	4,126.80

NOTE NO. - 20

FINANCE COSTS

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Interest expenses	15,015.94	9,968.03
Other borrowing costs	865.38	375.53
(Gain) / Loss on foreign currency transactions (net)	258.75	-
TOTAL	16,140.07	10,343.56

NOTE NO. - 21

OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Power & Fuel	60,256.60	51,295.85
Freight and Loading Expenses on Clinker Transfer	4,412.09	3,497.34
Consumption of Stores and Spares	5,110.29	4,901.79
Repairs and Maintenance		
- Buildings	182.39	170.61
- Plant and Machinery	1,115.13	1,052.42
- Others	83.83	49.41
Other Operating Expenses	1,860.36	1,839.37
Rent	401.40	382.45
Insurance	607.62	468.25
Rates and Taxes	602.08	594.63
Exchange Fluctuation (net)	1,559.87	123.10
Advertisement and Sales Promotion	359.01	4,233.06
Royalty on Trademark	8,062.39	-
Directors Fee	2.03	2.43
Freight & Forwarding	45,533.55	41,022.54
Commission to Selling Agents	3,284.17	2,735.71
Loss on sale / discard of Fixed Assets (net)	456.31	311.79
Management Services Fee	3,114.30	2,632.47
Miscellaneous Expenses	2,844.84	2,477.17
TOTAL	139,848.26	117,790.39

OTHER NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE NO. - 22

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. Accounting policies have been consistently applied by the Company and are consistent with those used in the Previous Year.

PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the Previous Year figures in accordance with the requirements applicable in the current 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 and 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 upto the date of capitalization less specific grants received, if any.

INTANGIBLE ASSETS

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

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 and Roads inside plant are treated as Factory Buildings and depreciation 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 provided over the period of Lease.

Assets having individual value below Rs. 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 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 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 Statement 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 and Spares is valued at lower of moving weighted average cost (net of Cenvat) and net realisable value. Coal lying at Port is valued at cost on specific consignment basis plus custom duty. 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.

Work – in – process is valued at weighted average cost.

Finished Goods are valued at lower of weighted average cost and Net Realisable Value. Cost for this purpose includes direct cost, attributable overheads and 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 recognized in the Profit and Loss Statement. In case of forward contracts (non speculative), the exchange differences are dealt with in the Profit and Loss Statement 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 Statement, 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 Statement. 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.

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.

NOTES TO ACCOUNTS

NOTE NO. - 23

The estimated amounts of contracts and commitments remaining to be executed on capital account and not provided for (net of advances) Rs. 1,830.97 Lakhs (Previous Year Rs. 19,389.02 Lakhs).

NOTE NO. - 24

Contingent liabilities not provided for :

- (i) The Company has imported fuel without payment of Customs Duty aggregating to Rs. 6.77 Lakhs (Previous Year Rs. 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 Rs. 31.50 Lakhs (Previous Year Rs. 31.50 Lakhs) - (excluding applicable interest). 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 Rs. 30.61 Lakhs (Previous Year Rs. 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 Cenvat Credit of Service Tax Rs. 59.75 Lakhs (Previous Year Rs. 54.61 Lakhs). Appeals are pending with various Appellate Authorities. We have reversed cenvat credit / paid Rs. 1.08 Lakhs (Previous Year Rs. 0.29 Lakhs) under protest.

Commissioner, Central Excise, Jaipur issued a show cause notice disputing basis of Excise duty calculated for sales made to contractual buyers. We have paid duty accordingly before issuing of show cause notice. However Commissioner imposed penalty of Rs. 1 Lakh 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 till disposal of appeal .

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 Rs. 34.70 Lakhs (Previous Year Rs. 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.

- (v) Demands raised for differential Custom duty by Customs Department, Jamnagar in relation to Bill of entry no. F-176 dt. 06.02.2009 of 24,104 MT for Indonesian coal imported in 2009-10, aggregating to Rs. 42.16 Lakhs (Previous Year Rs. Nil), 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 is in process of filing the appeal before CESTAT, Ahmedabad against the order of the Commissioner of Customs (Appeals), Jamnagar.
- (vi) Demands raised by Sales Tax Department aggregating to Rs. 70.21 Lakhs (Previous Year Rs. 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 Hon'ble High Court, Jodhpur and has also obtained an interim relief. Besides, the Sales Tax department has also issued demand notices relating to various matters aggregating to Rs. 0.50 Lakhs (Previous Year Rs. 10.70 Lakhs), which are being contested by the Company, including in appeal and is hopeful of success.
- (vii) Demands raised by U P Commercial Tax Department on account of entry tax on Cement for the year 2003 to 2008 aggregating to Rs. 169.36 Lakhs (Previous Year Rs. 93.58 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 Rs. 36.29 Lakhs under protest.
- (viii) Demand raised by Uttar Pradesh Commercial Taxes Department on account of entry tax Rs. 268.01 Lakhs based upon the market value of cement stock transfer. We have filed a writ before Hon'ble Allahabad High Court which was tagged with the writ tax no. 1484 of 2007 in the matter of ITC Ltd. vs. State of UP and others. Against the demand we have deposited Rs. 158.63 Lakhs based upon stock transfer price and provided Bank Guarantee of Rs. 109.38 Lakhs towards security against balance as directed by Hon'ble High Court. However the Hon'ble Allahabad High Court dismissed the writ tax no. 1484 of 2007 on 23.12.2011 and consequently our writ was also dismissed by the said order. Pursuant to order of the Hon'ble Allahabad High Court the Joint Commissioner (Corporate circle), UP commercial taxes Ghaziabad has invoked the bank guarantee submitted by the Company and IDBI bank made the payment of Rs.109.38 Lakhs against said Bank Guarantee to the Joint Commissioner (Corporate Circle), UP commercial taxes Ghaziabad by debiting our account with IDBI. The Company has file a SLP before Supreme Court against the order of Hon'ble Allahabad High Court. (total amount deposited against the demand Rs. 268.01 Lakhs)
- (ix) Demand raised by Uttar Pradesh Commercial Taxes Department on account of penalty on late deposit of VAT amounting to Rs. 21.60 Lakhs (Previous Year Rs. 21.60 Lakhs). An Appeal has been filed with Additional Commissioner (Appeals), Commercial Taxes department, Ghaziabad. We have deposited Rs. 12.96 Lakhs (Previous Year Rs. 12.96 Lakhs) under protest.
- (x) Joint Commissioner Commercial Taxes, Ghaziabad has imposed penalty of Rs. 1.32 Lakhs (Previous Year Rs. 1.32 Lakhs) on account of incomplete documents carried by Truck of Cement. We have deposited Rs. 1.32 Lakhs (Previous Year Rs. 1.32 Lakhs) under protest and filed an appeal before Additional Commissioner (Appeals), Commercial Taxes, Ghaziabad.
- (xi) Letter of Credit opened by Banks on behalf of the Company Rs. 183 Lakhs (Previous Year Rs. 121.78 Lakhs)
- (xii) Guarantees given by Banks Rs. 371.90 Lakhs (Previous Year 483.14 Lakhs)
- (xiii) Corporate guarantees given to Bank for Loans to wholly owned subsidiaries of Rs. 10,306 Lakhs (US \$ 20 million) to Mukundan Holdings Limited (Previous Year 26,294.05 Lakhs), Rs. 9,404.23 Lakhs (US \$ 18.25 million) to Murari Holdings Ltd. (Previous Year Rs. 10,946.45 Lakhs), Rs. 11,749.36 Lakhs (US \$ 22.80 million) to Krishna Holdings (Previous Year Rs. 10,291.92 Lakhs), Rs. 20,715 Lakhs (Euro 30 million) to Binani Industries Ltd., Holding Company and Rs. 1,56,684.69 Lakhs (US \$ 304.07 million) to 3B Fibre Glass Company, jointly and severally with Binani Industries Limited, the Company, Binani Zinc Limited and Goa Glass Fibre Limited.
- (xiv) Claims against the Company in respect of certain Income Tax matters Rs. 1,147.86 Lakhs (Previous Year Rs. 611.88 Lakhs) which has been paid by the Company or adjustable by the department against the refund due to the Company (Previous Year Rs. 310 .77 Lakhs paid).
- (xv) The Company has placed a purchase order for procurement of "Steam (Non Coking) coal" and M/s Visa Comtrade A.G. supplied the same under five Bills of lading. Party failed to provide us the original bills of lading. The owner of the Ship M/s Great Eastern Shipping Company Limited has filed the suit against the Company for providing original Bills of lading. We have informed that the balance amount due to them will be paid after adjustment of the losses and expenditure incurred / to be incurred by Binani Cement Limited till the time matter is finally resolved. The Company have incurred expenses of Rs. 503.79 Lakhs up to 31.03.2012 (upto Previous Year Rs. 171.21 Lakhs) to defend the suit filed by M/s Great Eastern Shipping Company Limited and debited the same to the account of supplier as to be recovered from the party.
- (xvi) Under the Rajasthan Finance Act, 2006, the Assessing Authority has assessed land tax on leasehold land for the year 2006-07, 2007-08 & 2008-09 and raised demand notices of Rs. 956.89 Lakhs. The matter was challenged by the Company in Hon'ble High Court, Jaipur. The Hon'ble Court has quashed the demand notices and the matter was remanded back to the assessing authority to reassess the land tax vide order dated 04.03.2011. The Company has deposited Rs. 48 Lakhs under protest as advance. The assessing authority has raised fresh demand notices in respect of 2009-10, 2010-11 & 2011-12 amounting Rs. 850.70 Lakhs, which are protested by the Company as the matter is subjudice.

NOTE NO. - 25

Claims against the Company not acknowledged as debts :

- (i) Quality claims Rs. 1.80 Lakhs (Previous Year Rs. 1.80 Lakhs)
- (ii) Other Matters Rs. 1.54 Lakhs (Previous Year Rs. Nil)

NOTE NO. - 26

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 (EFICI) is being availed of. The Company has availed Sales Tax Incentive of Rs. 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. Pending the decision of the Supreme Court, no provision has been made for the differential Sales Tax Incentive of Rs. 13,327.19 Lakhs (excluding interest, if any) availed by the Company till 31st March, 2006.

However, 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 EFICI. 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, Rs. 3,813.54 Lakhs was deferred and shown as Unsecured Loan. (Refer note no. 3)

During the year 2007-08, the Company has filed an application with Sales Tax department for extension of period of EFICI scheme, which was not accepted. The Company has filed a case with Hon'ble Jaipur High Court to instruct the Sales Tax Department to extend the EFICI scheme period. However, the Company has continued to defer 75% of the VAT liability amounting to Rs. 3,967.09 Lakhs for the period 27th May, 2007 to 30th April, 2008.

Application for grant of sales tax incentive was filed to sanction the EFICI to the extent of Rs. 396.72 Crores, but the SLSC sanctioned Rs. 280.47 Crores in Nov.'2000, against which Company has requested vide letter dated 13.12.2000 to the SLSC for reviewing the amount of EFICI sanctioned, but no action was taken by the SLSC. A writ petition was filed during the year 2008-09 before the Hon'ble High Court, Jaipur bench, based on the fact that the SLSC has not replied to our review application within the time frame as per the New Rajasthan Sales Tax Incentive Scheme, 1989 and the decision is pending for review till date, hence the Company has continued to avail the deferment benefit treated as deemed to be sanctioned. Further, the Company has made an application to the State Government / SLSC to revise the amount of EFICI from Rs. 396.72 Crores to Rs. 488.50 Crores based on applicable guidelines under the Incentive Scheme. The Company has continued to avail the deferment benefit, pending the decision of State Government / SLSC.

Accordingly, the tax liability for the period 30th April, 2008 to 31st August, 2011 is Rs. 17,741.77 Lakhs against which we have deposited Rs. 399.21 Lakhs under protest as per the directions of the Hon'ble High Court. The Matter is pending for decision before Hon'ble Rajasthan High Court / State Government.

NOTE NO. - 27

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 Rs. (343.21) Lakhs is shown under Changes in inventories of finished goods, work-in-progress and Stock-in-Trade in Profit & Loss account.

NOTE NO. - 28

The Company has not deposited a sum of Rs. 1,185.30 Lakhs (Previous Year Rs. 811 Lakhs) net of Rs. 333.06 Lakhs paid under protest (Previous Year 258.88 Lakhs), 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 2006. 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 Rs. 333.06 Lakhs being 50% of assessed tax was deposited by the Company under protest and also submitted solvent security for the balance amount.

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 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 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 Rs. 60.52 Lakhs to the Assessing Authority, Commercial Taxes Department, Pali.

NOTE NO. - 30: LOANS - SECURED

(₹. in Lakhs)

	Nature of Loans	Nature of Security	31st March'12	31st March'11
A DEBENTURES				
i)	11.95% (Reset Rate) Secured Redeemable Non Convertible Debentures (11.95% SRNCD)	Secured by (a) a first charge created on the movable and immovable properties of the Company located at Binanigram, Pindwara, Sirohi in Rajasthan both present and future except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank (b) exclusive first charge on plot of land situated at village Mouj, Dhanot, Kalol, District Mehsana, Gujarat ranking pari-passu with charges created and/or to be created in favour of Financial Institutions/Banks/Debentures Trustee(s) executed by the Company and (c) Corporate Guarantee of Binani Industries Limited(BIL). The Debenture shall be redeemable in a period of 6 years in quarterly installments of Rs. 291.70 Lakhs, commencing from 31st March, 2007 and ending on 31st December, 2012.	875.00	2,041.67
ii)	9.16% (Reset Rate) Secured Redeemable Non Convertible Debentures (11.99% SRNCD)	Secured by (a) a charge created on the movable and immovable properties of the Company located at Binanigram, Pindwara, Sirohi in Rajasthan both present and future except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank (b) exclusive first charge on plot of land situated at village Mouj, Dhanot, Kalol, District Mehsana, Gujarat ranking pari-passu with charges created and/or to be created in favour of Financial Institutions/Banks/Debentures Trustee(s) executed by the Company and (c) Corporate Guarantee of Binani Industries Limited (BIL). The Debentures have been redeemable at par in a period of 5 years in quarterly installments commencing from 30th September, 2008 and ended on 30th June, 2011.	-	333.33
B. TERM LOANS				
i) Financial Institutions				
a)	Eksport Kredit Finansiering A/S - Foreign Currency Loan	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 Binani Industries Limited. Loan repayable in 11 equal half yearly instalments of USD 6.86 Lakhs commencing from June'09. Outstanding amount USD 34.28 Lakhs and Interest @ 1.56% per annum.	1,766.47	2,166.38

(₹. in Lakhs)

	Nature of Loans	Nature of Security	31st March'12	31st March'11
ii)	Banks			
a)	IDBI Bank Ltd. (IDBI) - Term Loans	Secured/to be secured (a) first mortgage and charge created on immovable properties of the Company at Binanigram, Pindwara, Sirohi in Rajasthan except the assets 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 and of Binani Industries Limited both present and future (b) first charge by way of hypothecation on all movables of the Company at Binanigram, Pindwara, Sirohi in Rajasthan and BIL (save and except book debts) including movable machinery, machinery spares, tools and accessories present and future, subject to charges on specified movables created and/or to be created for securing the borrowings for working capital requirements from Banks and ranking pari-passu with mortgages and charges created and/or to be created in favour of Institutions/Banks/Debentures Trustees(s)/Other Term Lenders as detailed in the respective loan agreement(s) deed(s) of hypothecation/debenture trust deed(s) executed by the Company except the assets i) 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 ii) of 4th Cement Grinding Unit at Binanigram, Pindwara, District Sirohi Rajasthan charged to Syndicate Bank (c) Corporate Guarantee of Binani Industries Limited and (d) Pari Passu charge on Trust & Retention Account. Term loans repayable in Rs. 4,911.31 Lakhs in FY 2012-13, Rs. 7,071.01 Lakhs in FY 2013-14, Rs. 5,571.01 Lakhs from FY 2014-15 to FY 2015-16, Rs. 2,615.96 Lakhs for FY 2016-17, Rs. 2,290.92 Lakhs for FY 2017-18 and Rs. 954.55 Lakhs for FY 2018-19 and Interest ranging from 0% to 14.15% per annum.	28,985.77	31,897.07
b)	Syndicate Bank - Term Loan	Secured by a) Corporate Guarantee of Binani Industries Limited b) Post dated cheques for repayment of Principal	-	15,000.00
c)	Syndicate Bank - Rupee Term Loan	Secured by (a) first Mortgage and exclusive charge created on immovable properties of first phase of 2X22.30 MW captive thermal power plant comprising of 1X22.30 MW thermal power plant, all associated equipments & shared facilities situated at Pindwara, Sirohi, Rajasthan and all goods & equipments forming part of the plant both present and future, (b) secured by pari passu first mortgage and charge on underlying land and building for the first phase of 2X22.30 MW captive power plant comprising of 1x22.30 MW thermal power plant, associated equipments and shared facilities situated at Binanigram, Pindwara, Sirohi in Rajasthan both present and future,(c) Pari Passu charge on Trust and Retention Account and (d) Corporate Guarantee of Binani Industries Limited.	-	1,105.13
d)	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 instalments of Rs. 285.72 Lakhs, commencing from December, 2011 and Interest rate @ 14% per annum.	3,428.56	4,000.00

(₹. in Lakhs)

	Nature of Loans	Nature of Security	31st March'12	31st March'11
e)	Syndicate Bank - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank b Post dated cheques for payment of principal & Interest and c) Personal Guarantee of Shri Braj Binani. Loan repayable in 8 equal quarterly instalments of Rs. 937.50 Lakhs commencing from June 2015 and Interest rate @ 13% per annum.	7,500.00	-
f)	Syndicate Bank - Rupee Term Loan	Secured/to be secured by a) second charge on the Company's present and future fixed assets other than those which have been exclusively charged and mentioned in notes. Loan repayable in 5 yearly instalments (at the end of 1st and 2nd year Rs. 1,500 Lakhs each, at the end of 3rd and 4th year Rs. 2,500 Lakhs each and of 5th year Rs. 2,000 Lakhs) commencing from November 2012 and Interest rate @ 13% per annum.	10,000.00	-
g)	Yes Bank Ltd - Term Loan	Secured by a) Corporate Guarantee of Binani Industries Limited b) subservient charge on movable assets of the Company c) post dated cheques for Principal repayment.	-	5,000.00
h)	UCO Bank - Term Loan	Secured/to be secured by a) Pari Passu subservient hypothecation charge on the plant and machinery of the Company other than those which have been exclusively charged and mentioned in notes. b) post dated cheques for repayment of Principal & Interest. Loan repayable in 4 equal quarterly instalments of Rs. 1,500 Lakhs commencing from June 2012 and Interest rate @ 12.75% per annum.	6,000.00	6,000.00
i)	Central Bank of India - Term Loan	Secured/to be secured by a) Pari Passu subservient hypothecation charge on the movable assets of the Company other than those which have been exclusively charged and mentioned in notes. b) post dated cheques for repayment of Principal & Interest. Loan repayable in 2 equal quarterly instalments of Rs. 2,500 Lakhs commencing from December 2012 and Interest rate @ 13.90% per annum.	5,000.00	5,000.00
j)	State Bank of India - Term Loan	Secured/to be secured by a) Second pari passu charge on Fixed Assets of the Company other than those which have been exclusively charged and mentioned in notes. b) post dated cheques for repayment of Principal & Interest. Loan repayable in 3 quarterly instalments each of Rs. 3,000 Lakhs, Rs. 3,500 Lakhs and Rs. 3,500 Lakhs commencing from September 2012 and Interest rate @ 13% per annum.	10,000.00	10,000.00
k)	Punjab National Bank - Term Loan	Secured / to be secured by pari passu subservient hypothecation charge on the Fixed Assets of the Company other than those which have been exclusively charged and mentioned in notes. Loan repayable in 2 equal quarterly instalments of Rs. 2,500 Lakhs commencing from October, 2013 and Interest rate @ 11% per annum. .	5,000.00	5,000.00
l)	Bank of Baroda - Term Loan	Secured/to be secured by a) subservient charge on fixed assets of the Company both movable & immovable other than those which have been exclusively charged and mentioned in notes. Loan repayable in 4 equal quarterly instalments of Rs. 2,500 Lakhs commencing from December 2012 and Interest rate @ 13% per annum.	10,000.00	10,000.00

(₹. in Lakhs)

	Nature of Loans	Nature of Security	31st March'12	31st March'11
m)	Central Bank of India - Term Loan	Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company except 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 Ltd. 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) and iii) The assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank. Loan repayable in 20 equal quarterly instalments of Rs. 1,000 Lakhs commencing from December 2011 and Interest rate @ 12.25% per annum.	18000.00	5000.00
n)	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 instalments of Rs. 625 Lakhs commencing from December 2012 and Interest rate @ 12.10% per annum.	10,000.00	-
o)	Bank of Baroda - Term Loan	Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank. Loan repayable in 8 equal quarterly instalments of Rs. 937.50 Lakhs commencing from January 2015 and Interest rate @ 13% per annum.	7,500.00	-
p)	Indian Overseas Bank - Term Loan	Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank. Loan repayable in 8 equal quarterly instalments of Rs. 1,875 Lakhs commencing from June 2015 and Interest rate @ 13.50% per annum.	15,000.00	-
q)	Ratnakar Bank - Term Loan	Secured/to be secured by a) subservient hypothecation charge on the entire current assets and movable fixed assets both present and future of the Company other than those which have been exclusively charged and mentioned in notes. b) post dated cheques for payment of principal. Loan repayable in 3 equal monthly instalments of Rs. 1,200 Lakhs commencing from January 2013 and Interest rate @ 12.75% per annum.	3,600.00	-
C. WORKING CAPITAL DEMAND LOANS / CASH CREDIT				
	From Scheduled Banks	Secured against (a) 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, second charge on immovable properties of the Company and Corporate Guarantee of Binani Industries Limited and (b) Pari Passu charge on Trust and Retention Account.	3,183.28	-

NOTE NO. - 31: (a) Raw Material Consumption :

(₹. in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
	QUANTITY (MT)	VALUE	QUANTITY (MT)	VALUE
Indigenous				
Limestone*	7,062,406	7,386.57	6,828,791	6,968.77
Silica Sand (with iron ore / red ocher)	8,266	51.61	6,522	35.01
Gypsum	331,993	5,242.97	345,074	4,212.07
Fly Ash	560,818	5,496.05	512,649	4,249.37
TOTAL		18,177.20		15,465.22

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

(b) Spares and Components Consumed:

(₹. in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
	VALUE	%	VALUE	%
Imported	1,993.66	41.65	1,164.99	25.15
Indigenous	2,793.36	58.35	3,466.89	74.85
TOTAL	4,787.02	100.00	4,631.88	100.00

NOTE NO. - 32: Managerial Remuneration

(₹. in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Salary	67.51	49.50
Contribution to Provident and other funds *	6.47	5.94
Perquisites **	14.12	10.39
Commission to Directors (other than Whole-time Directors)	18.00	23.00
TOTAL	106.10	88.83

* Excluding contribution to gratuity fund and provision for leave encashment since the same are provided on an actuarial basis for the Company as a whole.

** Does not include monetary value of non cash perquisites as per Income-tax Act, 1961, amounting to Rs. 5.57 Lakhs (Previous Year Rs. 4.21 Lakhs).

NOTE NO. - 33 Value of imports calculated on C.I.F. basis

(₹. in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Capital Goods	671.32	1,121.21
Raw Materials	287.28	-
Components and Spare parts of Machinery	1,031.50	1,199.89

NOTE NO. - 34 Expenditure in Foreign Currency (on accrual basis)

(₹. in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Interest	130.44	47.10
Consultancy	19.22	12.42
Others	49.81	30.55
TOTAL	199.46	90.06

NOTE NO. - 35 Remuneration to Auditors

(₹. in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Statutory Auditors		
As Auditor	11.25	15.00
For taxation matters	9.19	10.28
For other services	1.59	1.65
For reimbursement of expenses	0.42	0.92
TOTAL	22.45	27.85
Cost Auditors		
As Auditor	0.90	0.90
For other services	0.18	-
For Reimbursement of expenses	-	0.28
TOTAL	1.08	1.18

NOTE NO. - 36

Selling and Administration Expenses includes Rs. 3,114.30 Lakhs (Previous Year Rs. 2,632.47 Lakhs) paid to Binani Industries Limited. (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 Rs. 8,062.39 Lakhs (Previous Year Rs. Nil) paid to Binani Industries Limited as Royalty on account of license fee for use of trademark, corporate name, logos etc.

Interest and Finance charges are net of Rs. Nil (Previous Year Rs. 38.60 Lakhs), being interest charged by the Company to Binani Industries Limited based on balances in the current account.

NOTE NO. - 37

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

PARTICULARS	(₹. in Lakhs)	
	31st March, 2012	31st March, 2011
Balance Brought forward	2,820.47	2,546.57
Power and Fuel	-	61.23
Repairs and Maintenance - Others	21.81	1.55
Management / Consultancy Fee	1,074.86	307.47
Salaries and Wages	134.91	114.56
Contribution to Provident and other Funds	8.63	8.27
Workmen and Staff Welfare Expenses	0.09	0.37
Rent	4.11	3.00
Insurance	13.25	38.36
Other Sundry Expenses	141.59	113.67
Depreciation	0.15	0.12
Finance Charges	23.91	[294.84]
	4,243.78	2,900.33
Less:		
Exchange Fluctuations (net)	143.29	-
Miscellaneous Income	0.75	-
Balance in Capital work in Progress	4,099.74	2,900.33
Less : Capitalised	9.28	79.86
Balance carried forward	4,090.46	2,820.47

NOTE NO. - 38

There are no Micro, Small and Medium Enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006" to whom the Company owes dues. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE NO. - 39

Deferred tax asset in respect of timing difference and unabsorbed depreciation and business loss has been recognised to the extent of deferred tax liability, representing depreciation, available for set off.

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

PARTICULARS	(₹. in Lakhs)	
	31st March, 2012	31st March, 2011
a) Deferred Tax Liability		
Depreciation	21,253.79	20,932.97
TOTAL	21,253.79	20,932.97
b) Deferred Tax Asset		
Disallowance under Income Tax Act, 1961	(1,791.05)	[1,934.32]
TOTAL	(1,791.05)	[1,934.32]
Deferred Tax Liability	19,462.74	18,998.65
Provided upto last year	18,999.00	18,677.00
Provision for additional Deferred Tax Liability	463.74	321.65
Rounded off	464.00	322.00

NOTE NO. - 40

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. - 41

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

(₹ in Lakhs)

PARTICULARS	Currency	As at 31st March, 2012	As at 31st March, 2011
Outstanding Creditors for Coal	USD	8,003.00	3,895.00
Outstanding Creditors for Spares	DKK	-	1.30
Outstanding Creditors for Spares	USD	15.56	-

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

Currency	Number of Contracts	Buy Amount	Purpose
USD	11	17,555,000	Creditors / For Payment

NOTE NO. - 42

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
Sale of Cement					
- Binani Readimix Concrete Limited	-	376.14 (52.39)	-	-	376.14 (52.39)
Execution of works contract by					
- BIL Infratech Limited	-	-	941.09 (768.54)	-	941.09 (768.54)
Balance (Receivable) as on 31.03.12	-	-	400.85 (170.51)	-	400.85 (170.51)
Service Charges for vehicle / Rent etc.					
- Binani Metals Limited	-	-	-	97.92 (90.01)	97.92 (90.01)
Donation					
- G D Binani Charitable Trust	-	-	-	25.00 (25.00)	25.00 (25.00)
- G D Binani Charitable Foundation	-	-	-	75.00 (75.00)	75.00 (75.00)

(₹ 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. Limited	-	-	-	-	-
	-	(6,791.82)	-	-	(6,791.82)
Balance as on 31st March, 2012	-	18,415.25	-	-	18,415.25
	-	(18,415.25)	-	-	(18,415.25)
- Mukundan Holdings Limited	-	30,292.44	-	-	30,292.44
	-	(675.13)	-	-	(675.13)
Balance as on 31st March, 2012	-	36,096.24	-	-	36,096.24
	-	(5,803.79)	-	-	(5,803.79)
- Murari Holdings Limited	-	1,038.64	-	-	1,038.64
	-	(3,854.31)	-	-	(3,854.31)
Balance as on 31st March, 2012	-	23,272.67	-	-	23,272.67
	-	(22,234.04)	-	-	(22,234.04)
- Bhumi Resources (Singapore) Pte. Limited	-	-	-	-	-
	-	(4,472.16)	-	-	(4,472.16)
Balance as on 31st March, 2012	-	6,797.53	-	-	6,797.53
	-	(6,797.53)	-	-	(6,797.53)
- Swiss Merchandise Infrastructure Limited	-	-	-	-	-
	-	(1,351.00)	-	-	(1,351.00)
Balance as on 31st March, 2012	-	-	-	-	-
	-	(1,351.00)	-	-	(1,351.00)
- Merit Plaza Limited	-	-	-	-	-
	-	(10.00)	-	-	(10.00)
Balance as on 31st March, 2012	-	-	-	-	-
	-	(10.00)	-	-	(10.00)
- Binani Ready Mix Concrete Limited	-	41.40	-	-	41.40
	-	-	-	-	-
Balance as on 31st March, 2012	-	41.40	-	-	41.40
	-	-	-	-	-
Due from Subsidiaries					
- Murari Holdings Limited	-	972.00	-	-	972.00
	-	(2,247.73)	-	-	(2,247.73)
Balance as on 31st March, 2012	-	7,606.50	-	-	7,606.50
	-	(6,634.50)	-	-	(6,634.50)
Maximum Balance Outstanding Rs. 7,606.50 Lakhs (Previous Year Rs. 6,714.73 Lakhs)					

(₹ in Lakhs)

Particulars	Holding Company	Subsidiary/ Stepdown Subsidiary / Associates	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
- Mukundan Holdings Limited	-	972.00	-	-	972.00
	-	(2,248.72)	-	-	(2,248.72)
Balance as on 31st March, 2012	-	7,606.50	-	-	7,606.50
	-	(6,634.50)	-	-	(6,634.50)
Maximum Balance Outstanding Rs. 7,606.50 Lakhs (Previous Year Rs. 6,715.73 Lakhs)					
(Receipt) / Payment (net) arising out of transactions in current account					
- Shandong Binani Rong'An Cement Co. Limited, China (SBRCC)	-	(14.34)	-	-	(14.34)
	-	(-5.12)	-	-	(-5.12)
Balance outstanding as on 31st March, 2012	-	(20.01)	-	-	(20.01)
	-	(-4.66)	-	-	(-4.66)
- Binani Cement Factory Dubai LLC	-	6.90	-	-	6.90
	-	(23.00)	-	-	(23.00)
Balance outstanding as on 31st March, 2012	-	29.90	-	-	29.90
	-	(23.00)	-	-	(23.00)
Advnces to Subsidiaries					
- Swiss Merchandise Infrastructure Limited	-	3,900.00	-	-	3,900.00
	-	-	-	-	-
Balance as on 31st March,2012	-	5,246.00	-	-	5,246.00
	-	-	-	-	-
- Merit Plaza Limited	-	4,400.00	-	-	4,400.00
	-	-	-	-	-
Balance as on 31st March,2012	-	4,405.00	-	-	4,405.00
	-	-	-	-	-
Dividends Paid					
- Binani Industries Limited	4,479.60	-	-	-	4,479.60
	(4,613.91)	-	-	-	(4,613.91)
Interest received on dues / ICD	2,143.61	-	23.32	-	2,166.93
	(1.96)	-	-	-	(1.96)
Inter Corporate Deposit given	40,650.00	-	1,600.00	-	42,250.00
	-	-	-	-	-
Balance outstanding as on 31st March, 2012	39,950.00	-	-	-	39,950.00
	-	-	-	-	-

(₹ in Lakhs)

Particulars	Holding Company	Subsidiary/ Stepdown Subsidiary / Associates	Fellow Subsidiary	Enterprises where Key Management Personnel has got significant influence	Total
(Receipt) / Payment (Net) arising out of transactions in current account					
- Binani Industries Limited	(5,500.00) (3,532.42)	- -	- -	- -	(5,500.00) (3,532.42)
Balance outstanding as on 31st March, 2012	- (5,500.00)	- -	- -	- -	- (5,500.00)
Maximum Balance Outstanding Rs. 5,500 Lakhs (Previous Year Rs. 9,032.42 Lakhs)					

(Figures in bracket pertain to Previous Year)

Note:

- 1 The remuneration paid to key management personnel Mr. P. Acharya (Rs. 88.10 Lakhs) and payment towards Management Services Fee & Royalty to holding company and interest allocated to Holding Company have been separately disclosed vide note nos. 32 and 36 respectively.
- 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. 24 (xii).
- 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 Ltd., Merit Plaza Ltd., Bhumi Resources (Singapore) Pte Limited, Binani Ready Mix Concrete Limited, 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), PT Anggana Energy Resources, Rightside Investments (Pty) Limited, Binani Cement Co Limited (South Sudan), Trans Africa Cement Limited (Mauritius), Weightbridge Investment (Pty) Limited, Botswana, Christo Schuttler Investments Number Nine (Pty) Limited Nambia, Binani Cimentos (Mozambique) LDA, Shandong Binani Rong'an Cement Company Limited (SBRCC), Binani Mineral Resources (Mongolia) LLC, Binani Cement Factory LLC (BCF). Dubai
 - c) Fellow Subsidiary : Binani Zinc Limited(BZL), Goa Glass Fiber Limited(GGFL) , BT Composites Limited(BTCL), Wada Industrial Estate Limited(WIEL) and BIL Infratech Ltd, Binani Infrastructure (Mauritius) Limited, BZ Minerals (Australia) Pty Limited.
 - d) Key Management Personnel : Mr. Braj Binani, Mr. P. Acharya.
 - e) Transactions with Binani Metals Ltd. where key Management Personnel have got significant influence : Mr. Braj Binani and Mr. V. Subramanian.

NOTE NO. - 43 Earning per share is calculated as follows:

(₹ in Lakhs)

Particulars	31st March, 2012	31st March, 2011
Net Profit after tax	4,839.79	9,050.53
Equity shares outstanding as at the period 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	188,601,274	195,458,393
Nominal Value per Equity Share (in Rs.)	10/-	10/-
Earning Per Share (Basic and Diluted) (in Rs.)	2.57	4.63

NOTE NO. - 44 EMPLOYEE BENEFITS :

a) Defined Contribution Plans :

During the year the Company has recognised Rs. 280.65 Lakhs (Previous Year Rs. 250.79 Lakhs) in the Profit and Loss Statement on account of defined contribution plans i.e. Employers Contribution to Provident Funds and ESIC.

b) Defined benefit plans : as per actuarial valuation on 31st March, 2012

(₹ in Lakhs)

Particulars		Gratuity Funded		Leave Encashment Non-Funded	
I	Expenses recognised in the Statement of Profit & Loss	31st March, 2012	31st March, 2011	31st March, 2012	31st March, 2011
1	Current Service Cost *	74.09	55.92	17.01	96.06
2	Interest Cost	41.26	26.68	-	-
3	Employee Contributions	-	-	-	-
4	Expected return on plan assets	(41.97)	(41.35)	-	-
5	Net Actuarial (Gains) / Losses	23.68	14.28	-	-
6	Past service cost	-	-	-	-
7	Settlement cost	-	-	-	-
8	Total expenses	97.07	55.53	17.01	96.06
* 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	598.64	500.17	203.98	186.97
2	Fair value of plan assets	557.30	524.63	-	-
3	Funded status [Surplus/(Deficit)]	(41.34)	24.46	-	-
4	Net asset/(liability)	(41.34)	24.46	(203.98)	(186.97)
III Change in obligation during the year					
1	Present value of Defined Benefit Obligation at beginning of the year	500.17	444.10	186.97	90.91
2	Current Service cost *	74.09	55.92	17.01	96.06
3	Interest cost	41.26	26.68	-	-

(₹ in Lakhs)

Particulars		Gratuity Funded		Leave Encashment Non-Funded	
4	Settlement cost	-	-	-	-
5	Past service cost	-	-	-	-
6	Employee Contributions	-	-	-	-
7	Actuarial (Gains) / Losses	21.44	11.66	-	-
8	Benefits Payments	(38.33)	(38.19)	-	-
9	Present value of Defined Benefit Obligation at the end of the year	598.64	500.17	203.98	186.97
* Current service cost in case of leave encashment are net of benefit paid during the year included under salary and allowance					

		Gratuity Funded	
IV	Change in Assets during the Year	31st March, 2012	31st March, 2011
1	Plan assets at the beginning of the year	524.63	516.88
2	Assets acquired on amalgamation in Previous Year	-	-
3	Settlements	-	-
4	Expected return on plan assets	-	-
5	Contributions by Employer	31.27	-
6	Actual benefits paid	(38.33)	(38.19)
7	Actuarial (Gains) / Losses	(2.24)	4.59
8	Actual return on plan assets	41.97	41.35
9	Plan assets at the end of the year	557.30	524.63
V The major categories of plan assets as a percentage of total plan			
	Qualifying Insurance Policy	YES	YES
VI Actuarial Assumptions :			
	Discount Rate	8.50%	8.25%
	Rate of Return on Plan Assets	8.60%	8.00%
	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 Rs. 203.98 Lakhs based upon following assumptions.

	Discount Rate	8.50%	8.25%
	Salary Escalation	7.00%	7.00%

NOTE NO. - 45

Operating Lease

- a) Operating lease payment recognised in Profit & Loss Account amounting to Rs. 498.47 Lakh (Previous Year Rs. 518.01 Lakhs)
- b) 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.

NOTE NO. - 46

Miscellaneous Expenses in note no. 21 includes Rs. 25 Lakhs (Previous Year Rs. 25 Lakhs) donation, given to G D Binani Charitable Trust and Rs. 75 Lakhs (Previous Year Rs. 75 Lakhs) to G. D. Binani Charitable Foundation.

NOTE NO. - 47

Trade Receivables of Rs. 4,151.92 Lakhs have been netted off against advance received towards those sales and the excess of advance over receivables amounting to Rs. 4,036.19 Lakhs has been shown under current liability. Such advances are settled after full amount is received from the debtors.

NOTE NO. - 48

Advance Income Tax is net of provision for Income Tax of Rs. 13,497.73 Lakhs (Previous Year Rs. 12,462.73 Lakhs)

NOTE NO. - 49

Orders were placed in 2008-09 on M/s. FL Smith India Ltd. and M/s. FL Smith, Denmark towards supply of main plant and equipment for 2.5 MTPA Gujarat project for which Company has also paid advances towards these supplies. The project was very strategic for the Company's development in respect of cement export market. Before placement of this order, the Company had applied for sanction of mining lease etc. from Government of Gujarat, for which we were informed that the same will be granted shortly. In the meantime, Government of Gujarat has decided to revise mining policy. But due to inordinate delay, it was decided to cancel the orders placed on M/s. FL Smith India Ltd. and M/s. FL Smith, Denmark and also that the Company shall go in for larger plant of higher capacity in view of changed circumstances. Subsequently, we informed to FL Smith about the delays and requested them to hold further manufacturing and put the finished equipment in their safe custody / disposal at their end. Accordingly, the discussions were held with management of M/s. FL Smith India Ltd. and M/s. FL Smith, Denmark for amicable settlement to compensate the losses due to cancellation of these orders. Finally, it was agreed between M/s. FLS and our Company that, the Company will compensate M/s FL Smith towards cancellation losses of Rs. 807.00 Lakhs for equipments manufactured in India and Rs. 443.34 Lakhs for the foreign supplies. Accordingly, after adjustment of these amounts, balance advance amount of Rs. 1,313.96 Lakhs and Rs. 379.03 Lakhs were refunded to us by M/s. FL Smith India Ltd. and M/s. FL Smith, Denmark respectively. Accordingly, the amount of Rs. 1,250.34 Lakhs has been written off in the current year and shown under exceptional item in Profit & Loss Account.

NOTE NO. - 50

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. - 51

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

As per our attached report of even date

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

Mihir Hindocha
Partner
Membership No. 112766

Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholetime Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	5,315.16	8,226.93
Adjustments for :		
Depreciation/Amortisation	10,354.61	9,950.27
Interest and Finance Charges	16,140.07	10,343.56
(Profit)/ Loss on Sale/Discard of Fixed Assets	456.31	311.79
Dividend Received	(199.00)	(355.04)
Interest Income	(2,577.40)	(471.93)
Operating Profit before working capital changes	29,489.75	28,005.58
Adjustments for :		
Inventories	(649.55)	813.93
Trade and Other Receivables	(10,358.08)	1,272.55
Trade and Other Payables	18,744.79	(5,767.34)
Cash Generated from Operations	37,226.91	24,324.72
Direct Taxes Paid / Refunds	(889.91)	(5,922.07)
Net Cash flow from / (used in) Operating Activities	36,337.00	18,402.65
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including capital work-in-progress)	(14,502.07)	(10,294.08)
Sale of Fixed Assets	121.78	56.09
Interest and Dividend Income Received	2,520.37	733.85
Inter Corporate Deposit	(39,950.00)	-
Investments in Subsidiaries / Associates	(30,021.48)	(17,154.42)
Other Advances (Including advances to Binani Industries Limited, the Holding Company)	10,936.92	178.82
Net Cash Flow from / (used in) Investing Activities	(70,894.48)	(26,479.74)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	67,219.05	41,815.88
Repayment of Long Term Borrowings	(32,906.84)	(11,560.31)
Dividend / Dividend Distribution Tax Paid	(5,479.93)	(2,836.71)
(Repayment of)/ Proceeds from Bank Borrowings (Net)	3,183.28	(7.58)
Proceeds from Trade Deposits	222.24	272.58
Interest and Finance Charges Paid	(16,146.81)	(10,045.69)
Buy Back of Shares	-	(13,050.00)
Proceeds from Short Terms Borrowings	3,600.00	-

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

PARTICULARS	(₹ in Lakhs)	
	31st March, 2012	31st March, 2011
Repayment of Short Terms Borrowings	-	(5,000.00)
Net Cash Flow from / (used in) Financing Activities	19,690.99	(411.83)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(14,866.49)	(8,488.92)
E. CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	22,454.67	30,943.59
F. CASH AND CASH EQUIVALENTS AS AT END OF THE YEAR	7,588.18	22,454.67

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 Previous Year figures has been recast / regrouped wherever considered necessary.

As per our attached report of even date

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

Mihir Hindocha
Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholetime Director

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF BINANI CEMENT LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the attached Consolidated Balance Sheet of **Binani Cement Limited** ("the Company") and its Subsidiaries (collectively referred to as "the group") as at 31st March, 2012 and the Consolidated Profit and Loss Statement and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3.
 - (a) We have not audited the financial statements of the eight subsidiaries (including four step down subsidiaries) included in the consolidated financial statements. These financial statements have been audited for the financial year ended 31st December, 2011. However, the management has compiled these financial statements for the year 1st April, 2011 to 31st March, 2012. These financial statements reflect total assets of Rs. 265,676 Lakhs as at 31st March, 2012, total revenues of Rs. 24,102 Lakhs and net cash outflows of Rs. 4,200 Lakhs for the year then ended.
 - (b) Further, we have not audited the financial statements of three subsidiaries included in consolidated financial statements whose financial statement reflects total assets of Rs. 9,984 Lakhs as at 31st March, 2012, revenue of Rs. 6 Lakhs and net cash inflows of Rs. 46 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.
 - (c) We have relied on the unaudited financial statements and financial information of fourteen step down subsidiaries, whose financial statements reflect total assets of 2,495 Lakhs as at 31st March, 2012, total revenue of Rs. 6,837 Lakhs and net cash inflows of Rs. 405 Lakhs for the period then ended. These unaudited financial statements have been furnished to us by the management of the Company 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 step down subsidiaries) mentioned in para 3(a) and 3(c) been audited, on profit, assets and liabilities of the consolidated financial statements of the Group as at 31st March, 2012.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, notified pursuant to the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements of the components as explained in 3(b) and financial statements compiled and furnished by the management for remaining components as explained in 3(a) and 3(c) above 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 Group as at 31st March 2012;
 - (b) in the case of the Consolidated Profit and Loss Statement, 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.

For KANU DOSHI ASSOCIATES

Chartered Accountants
FRN 104746W

MIHIR HINDOCHA

Partner
Membership No.112766
Place : Mumbai
Date : April 21, 2012

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

₹ in Lakhs

Particulars	Note No.	31st March, 2012	31st March, 2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	18,860.38	18,860.38
Reserves and Surplus	4	44,047.37	34,366.92
		<u>62,907.75</u>	<u>53,227.30</u>
MINORITY INTEREST			
		3,758.05	3,245.25
NON-CURRENT LIABILITIES			
Long-term borrowings	5	159,001.17	128,632.72
Deferred tax liabilities (net)		19,463.00	18,999.00
Other Long term liabilities	6	3,366.66	3,143.67
Long term provisions	7	339.18	249.14
		<u>182,170.01</u>	<u>151,024.53</u>
CURRENT LIABILITIES			
Short-term borrowings	8	9,052.90	1,294.16
Trade payables	9	48,240.50	24,654.77
Other current liabilities	10	80,765.73	82,209.63
Short-term provisions	11	92.86	5,550.08
		<u>138,151.99</u>	<u>113,708.64</u>
TOTAL		<u><u>386,987.80</u></u>	<u><u>321,205.72</u></u>
ASSETS			
NON-CURRENT ASSETS			
Tangible Assets	12	209,375.57	145,143.16
Intangible Assets	12	49,962.12	41,325.29
Capital work-in-progress		13,301.11	34,627.82
Intangible assets under development		8.98	-
Long term loans and advances	13	19,419.17	26,317.69
		<u>292,066.95</u>	<u>247,413.96</u>
CURRENT ASSETS			
Inventories	14	21,392.20	20,761.28
Trade receivables		4,487.42	2,579.23
Cash and Bank Balances	15	16,222.86	34,810.15
Short-term loans and advances	16	52,515.63	15,358.40
Other current assets	17	302.74	282.70
		<u>94,920.85</u>	<u>73,791.76</u>
TOTAL		<u><u>386,987.80</u></u>	<u><u>321,205.72</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

Mihir Hindocha

Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholetime Director

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ in Lakhs)

Particulars	Note No.	31st March, 2012	31st March, 2011
INCOME			
Revenue from Sale of Products		257,608.80	216,289.23
Less : Excise Duty		30,430.15	25,840.35
Revenue from operations (net)	18	227,178.65	190,448.88
Other Income	19	5,031.68	1,367.55
TOTAL REVENUE		232,210.33	191,816.43
Expenses :			
Cost of materials consumed	20	42,737.12	35,707.77
Purchase of Stock-in-Trade		2,178.13	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		1,909.70	(707.43)
Employee benefit expenses	21	6,210.51	5,674.14
Financial costs	22	18,942.75	13,903.07
Depreciation and amortization expenses		12,543.67	11,758.24
Other expenses	23	147,563.48	123,723.22
Total Expenses		232,085.36	190,059.01
Profit before exceptional and extraordinary items and tax		124.97	1,757.42
Exceptional Items (Refer Note no. 41)		1,250.34	-
Prior Period Expenses		-	658.49
Profit before extraordinary items and tax		(1,125.37)	1,098.93
Extraordinary Items		-	-
Profit before tax		(1,125.37)	1,098.93
Tax expense:			
Less -Current Tax		280.45	95.44
Less -Tax of earlier years		40.77	47.81
Less -Deferred Tax (net)		464.00	322.00
Add -Excess FBT Provision of earlier years written back		-	0.59
Add -Excess provision of earlier written back		-	1,144.99
Less -Fringe Benefit Tax		3.11	-
Profit / (Loss) for the period from continuing operations		(1,913.70)	1,779.26
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(Loss) from discontinuing operations		-	-
Profit/(Loss) for the period		(1,913.70)	1,779.26
Earning per equity share:			
Basic		(1.01)	0.91
Diluted		(1.01)	0.91
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

Mihir Hindocha

Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholetime Director

NOTES ATTACHED ON CONSOLIDATED BALANCE SHEET & PROFIT & LOSS ACCOUNT AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012

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 and 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.

(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".
- b) During the Previous Year, the consolidation of some of the overseas subsidiaries financial statements for their year/period ending 31st December, 2010 were consolidated with Binani Cement Limited's accounts for the year ending 31st March, 2011. This resulted into a time gap of 3 months between the financial periods of Holding Company and subsidiaries' financial statements. To bridge such time gap, during the Previous Year, the financial statements of overseas subsidiaries' for their respective period ending 31st March, 2011 have been considered for consolidation with the Binani Cement Limited's financial statements for the year ending 31st March, 2011.
- c) 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(x) (d), 2(xii) (b), 2 (xiii) (d), 2(xv), 2 (xvi) (b), 2 (xxii) and 2(xxiii).
- d) In case of financial statements of a non-integral foreign operation, the assets and liabilities are translated at the closing rate. Income and expenses 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.
- e) 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.
- f) 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 and 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. Limited (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.
- 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 upto 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 Shandong Binani Rong'An Cement Co. Limited, Fixed Assets include assets related to the operation of the Company having useful life over one year and other than the main production equipments with individual values of over RMB 2,000 equivalent to Rs. 16,440/- as on March 31, 2012 having useful life in excess of two 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 And Amortisation

- a) Depreciation on Plant and Machinery is provided on Straight Line Method (SLM), at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 as applicable for continuous process plant or as per the useful life of the asset estimated by the management which is higher than Schedule XIV rate, 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 and Roads inside plant are treated as Factory Buildings and depreciation charged accordingly.
- c) 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 amortized over the period of lease.
- e) Assets having individual value below Rs. 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 amortized over the period of five years.
- g) In case of Binani Ready Mix Concrete Limited, Shandong Binani Rong'An Cement Co. Limited, PT Anggana Energy Resources, Bhumi Resources (Singapore) Pte. Limited and Binani Cement Factory LLC & its subsidiaries, the depreciation on fixed assets and intangible assets is provided for on Straight Line Method basis over the estimated useful life at rates permissible under applicable local laws.
- h) 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 Statement 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 and Spares is valued at lower of moving weighted average cost (net of Cenvat) and net realisable value. Coal lying at Port is valued at cost on specific consignment basis plus custom duty. 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) Work – in – process is valued at weighted average cost.
- c) Finished Goods are valued at lower of weighted average cost and Net Realisable Value. Cost for this purpose includes direct cost, attributable overheads and excise duty.
- d) In case of Binani Cement Factory LLC (BCF), Dubai, Stock are valued at the cost or net realisable value. Raw Materials comprising of clinker and 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 Statement. In case of forward contracts (non speculative), the exchange differences are dealt with in the Profit and Loss Statement 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 Statement, 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 Statement. 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 Binani Cement Factory 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 Binani Cement Factory 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.

(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. upto 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:

- a) In case of Binani Cement Factory 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.

- b) In case of Binani Cement Company WLL, Kuwait, Kuwait Commercial Companies' Law and the Company's articles and Memorandum of Association requires that 10% of the profit for the year, before contribution to Kuwait Foundation for Advancement of Science and directors' remuneration, is transferred to the statutory reserve. The Company may resolve to discontinue such transfer when the reserve totals 50% of the paid up Share Capital. The reserve is not available for distribution except for payment of dividend of 5% of paid up Share Capital in years when profit is not sufficient for the payment of such dividend.

(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 and 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 Statement 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:

Binani Cement Limited 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 Binani Cement Factory 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) Long Term Prepaid:

In case of Shandong Binani Rong'An Cement Co. Limited, the expenses incurred during the Company's pre-operating period were recorded as long-term prepaid expenses and were expensed in the first month of commercial operations.

(xxiv) 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..

(xxv) Principles of consolidation

Subsidiaries / Step down subsidiaries considered for consolidation :

The financial statements of all Indian Subsidiaries including Indian Step down subsidiaries are consolidated on the basis of their stand alone / consolidated accounts available for the year ended 31st March, 2012.

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

Name of Company	Relation with Holding Company	Country of Incorporation	% of Share Holding	Accounting Year / Period considered for consolidation
Krishna Holdings Pte Limited (KHL)	Subsidiary of BCL	Singapore	100%	April'11 - March'12
Murari Holdings Limited -(MUHL)	-do-	British Virgin Islands	100%	April'11 - March'12
Mukundan Holdings Limited (MHL)	-do-	British Virgin Islands	100%	April'11 - March'12
Swiss Merchandise Infrastructure Limited	-do-	India	100%	April'11 - March'12
Merit Plaza Limited	-do-	India	100%	April'11 - March'12
Binani Readymix Concrete Limited (RMC)	-do-	India	100%	On 31st March'12
Bhumi Resources (Singapore) Pte. Limited	-do-	Singapore	100%	April'11 - March'12
PT Anggana Energy Resources	Step-down Subsidiary of Binani Cement Limited (Subsidiary of Bhumi Resources (Singapore) Pte Ltd).	Indonesia	100%	April'11 - March'12
Shandong Binani Rong'An Cement Company Limited (SBRCC)	Stepdown Subsidiary of Binani Cement Limited (Subsidiary of KHL).	China	90%	April'11 - March'12
Binani Mineral Resources (Mongolia) LLC	Stepdown Subsidiary of Binani Cement Limited (Subsidiary of KHL).	Mongolia	100%	June'11 -March'12
Binani Cement Factory LLC. (BCF)	Step-down Subsidiary of Binani Cement Limited (Subsidiary of MHL & MUHL).	United Arab Emirates	100%	April'11 - March'12

Name of Company	Relation with Holding Company	Country of Incorporation	% of Share Holding	Accounting Year / Period considered for consolidation
Binani Cement Company WLL	Step-down Subsidiary of Binani Cement Limited (Subsidiary of Binani Cement Factory LLC, Dubai).	Kuwait	100%	April'11 - March'12
Binani Cement Factory (SFZ) Limited	-do-	Republic of Sudan	100%	April'11 - March'12
BC Tradelink Limited	-do-	Tanzania	100%	April'11 - March'12
Binani Cement Factory (Kenya) Limited	-do-	Kenya	100%	April'11 - March'12
Binani Cement (Uganda) Limited	-do-	Uganda	100%	April'11 - March'12
Binani Cement SARL (Djibouti)	-do-	Djibouti	100%	April'11 - March'12
Binani Cement Factory Mauritius	-do-	Mauritius	100%	April'11 - March'12
Binani Cement Co Binani Cement Limited (Sudan)	-do-	Sudan	100%	April'11 - March'12
Rightside Investments (Pty) Limited,	-do-	Republic of South Africa	100%	May'11 - March'12
Binani Cement Co Binani Cement Limited (South Sudan)	-do-	South Sudan	100%	July'11 - March'12
Trans Africa Cement Binani Cement Limited (Mauritius)	-do-	Mauritius	100%	June'11 - March'12
Weighbridge Investments (Pty) Limited., Botswana	-do-	Botswana	100%	April'11 - March'12
Christo Schutte Investments Number Nine (Pty) Limited., Namibia	-do-	Namibia	100%	April'11 - March'12
Binani Cimentos (Mozambique) LDA	-do-	Mozambique	100%	June'11 - March'12

- 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.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
NOTE NO. - 3		
SHARE CAPITAL		
Authorised		
423,899,600 Equity Shares (Previous Year 423,899,600) of Rs. 10/- each	42,389.96	42,389.96
	<u>42,389.96</u>	<u>42,389.96</u>
Issued, Subscribed and Paid up		
188,601,274 (Previous Year 188,601,274) Equity Shares of Rs. 10/- each fully paid-up	18,860.13	18,860.13
Add: Amount paid up on forfeited Shares	0.25	0.25
TOTAL	<u>18,860.38</u>	<u>18,860.38</u>

- 1) 181,686,001 - 96.33% (Previous Year 179,184,178 - 95.01%) Equity Shares of Rs. 10/- each fully paid-up held by the holding Company - Binani Industries Limited and its nominees.
2) Nil (Previous Year 14,500,000) Equity Shares have been bought back under tender offer route and later extinguished.

	31st March, 2012		31st March, 2011	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
3) outstanding at the beginning of the year	188,601,274	18,860.13	203,101,274	20,310.13
Less : Shares bought back	-	-	14,500,000	1,450.00
No. of shares outstanding at the end of the year	<u>188,601,274</u>	<u>18,860.13</u>	<u>188,601,274</u>	<u>18,860.13</u>

4) Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 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. - 4

RESERVE & SURPLUS

(₹ in Lakhs)

PARTICULARS	31st March, 2012		31st March, 2011	
Capital Redemption Reserve				
As per Last Balance Sheet		1,450.00		-
Add / Less : Transfer from / (to) Profit and Loss Statement		-		1,450.00
		<u>1,450.00</u>		<u>1,450.00</u>
Debenture Redemption Reserve				
As per Last Balance Sheet		1,200.00		2,500.00
Add / Less : Transfer from / (to) Profit and Loss Statement		(762.00)		(1,300.00)
		<u>438.00</u>		<u>1,200.00</u>
General Reserve				
As per Last Balance Sheet		7,843.00		6,933.00
Add : Transferred from Profit and Loss Statement		-		910.00
		<u>7,843.00</u>		<u>7,843.00</u>
Foreign Currency Translation Reserve				
As per Last Balance Sheet		707.57		854.12
Add : Exchange Difference during the year on net Investment in non integral foreign operations		11,874.17		238.91
		<u>12,581.74</u>		<u>1,093.03</u>
Balance in Profit & Loss Statement				
As per Last Balance Sheet		22,780.89		39,131.00
Transferred from Profit and Loss Statement		(1,913.70)		1,779.26
		<u>20,867.19</u>		<u>40,910.26</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2012

PARTICULARS	(₹ in Lakhs)	
	31st March, 2012	31st March, 2011
Minority Interest	105.44	[20.49]
Adjustment of pre-acquisition Profit	-	3.60
Transfer to Capital Redemption Reserve	-	(1,450.00)
Premium paid on Buy Back of Shares	-	(11,600.00)
Transfer (to) / from Debenture Redemption Reserve	762.00	1,300.00
Transfer to General Reserve	-	(910.00)
Proposed Dividend	-	(4,715.03)
Reversal of Dividend Distribution Tax on Proposed Dividend of earlier year	-	27.45
Tax on Proposed Dividend	-	(764.90)
	<u>21,734.63</u>	<u>22,780.89</u>
TOTAL	<u>44,047.37</u>	<u>34,366.92</u>
NOTE NO. - 5		
LONG TERM BORROWINGS		
Debentures		
Secured	-	875.00
Unsecured	-	-
	-	<u>875.00</u>
Term Loans		
From Bank		
Secured	141,627.75	107,400.44
Unsecured	12,500.00	15,000.00
	<u>154,127.75</u>	<u>122,400.44</u>
Financial Institutions		
Secured	1,059.88	1,543.74
Unsecured	-	-
	<u>1,059.88</u>	<u>1,543.74</u>
Deferred Payment Liabilities		
Secured	-	-
Unsecured	3,813.54	3,813.54
	<u>3,813.54</u>	<u>3,813.54</u>
TOTAL	<u>159,001.17</u>	<u>128,632.72</u>
NOTE NO. - 6		
OTHER LONG TERM LIABILITIES		
Trade Deposits	3,366.66	3,143.67
TOTAL	<u>3,366.66</u>	<u>3,143.67</u>
NOTE NO. - 7		
LONG TERM PROVISIONS		
Provision for employee benefits	-	-
Superannuation (unfunded)	-	-
Gratuity (unfunded)	129.69	105.30
Leave Encashment (unfunded)	209.49	143.84
TOTAL	<u>339.18</u>	<u>249.14</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
NOTE NO. - 8		
SHORT TERM BORROWINGS		
Loans repayable on demand		
From Bank		
- Secured	4,626.38	1,294.16
- Unsecured	-	-
	<u>4,626.38</u>	<u>1,294.16</u>
Loans and Advances from related parties		
- Secured	-	-
- Unsecured	4.07	-
	<u>4.07</u>	<u>-</u>
From Other Parties		
- Secured	3,600.00	-
- Unsecured	-	-
	<u>3,600.00</u>	<u>-</u>
Other Loans and advances		
- Secured	-	-
- Unsecured	822.45	-
	<u>822.45</u>	<u>-</u>
TOTAL	<u>9,052.90</u>	<u>1,294.16</u>
NOTE NO. - 9		
TRADE PAYABLES		
Sundry Creditor	48,034.63	20,164.56
Creditor for Expenses	205.87	4,490.21
TOTAL	<u>48,240.50</u>	<u>24,654.77</u>
NOTE NO. - 10		
OTHER CURRENT LIABILITIES		
Current maturities of Long term debt	47,043.05	52,949.30
Interest accrued but not due on borrowings	275.42	215.77
Interest accrued but due on borrowings	-	19.79
Unpaid dividends	19.23	16.56
Advance from Customer	6,625.06	4,092.18
Other Liabilities	26,802.97	24,916.03
	<u>80,765.73</u>	<u>82,209.63</u>
NOTE NO. - 11		
SHORT TERM PROVISIONS		
Provision for employee benefits		
For Gratuity	47.62	-
For Leave Encashment	33.34	69.91
Others		
For Current Tax (net)	11.90	0.24
For Proposed dividends	-	4,715.03
For Tax on Proposed Dividend	-	764.90
	<u>92.86</u>	<u>5,550.08</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2012

NOTE NO. - 12 TANGIBLE & INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	TANGIBLE ASSETS					INTANGIBLE ASSETS			Total	Previous Year	
	Freehold Land	Leasehold Land	*Buildings (Including Roads)	Plant And Machinery	Railway Sidings	Mine Explorations & Developments	Furniture & Office Equipments, Other Equipments	Transport Equipments			Other Intangible Assets
GROSS BLOCK											
As at 1st April, 2011	1,357.96	65.54	12,650.94	195,786.54	2,965.17	4,392.56	863.06	257.67	997.02	40,638.64	253,329.17
Additions during the year / period	10,338.07	-	17,935.78	40,053.16	-	1,780.51	184.79	96.67	4,210.62	42.61	74,642.21
Sales/Transfers/ Adjustments during the period	-	-	-	1,271.75	-	-	3.63	0.45	-	-	1,275.83
Foreign currency translation reserve	-	1.53	2,069.87	6,122.03	-	875.26	26.69	11.21	515.32	4,078.73	13,700.64
Total as at 31st March, 2012	11,696.03	67.07	32,656.59	240,689.98	2,965.17	7,048.33	1,070.91	365.10	5,722.96	44,759.98	347,042.12
DEPRECIATION AND AMORTIZATION											
As at 1st April, 2011	-	7.76	3,838.78	67,136.14	372.80	1,172.80	525.48	142.47	310.37	-	73,506.63
Additions during the year / period	-	0.58	962.43	10,567.40	142.22	527.32	109.66	51.46	182.60	-	12,543.67
Sales/Transfers/ Adjustments during the period	-	-	-	1,285.51	-	-	2.57	0.24	-	-	1,288.32
Foreign currency translation reserve	-	-	210.51	2,493.02	-	196.19	14.78	0.13	27.85	-	2,942.48
Total as at 31st March, 2012	-	8.34	5,011.72	78,911.05	515.02	1,896.31	647.35	193.82	520.82	-	87,704.46
NET BLOCK											
Total as at 31st March, 2012	11,696.03	58.73	27,644.87	161,778.93	2,450.15	5,152.02	423.56	171.28	5,202.14	44,759.98	259,337.66
As at 31st March, 2011	1,357.96	57.78	8,812.16	128,650.40	2,592.37	3,219.76	337.55	115.20	686.65	40,638.64	186,468.45

Notes:

- In Binani Cement Limited Buildings include assets built on land not owned by Binani Cement Limited Rs. 398.02 Lakhs (Previous Year Rs. 398.02 Lakhs).
- In Binani Cement Factory LLC: Buildings consist of factory constructed on a land leased from Government of Dubai under lease agreement of 30 years expiring on December 2027 and renewable thereafter.
- In Binani Cement Factory LLC: Labour camp constructed on a land leased from Government of Dubai under lease agreement of 10 years expiring on July 2012 and renewable thereafter.
- In Binani Cement Limited Plant & Machinery includes assets built on land not owned by the Company Rs. 212.83 Lakhs (Previous Year Rs. Nil Lakhs)
- In Binani Cement Limited Mine Explorations & Developments Includes expenses of Rs. 26.57 Lakhs incurred for development of new Mine area from which ores are not yet extracted.
- Other Intangible assets includes Computer Software, Geographical Investigation expenses, Design fees and Exploration, and Land use Rights.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
NOTE NO. - 13		
LONG TERM LOANS AND ADVANCES		
Unsecured considered good		
Capital Advances	15,802.98	24,860.34
Security Deposits	923.23	1,000.68
Loans and Advances to related parties	-	456.67
Others	2,692.96	-
TOTAL	19,419.17	26,317.69
NOTE NO. - 14		
INVENTORIES		
Raw Material and Packing Material	2,902.23	2,019.97
Work - In - Process	51.33	97.70
Finished Goods	4,347.95	5,868.41
Stores and Spares parts and Fuel	14,054.34	12,775.20
Loose Tools Stock	36.35	-
	21,392.20	20,761.28
NOTE NO. - 15		
CASH & BANK BALANCES		
Cash & Cash Equivalents		
Balances with Banks :		
Current Accounts	9,620.57	14,160.31
Collection Accounts	3,848.57	5,054.87
Deposit Accounts (original maturity of less than 3 months)	2,099.95	14,976.12
Cheques, drafts on hand	16.38	2.58
Cash on hand	17.35	24.23
	15,602.82	34,218.11
Other Bank Balances		
Deposit Accounts (original maturity of more than 3 months) in margin Accounts)	600.75	575.75
Dividend Accounts	19.29	16.29
	620.04	592.04
	16,222.86	34,810.15
NOTE NO. - 16		
SHORT TERM LOANS AND ADVANCES		
Loans and advances to related parties (Unsecured considered good)		
Due from Fellow Subsidiary Companies	4,036.34	-
Due from Holding Company	39,950.00	5,500.00
	43,986.34	5,500.00

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Others (Unsecured considered good)		
Advances recoverable in cash or in kind	312.70	1,804.82
Other Deposits	686.36	140.94
Bill of Exchanges	-	860.10
MAT Credit Entitlement	2,733.00	1,709.37
Advance Tax Including Tax deducted at Source	0.24	2,360.12
Fringe Benefit Tax (net)	10.79	10.79
Balance with Customs and Excise Authorities	4,786.20	2,972.26
	<u>8,529.29</u>	<u>9,858.40</u>
TOTAL	<u>52,515.63</u>	<u>15,358.40</u>
NOTE NO. - 17		
OTHER CURRENT ASSETS		
Interest Receivable	99.46	102.84
Insurance Claims Receivable	-	166.50
Assets held for disposal	203.28	13.36
TOTAL	<u>302.74</u>	<u>282.70</u>
NOTE NO. - 18		
REVENUE FROM OPERATIONS		
Sale of Products		
Cement	249,488.24	205,946.50
Clinker	6,472.79	7,645.34
GGBFS	649.16	678.43
	<u>256,610.19</u>	<u>214,270.27</u>
Other operating revenues	998.61	2,018.96
Less : Excise duty	30,430.15	25,840.35
TOTAL	<u>227,178.65</u>	<u>190,448.88</u>
NOTE NO. - 19		
OTHER INCOME		
Interest Income	2,930.95	112.86
Dividend Income	200.86	-
Other Miscellaneous Income	1,899.87	1,254.69
TOTAL	<u>5,031.68</u>	<u>1,367.55</u>
NOTE NO. - 20		
COST OF MATERIALS CONSUMED		
Limestone	18,800.86	23,087.43
Clinker	4,371.24	4,379.80
Silica Sand (with Iron Ore / Red Ocher)	-	452.42
Gypsum	5,242.97	84.71
Fly ash	5,496.05	-
Packing Materials	8,826.00	7,703.41
TOTAL	<u>42,737.12</u>	<u>35,707.77</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
NOTE NO. - 21		
EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	5,385.73	4,829.44
Contribution to Provident and other Funds	420.06	351.43
Workmen and Staff Welfare Expenses	404.72	493.27
TOTAL	6,210.51	5,674.14
NOTE NO. - 22		
FINANCE COSTS		
Interest expenses	17,726.32	13,108.20
Other borrowing costs	957.68	628.60
(Gain) / Loss on foreign currency transactions (net)	258.75	166.27
TOTAL	18,942.75	13,903.07
NOTE NO. - 23		
OTHER EXPENSES		
Power & Fuel	62,820.88	53,493.07
Freight and Loading expenses on Clinker Transfer	4,412.09	3,497.34
Consumption of Stores and Spares	5,753.42	5,290.28
Repairs and Maintenance		
Buildings	182.91	170.61
Plant and Machinery	1,385.99	1,445.45
Others	92.93	53.50
Other Operating Expenses	2,479.03	1,907.79
Rent	796.40	604.90
Insurance	669.67	491.87
Rates and Taxes	601.10	596.11
Advertisement and Sales Promotion	388.49	4,295.24
Directors Fee	2.03	5.08
Freight & Forwarding	46,561.50	42,531.48
Bad Debts written off	354.43	149.22
Royalty on Trade Mark	8,062.39	-
Commission to Selling Agents	3,337.45	2,837.66
Loss on sale / discard of Fixed Assets (net)	456.31	311.79
Management Fees	3,114.30	2,632.47
Miscellaneous Expenses	6,092.16	3,409.36
TOTAL	147,563.48	123,723.22

NOTE NO. - 24

ESTIMATED AMOUNTS OF CONTRACTS AND COMMITMENTS REMAINING TO BE EXECUTED AND NOT PROVIDED FOR (NET OF ADVANCES):

(₹ in Lakhs)

PARTICULARS	31st March 2012	31st March 2011
The estimated amount of contracts and commitments remaining to be executed on capital account not provided for (Consolidated)	13,830.59	36,173.30

NOTE NO. - 25 CONTINGENT LIABILITY

Contingent Liabilities not provided for:-

a) Binani Cement Limited

- (i) The Company has imported fuel without payment of Customs Duty aggregating to Rs. 6.77 Lakhs (Previous Year Rs. 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 Rs. 31.50 Lakhs (Previous Year Rs. 31.50 Lakhs) - (excluding applicable interest). 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 Rs. 30.61 Lakhs (Previous Year Rs. 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 Cenvat Credit of Service Tax Rs. 59.75 Lakhs (Previous Year Rs. 54.61 Lakhs). Appeals are pending with various Appellate Authorities. We have reversed cenvat credit / paid Rs. 1.08 Lakhs (Previous Year Rs. 0.29 Lakhs) under protest.

Commissioner, Central Excise, Jaipur issued a show cause notice disputing basis of Excise duty calculated for sales made to contractual buyers. We have paid duty accordingly before issuing of show cause notice. However Commissioner imposed penalty of Rs. 1 Lakh 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 till disposal of appeal .

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 Rs. 34.70 Lakhs (Previous Year Rs. 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.

- (v) Demands raised for differential Custom duty by Customs Department, Jamnagar in relation to Bill of entry no. F-176 dt. 06.02.2009 of 24,104 MT for Indonesian coal imported in 2009-10, aggregating to Rs. 42.16 Lakhs (Previous Year Rs. Nil), 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 is in process of filing the appeal before CESTAT, Ahmedabad against the order of the Commissioner of Customs (Appeals), Jamnagar.
- (vi) Demands raised by Sales Tax Department aggregating to Rs. 70.21 Lakhs (Previous Year Rs. 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 Hon'ble High Court, Jodhpur and has also obtained an interim relief. Besides, the Sales Tax department has also issued demand notices relating to various matters aggregating to Rs. 0.50 Lakhs (Previous Year Rs. 10.70 Lakhs), which are being contested by the Company, including in appeal and is hopeful of success.
- (vii) Demands raised by U P Commercial Tax Department on account of entry tax on Cement for the year 2003 to 2008 aggregating to Rs. 169.36 Lakhs (Previous Year Rs. 93.58 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 Rs. 36.29 Lakhs under protest.

- (viii) Demand raised by Uttar Pradesh Commercial Taxes Department on account of entry tax Rs. 268.01 Lakhs based upon the market value of cement stock transfer. We have filed a writ before Hon'ble Allahabad High Court which was tagged with the writ tax no. 1484 of 2007 in the matter of ITC Ltd. vs. State of UP and others. Against the demand we have deposited Rs. 158.63 Lakhs based upon stock transfer price and provided Bank Guarantee of Rs. 109.38 Lakhs towards security against balance as directed by Hon'ble High Court. However the Hon'ble Allahabad High Court dismissed the writ tax no. 1484 of 2007 on 23.12.2011 and consequently our writ was also dismissed by the said order. Pursuant to order of the Hon'ble Allahabad High Court the Joint Commissioner (Corporate circle), UP commercial taxes Ghaziabad has invoked the bank guarantee submitted by the Company and IDBI bank made the payment of Rs.109.38 Lakhs against said Bank Guarantee to the Joint Commissioner (Corporate circle), UP commercial taxes Ghaziabad by debiting our account with IDBI. The Company has filed a SLP before Supreme Court against the order of Hon'ble Allahabad High Court. (total amount deposited against the demand Rs. 268.01 Lakhs)
- (ix) Demand raised by Uttar Pradesh Commercial Taxes Department on account of penalty on late deposit of VAT amounting to Rs. 21.60 Lakhs (Previous Year Rs. 21.60 Lakhs). An Appeal has been filed with Additional Commissioner (Appeals), Commercial Taxes department, Ghaziabad. We have deposited Rs. 12.96 Lakhs (Previous Year Rs. 12.96 Lakhs) under protest.
- (x) Joint Commissioner Commercial Taxes, Ghaziabad has imposed penalty of Rs. 1.32 Lakhs (Previous Year Rs. 1.32 Lakhs) on account of incomplete documents carried by Truck of Cement. We have deposited Rs. 1.32 Lakhs (Previous Year Rs. 1.32 Lakhs) under protest and filed an appeal before Additional Commissioner (Appeals), Commercial Taxes, Ghaziabad.
- (xi) Letter of Credit opened by banks on behalf of the Company Rs. 183 Lakhs (Previous Year Rs. 121.78 Lakhs)
- (xii) Guarantees given by Banks Rs. 371.90 Lakhs (Previous Year 483.14 Lakhs)
- (xiii) Corporate Guarantees given to Bank for Loans to wholly owned subsidiaries of Rs. 10,306 Lakhs (US \$ 20 million) to Mukundan Holdings Ltd. (Previous Year 26,294.05 Lakhs), Rs. 9,404.23 Lakhs (US \$ 18.25 million) to Murari Holdings Ltd. (Previous Year Rs. 10,946.45 Lakhs), Rs. 11,749.36 Lakhs (US \$ 22.80 million) to Krishna Holdings (Previous Year Rs. 10,291.92 Lakhs), Rs. 20,715 Lakhs (Euro 30 million) to Binani Industries Ltd., Holding Company and Rs. 156,684.69 Lakhs (US \$ 304.07 million) to 3B Fibre Glass Company, jointly and severally with Binani Industries Limited, the Company, Binani Zinc Limited and Goa Glass Fibre Limited.
- (xiv) Claims against the Company in respect of certain Income Tax matters Rs. 1,147.86 Lakhs (Previous Year Rs. 611.88 Lakhs) which has been paid by the Company or adjustable by the department against the refund due to the Company (Previous Year Rs. 310.77 Lakhs paid).
- (xv) The Company has placed a purchase order for procurement of "Steam (Non Coking) coal" and M/s Visa Comtrade A.G. supplied the same under five Bills of lading. Party failed to provide us the original bills of lading. The owner of the ship M/s Great Eastern Shipping Company Limited has filed the suit against the Company for providing original Bills of lading. We have informed to that the balance amount due to them will be paid after adjustment of the losses and expenditure incurred / to be incurred by Binani Cement Limited till the time matter is finally resolved. The Company have incurred expenses of Rs. 503.79 Lakhs up to 31.03.2012 (upto Previous Year Rs. 171.21 Lakhs) to defend the suit filed by M/s Great Eastern Shipping Company Limited and debited the same to the account of supplier as to be recovered from the party.
- (xvi) Under the Rajasthan Finance Act, 2006, the Assessing Authority has assessed land tax on leasehold land for the year 2006-07, 2007-08 & 2008-09 and raised demand notices of Rs. 956.89 Lakhs. The matter was challenged by the Company in Hon'ble High Court, Jaipur. The Hon'ble Court has quashed the demand notices and the matter was remanded back to the assessing authority to reassess the land tax vide order dated 04.03.2011. The Company has deposited Rs. 48 Lakhs under protest as advance. The assessing authority has raised fresh demand notices in respect of 2009-10, 2010-11 & 2011-12 amounting Rs. 850.70 Lakhs, which are protested by the Company as the matter is subjudice.
- (xvii) 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 Rs. 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. Pending the decision of the Supreme Court, no provision has been made for the differential Sales Tax Incentive of Rs. 13,327.19 Lakhs (excluding interest, if any) availed by the Company till 31st March, 2006.

However, 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 EFCL. 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, Rs. 3,813.54 Lakhs was deferred and shown as Unsecured Loan.

During the year 2007-08, the Company has filed an application with Sales Tax department for extension of period of EFCL scheme, which was not accepted. The Company has filed a case with Hon'ble Jaipur High Court to instruct the Sales Tax department to extend the EFCL scheme period. However, the Company has continued to defer 75% of the VAT liability amounting to Rs. 3,967.09 Lakhs for the period 27th May, 2007 to 30th April, 2008.

Application for grant of sales tax incentive was filed to sanction the EFCL to the extent of Rs. 396.72 Crores, but the SLSC sanctioned Rs. 280.47 Crores in Nov. 2000, against which Company has requested vide letter dated 13.12.2000 to the SLSC for reviewing the amount of EFCL sanctioned, but no action was taken by the SLSC. A writ petition was filed during the year 2008-09 before the Hon'ble High Court, Jaipur bench, based on the fact that the SLSC has not replied to our review application within the time frame as per the the New Rajasthan Sales Tax Incentive Scheme, 1989 and the decision is pending for review till date, hence the Company has continued to avail the deferment benefit treated as deemed to be sanctioned. Further, the Company has made an application to the State Government / SLSC to revise the amount of EFCL from Rs. 396.72 Crores to Rs. 488.50 Crores based on applicable guidelines under the Incentive Scheme. The Company has continued to avail the deferment benefit, pending the decision of State Government / SLSC.

Accordingly, the tax liability for the period 30th April, 2008 to 31st August, 2011 is Rs. 17,741.77 Lakhs against which we have deposited Rs. 399.21 Lakhs under protest as per the directions of the Hon'ble High Court. The matter is pending for decision before Hon'ble Rajasthan High Court / State Government.

(xviii) The Company has not deposited a sum of Rs. 1,185.30 Lakhs (Previous Year Rs. 811 Lakhs) net of Rs. 333.06 Lakhs paid under protest (Previous Year 258.88 Lakhs), 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 Rs. 333.06 Lakhs being 50% of assessed tax was deposited by the Company under protest and also submitted solvent security for the balance amount.

(xix) 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 Govt. 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 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 Rs. 60.52 Lakhs to the Assessing Authority, Commercial Taxes Department., Pali.

(xx) Claims against the Company not acknowledged as debts :

- (i) Quality claims Rs. 1.80 Lakhs (Previous Year Rs. 1.80 Lakhs)
- (ii) Other matters Rs. 1.54 Lakhs (Previous Year Rs. Nil)

b) Binani Cement Factory LLC.

- (i) Contingent Liability on account of Banker's letters of guarantee Rs.37.78 Lakhs equivalent to AED 267,000 (Previous Year Rs. 36.24 Lakhs equivalent to AED 294,000).
- (ii) Letter of Credit opened by banks on behalf of the Company Rs.958.03 Lakhs equivalent to AED - 6,770,500 (Previous Year Rs. 1,069.70 Lakhs equivalent to AED - 2,361,120)

- (iii) The contractor for third line of plant and machinery has filed a case against the Company. Estimated amount of claim is Rs 1,020 Lakhs (AED 7,362,883), the matter is under litigation in Dubai court of First Instance. In the current year liability provision of Rs. 1,015 Lakhs (AED 7,324,040) to the said contractor has been reversed against capital work in progress. If the matter is decided against the Company, building cost will increase by the said amount and payables to the contractor will increase by the same amount.

c) Binani Cement Factory (Mauritius) Limited

Letters of credit of Rs. Nil equivalent to USD Nil.(Previous Year - Rs.281.54 Lakhs equivalent to USD 697,790)

NOTE NO. - 26: LOANS- SECURED

I BINANI CEMENT LIMITED

(₹ in Lakhs)

	Nature of Loans	Nature of Loans	31st March'12	31st March'11
A	DEBENTURES			
i)	11.95% (Reset Rate) Secured Redeemable Non Convertible Debentures (11.95% SRNCD)	Secured by (a) a first charge created on the movable and immovable properties of the Company located at Binanigram, Pindwara, Sirohi in Rajasthan both present and future except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank (b) exclusive first charge on plot of land situated at village Mouj, Dhanot, Kalol, Distt. Mehsana, Gujarat ranking pari-passu with charges created and/or to be created in favour of Financial Institutions/Banks/ Debentures Trustee(s) executed by the Company and (c) Corporate Guarantee of Binani Industries Limited(BIL). The Debentures have been redeemable at par in a period of 5 years in quarterly installments commencing from 30th September, 2008 and ended on 30th June, 2011.	875.00	2,041.67
ii)	9.16% (Reset Rate) Secured Redeemable Non Convertible Debentures (11.99% SRNCD)	Secured by (a) a charge created on the movable and immovable properties of the Company located at Binanigram, Pindwara, Sirohi in Rajasthan both present and future except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank (b) exclusive first charge on plot of land situated at village Mouj, Dhanot, Kalol, Distt. Mehsana, Gujarat ranking pari-passu with charges created and/or to be created in favour of Financial Institutions/Banks/ Debentures Trustee(s) executed by the Company and (c) Corporate Guarantee of Binani Industries Limited(BIL). The Debentures have been redeemable at par in a period of 5 years in quarterly installments commencing from 30th September, 2008 and ended on 30th June, 2011.	-	333.33

(₹ in Lakhs)

	Nature of Loans	Nature of Loans	31st March'12	31st March'11
B.	TERM LOANS			
I)	Financial Institutions			
a)	Eksport Kredit Finansiering A/S - Foreign Currency Loan	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 instalments of USD 6.86 Lakhs commencing from June 2009. Outstanding amount USD 34.28 Lakhs and Interest @ 1.56% per annum.	1,766.47	2,166.38
II)	Banks			
a)	IDBI Bank Ltd. (IDBI) - Term Loans	Secured/to be secured (a) first mortgage and charge created on immovable properties of the Company at Binanigram, Pindwara, Sirohi in Rajasthan (except the assets 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 Ltd. and of Binani Industries Limited (BIL) both present and future (b) first charge by way of hypothecation on all movables of the Company at Binanigram, Pindwara, Sirohi in Rajasthan and BIL (save and except book debts) including movable machinery, machinery spares, tools and accessories present and future, subject to charges on specified movables created and/or to be created for securing the borrowings for working capital requirements from Banks and ranking pari-passu with mortgages and charges created and/or to be created in favour of Institutions/Banks/Debentures Trustee(s)/Other Term Lenders as detailed in the respective loan agreement(s) deed(s) of hypothecation/debenture trust deed(s) executed by the Company except the assets i) 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 ii) of 4th Cement Grinding Unit at Binanigram, Pindwara, District Sirohi Rajasthan charged to Syndicate Bank (c) Corporate Guarantee of BIL and (d) Pari Passu charge on Trust & Retention Account. Term loans repayable in Rs. 4,911.31 Lakhs in FY 2012-13, Rs. 7,071.01 Lakhs in FY 2013-14, Rs. 5,571.01 Lakhs from FY 2014-15 to FY 2015-16, Rs. 2,615.96 Lakh for FY 2016-17, Rs. 2,290.92 Lakh for FY 2017-18 and Rs. 954.55 Lakh for FY 2018-19 and Interest ranging from 0% to 14.15% per annum.	28,985.77	31,897.07
b)	Syndicate Bank - Term Loan	Secured by a) Corporate Guarantee of BIL b) post dated cheques for repayment of Principal	-	15,000.00
c)	Syndicate Bank - Rupee Term Loan	Secured by (a) first Mortgage and exclusive charge created on immovable properties of first phase of 2X22.30 MW captive thermal power plant comprising of 1X22.30 MW thermal power plant, all associated equipments & shared facilities situated at Pindwara, Sirohi, Rajasthan and all goods & equipments forming part of the plant both present and future, (b) secured by pari passu first mortgage and charge on underlying land and building for the first phase of 2X22.30 MW captive power plant comprising of 1x22.30 MW thermal power plant, associated equipments and shared facilities situated at Binanigram, Pindwara, Sirohi in Rajasthan both present and future,(c) pari passu charge on Trust and Retention Account and (d) Corporate Guarantee of BIL.	-	1,105.13

(₹ in Lakhs)

	Nature of Loans	Nature of Loans	31st March'12	31st March'11
d)	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 instalments of Rs. 285.72 Lakhs commencing from December 2011 and Interest rate @ 14% per annum.	3,428.56	4,000.00
e)	Syndicate Bank - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank b) Post dated cheques for payment of principal & Interest and c) Personal Guarantee of Shri Braj Binani. Loan repayable in 8 equal quarterly instalments of Rs. 937.50 Lakhs commencing from June 2015 and Interest rate @ 13% per annum.	7,500.00	-
f)	Syndicate Bank - Rupee Term Loan	Secured/to be secured by a) second charge on the Company's present and future fixed assets other than those which have been exclusively charged and mentioned in notes. Loan repayable in 5 yearly instalments (at the end of 1st and 2nd year Rs. 1,500 Lakhs each, at the end of 3rd and 4th year Rs. 2,500 Lakhs each and of 5th year Rs. 2,000 Lakhs) commencing from November 2012 and Interest rate @ 13% per annum.	10,000.00	-
g)	Yes Bank Ltd - Term Loan	Secured by a) Corporate Guarantee of BIL b) subservient charge on movable assets of the Company c) post dated cheques for Principal repayment.	-	5,000.00
h)	UCO Bank - Term Loan	Secured/to be secured by a) pari passu subservient hypothecation charge on the plant and machinery of the Company other than those which have been exclusively charged and mentioned in notes. b) Post dated cheques for repayment of Principal & Interest. Loan repayable in 4 equal quarterly instalments of Rs. 1,500 Lakhs commencing from June 2012 and Interest rate @ 12.75% per annum.	6,000.00	6,000.00
i)	Central Bank of India - Term Loan	Secured/to be secured by a) pari passu subservient hypothecation charge on the movable assets of the Company other than those which have been exclusively charged and mentioned in notes. b) post dated cheques for repayment of Principal & Interest. Loan repayable in 2 equal quarterly instalments of Rs. 2,500 Lakhs commencing from December 2012 and Interest rate @ 13.90% per annum.	5,000	5,000.00
j)	State Bank of India - Term Loan	Secured/to be secured by a) second pari passu charge on Fixed Assets of the Company other than those which have been exclusively charged and mentioned in notes. b) post dated cheques for repayment of Principal & Interest. Loan repayable in 3 quarterly instalments each of Rs. 3,000 Lakhs, 3,500 Lakhs and Rs. 3,500 Lakhs commencing from September 2012 and Interest rate @ 13% per annum.	10,000.00	10,000.00

(₹ in Lakhs)

	Nature of Loans	Nature of Loans	31st March'12	31st March'11
k)	Punjab National Bank - Term Loan	Secured / to be secured by pari passu subservient hypothecation charge on the Fixed Assets of the Company other than those which have been exclusively charged and mentioned in notes. Loan repayable in 2 equal quarterly instalments of Rs. 2,500 Lakhs commencing from October 2013 and Interest rate @ 11% per annum.	5,000.00	5,000.00
l)	Bank of Baroda - Term Loan	Secured/to be secured by a) Subservient charge on fixed assets of the Company both movable & immovable other than those which have been exclusively charged and mentioned in notes. Loan repayable in 4 equal quarterly instalments of Rs. 2,500 Lakhs commencing from December 2012 and Interest rate @ 13% per annum.	10,000.00	10,000.00
m)	Central Bank of India - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except 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 Ltd. 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) and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank . Loan repayable in 20 equal quarterly instalments of Rs. 1,000 Lakhs commencing from December 2011 and Interest rate @ 12.25% per annum.	18,000.00	5,000.00
n)	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 instalments of Rs. 625 Lakhs commencing from December 2012 and Interest rate @ 12.10% per annum.	10,000.00	-
o)	Bank of Baroda - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank. Loan repayable in 8 equal quarterly instalments of Rs. 937.50 Lakhs commencing from January 2015 and Interest rate @ 13% per annum.	7,500.00	-
p)	Indian Overseas Bank - Term Loan	Secured/to be secured by a) first pari passu charge on Fixed Assets of the Company except 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 Ltd. 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 and iii) the assets of 4th Cement grinding unit at Binanigram, Pindwara, District Sirohi, Rajasthan charged to Syndicate Bank. Loan repayable in 8 equal quarterly instalments of Rs. 1,875 Lakhs commencing from June 2015 and Interest rate @ 13.50% per annum.	15,000	-

(₹ in Lakhs)

	Nature of Loans	Nature of Loans	31st March'12	31st March'11
q)	Ratnakar Bank - Term Loan	Secured/to be secured by a) subservient hypothecation charge on the entire current assets and movable fixed assets both present and future of the Company other than those which have been exclusively charged and mentioned in notes. b) post dated cheques for payment of principal. Loan repayable in 3 equal monthly instalments of Rs. 1,200 Lakhs commencing from January 2013 and Interest rate @ 12.75% per annum.	3,600.00	-
C	WORKING CAPITAL DEMAND LOANS / CASH CREDIT FROM BANKS			
	From Scheduled Banks	Secured against (a) 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, second charge on immovable properties of the Company and Corporate Guarantee of BIL and (b) pari passu charge on Trust and Retention Account.	3,183.28	-

II Mukundan Holdings Limited

TERM LOANS

-Bank

Axis Bank : Outstanding Rs. - Nil] (Previous Year Rs.17,321.67 Lakhs (USD 38.25 Million))

Bank of Baroda : Outstanding - Rs. 10,393.24 Lakhs (US \$ 20 Million) (Previous Year Rs. 9,057.08 Lakhs (US \$ 20.00 Million)).

The secured term facility is secured by a guarantee from Binani Cement Limited, India and all the Shares in the Capital of Mukundan Holdings Ltd and its associate Krishna Holdings Pte Limited and its subsidiary Shangong Binani Rong' An Cement Company Limited.

III Krishna Holdings Pte Limited

TERM LOANS

-Bank

State Bank of India (HongKong) : Rs.11,848.81Lakhs (USD 22,801.000) (Previous Year -Rs.10,325.52 Lakhs (USD 22,801,000))

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 Rs. 1,443.10 Lakhs (AED 10199900) (Previous Year Rs. 1,294.16 Lakhs (AED 10,497,864))

The bank borrowings are secured by:

- Assignment of insurance policies on Stock and trade and other receivable
- Assignment of bank guarantees provided by customers and issued by reputed local banks.
- Undertaking to maintain own funds of AED 100 million.

V Murari Holdings Limited

TERM LOANS

An analysis by bank of amounts outstanding is as follows:

Punjab National Bank: Rs. 2,858.14 Lakhs (USD 55,00,000) (Previous Year Rs.3,396.41 Lakhs (USD 75,00,000))

Bank of Baroda: Rs. 1,558.99 Lakhs (USD 3,000,000) (Previous Year Rs. 1,811.42 Lakhs (USD 4,000,000))

State Bank of India: Rs.3,377.80 Lakhs (USD 6,500,000) (Previous Year Rs. 3,849.26 Lakhs (USD 85,00,000))

Syndicate Bank: Rs. 1,688.90 Lakhs (USD 3,250,000) (Previous Year Rs. 1,924.63 Lakhs (USD 42,500,000))

a) 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.

** Interest amount of USD 47,387 (30.03.2011: USD43,699) due and payable up to 30th June, 2011 (31st March, 2011) on loan from Panjab National Bank, Hong Kong and sufficient balance was maintained in current a/c with them to settle the interest. It is the bank's practice to debit the interest amount to the current account during the following month and hence the same can be deemed paid.

VI Shandong Binani Rong'An Cement Co. Limited

Loan Outstanding Rs. 16,370 Lakhs (RMB 200,000,000) (Previous Year -Rs. 10,338.90 Lakhs (RMB 150,000,000)

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

NOTE NO. - 27: OTHER INCOME (CONSOLIDATED)

		(₹ in Lakhs)	
	PARTICULARS	31st March, 2012	31st March, 2011
i)	Interest & Dividend from Banks/ Others	3,131.80	1,135.27
ii)	Liability no longer required written back	-	610.62
iii)	Scrap Sale / Industrial waste	388.86	476.56
iv)	Subsidy income of SBRCC	-	
v)	Insurance Claim	323.27	755.23
vi)	Others	2,186.37	408.86
	Total	6,030.30	3,386.54

NOTE NO. - 28

Other expenses in note no.23 includes Rs. 25 Lakhs (Previous Year Rs. 25 Lakhs) donation, given to G D Binani Charitable Trust and Rs. 75 Lakhs (Previous Year Rs. 75 Lakhs) to G. D. Binani Charitable Foundation.

NOTE NO. - 29 REMUNERATION TO AUDITORS

		(₹ in Lakhs)	
	PARTICULARS	31st March, 2012	31st March, 2011
	For Audit Fees	37.11	26.31
	For Taxation Matters	9.48	2.50
	For other services	1.59	9.43
	Reimbursement of expenses	0.42	0.92
	Total	48.60	39.16

NOTE NO. - 30 DEFERRED TAX LIABILITY OF THE GROUP AS ON MARCH 31, 2012 COMPRISES OF THE FOLLOWING (CONSOLIDATED) * :

		(₹ in Lakhs)	
	PARTICULARS	31st March, 2012	31st March, 2011
a)	Deferred Tax Liability		
	Fixed Assets	21,253.79	20,932.97
	Others	-	-
	Total	21,253.79	20,932.97
b)	Deferred Tax Asset		
	Fixed Assets	-	-
	Unabsorbed losses and depreciation	-	-
	Disallowance under Income Tax Act, 1961	(1,791.05)	(1,934.32)
	Others	-	-
	Total	(1,791.05)	(1,934.32)

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Provision for Deferred Tax (net)	19,462.74	18,998.65
Provided upto last year	18,999.00	18,677.00
Provision for additional Deferred Tax Liability	463.74	321.65
Rounded off	464.00	322.00

NOTE NO. - 31

Selling and Administration Expenses includes Rs. 3,114.30 Lakhs (Previous Year Rs. 2,632.47 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 Rs. 8,062.39 Lakhs (Previous Year Rs. Nil) paid to BIL as Royalty on account of license fee for use of trademark, corporate name, logos etc.

NOTE NO. - 32

Interest and Finance charges are net of Rs. Nil (Previous Year Rs. 38.60 Lakhs), being interest charged by the Company to Binani Industries Limited based on balances in the current account.

NOTE NO. - 33

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

(₹ in Lakhs)

PARTICULARS	31st March, 2012	31st March, 2011
Balance Brought forward	2,820.47	2,546.57
Power and Fuel	-	61.23
Repairs and Maintenance - Others	21.81	1.55
Management / Consultancy Fee	1,074.86	307.47
Salaries and Wages	134.91	114.56
Contribution to Provident and other Funds	8.63	8.27
Workmen and Staff Welfare Expenses	0.09	0.37
Rent	4.11	3.00
Insurance	13.25	38.36
Other Sundry Expenses	141.59	113.67
Depreciation	0.15	0.12
Finance Charges	23.91	(294.84)
	4,243.78	2,900.33
Less:		
Exchange Fluctuations (net)	143.29	-
Miscellaneous Income	0.75	-
Balance in Capital work in Progress	4,099.74	2,900.33
Less : Capitalised	9.28	79.86
Balance carried forward	4,090.46	2,820.47

NOTE NO. - 34

Related Party disclosure as per AS 18 issued under Accounting Standard Rules 2006.

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 / Step down Subsidiary	Companies under common ownership / and / or common management control	Enterprises where Key Management Personnel has got significant influence	Total
Execution of works contract by					
- Binani Infrastructure (Mauritius) Limited	-	-	-	-	-
	-	(123.60)	-	-	(123.60)
- BIL Infratech Ltd	-	941.09	-	-	941.09
	-	(768.54)	-	-	(768.54)
Sale of Cement to					
- Binani Readymix Concrete Limited	-	376.14	-	-	376.14
	-	(52.39)	-	-	(52.39)
Service Charges for vehicle / Rent etc. paid to					
- Binani Metals Ltd.	-	-	-	97.92	97.92
	-	-	-	(90.01)	(90.01)
Donation given to					
- G D Binani Charitable Trust	-	-	-	25.00	25.00
	-	-	-	(25.00)	(25.00)
- G D Binani Charitable Foundation	-	-	-	75.00	75.00
	-	-	-	(75.00)	(75.00)
Interest Expenses paid to					
- Kalpvriksh Holding AG	-	-	-	-	-
	-	-	(30.83)	-	(30.83)
Freight service Availed from					
- Transnational Trading Services Pte Limited	-	-	-	-	-
	-	-	(699.93)	-	(699.93)
Repayment of loan to					
- Kalpvriksh Holding AG	-	-	-	-	-
	-	-	(2,844.50)	-	(2,844.50)
Dividends Paid to					
- Binani Industries Ltd.	4,479.60	-	-	-	4,479.60
	(4,613.91)	-	-	-	(4,613.91)
Interest received from					
- Binani Industries Ltd.	2,143.61	-	23.32	-	2,166.93
	(1.96)	-	-	-	(1.96)

(₹ in Lakhs)

Particulars	Holding Company	Fellow Subsidiary / Step down Subsidiary	Companies under common ownership / and / or common management control	Enterprises where Key Management Personnel has got significant influence	Total
Inter Corporate Deposit given	40,650.00	-	1,600.00	-	42,250.00
	-	-	-	-	-
Balance outstanding as on 31st March, 2012	39,950.00	-	-	-	39,950.00
	-	-	-	-	-
(Receipt) / Payment (Net) arising out of transactions in current account					
- Binani Industries Ltd.	5,500.00	-	-	-	5,500.00
	(3,532.42)	-	-	-	(3,532.42)
Balance Outstanding as on 31st March, 2012 - Sundry Creditors					
- Binani Infrastructure (Mauritius) Limited	-	-	-	-	-
	-	(55.80)	-	-	(55.80)
- BIL Infratech Ltd	-	-	-	-	-
	-	(170.51)	-	-	(170.51)
Balance outstanding as on 31st March, 2012	-	-	-	-	-
	(5,500.00)	-	-	-	(5,500.00)
Maximum Balance Outstanding Rs. 5,500 Lakhs (Previous Year Rs. 9032.42 Lakhs)					

(Figures in bracket pertain to Previous Year)

Note:

1. Guarantees given/to be given to Banks by Holding Company on behalf of the Company have been separately disclosed in note no.26
2. 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), B T Composites Limited (BTCL), Wada Industrial Estate Limited (WIEL), Binani Readymix Concrete Limited (RMC) (subsidiary of the Company w.e.f 31.03.2012), BIL Infratech Ltd
 - c) Step down Subsidiary : Step-down Subsidiary of BIL Infratech Limited : Binani Infrastructure (Mauritius) Limited., Step-down Subsidiary of Binani Zinc Limited : R.B.G. Minerals Industries Limited, Binani Energy Private Limited (BEPL) and BZ Minerals (Australia) Pty Limited.
 - d) Key Management Personnel : Mr. Braj Binani, Mr. P. Acharya. Mr. Mohammed Shajahan
 - e) Company under Common ownership / and / or common management control: Transnational Trading Services Pte Limited, Transnational Trading, Kalpvriksh Holding AG
 - f) Transactions with Binani Metals Ltd.where key Management Personnel have got significant influence : Mr. Braj Binani and Mr. V. Subramanian.

NOTE NO. - 35

Segmental Reporting as per Accounting Standard AS - 17 issued by The Institute of Chartered Accountants of India (Consolidated)

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 segments as India, Dubai, China and Sudan, based on segment Revenue, Result and Asset for reporting purpose.

(₹ in Lakhs)

Segment Revenue	India	Dubai	China	Sudan	Unallocated	Inter Segment Elimination	Total
Sales (net of Excise)	201,904.78 (172,053.25)	7,310.33 (8,104.07)	14,143.19 (9,333.40)	3,418.79 (2,598.36)	1,982.13 (311.09)	-2,579.17 (-3970.25)	226,180.04 (188,429.92)
Dividend and Interest Income	2,776.40 (826.97)	38.24 (86.60)	21.53 (108.84)	- (-)	710.13 (289.83)	-414.49 (-176.97)	3,131.81 (1,135.27)
Other Income	110.05 (1,454.47)	- (128.34)	1,658.09 (643.82)	1,187.15 (24.61)	353.02 (0.03)	-1,408.44 (-)	1,899.88 (2,251.27)
Total	205,667.58 (187,215.59)	7,443.40 (35,833.02)	15,822.81 (9,024.25)	4,633.37 0.00	3,045.28 (1,913.36)	-4,402.10 (-4,719.41)	232,210.34 (229,266.81)

Segment Result	India	Dubai	China	Sudan	Unallocated	Inter Segment Elimination	Total
Net Profit/ (loss) before tax from ordinary activities.	5,315 (8,226.95)	-3,733.97 (-2,022.77)	-765.59 (334.11)	837.36 (-1,248.8)	-2,778.34 (-3,318.61)	- (213.46)	-1,125.38 (1,757.42)
Total	5,315.16 (8,226.95)	-3,733.97 (-2,022.77)	-765.59 (334.11)	837.36 (-1,248.8)	-2,778.34 (-3,318.61)	- (213.46)	(1,125.38) (1,757.42)

Capital Employed	India	Dubai	China	Sudan	Unallocated	Inter Segment Elimination	Total
Total Segment Assets	321,034.66 (258,854.14)	32,106.47 (31,408.72)	81,282.70 (52,612.26)	1,059.82 (1,377.51)	163,385.90 (134,770.22)	-211,881.75 (-157,817.12)	386,987.81 (321,205.73)
Total Segment Liabilities	91,688.87 (55,245.37)	1,727.79 (2,543.44)	9,846.05 (1,324.44)	829.56 (1,933.71)	856.44 (775.80)	- (-2,344.01)	104,948.71 (59,478.75)
Capital Employed	229,097.99 (203,608.77)	30,378.68 (28,865.28)	71,436.65 (51,287.82)	230.26 (-556.20)	162,529.47 (133,994.42)	-211,633.94 (-155,473.11)	282,039.11 (261,726.98)

(Figures in bracket pertain to previous year)

NOTE NO. - 36

a) Particulars of Unhedged Foreign Currency exposure as at Balance Sheet date (Binani Cement Limited)

Particulars	Currency	31st March, 2012	31st March, 2011
Outstanding Creditors for Coal	USD	8,003.00	3,895.00
Outstanding Creditors for Spares	DKK	-	1.30
Outstanding Creditors for Spares	USD	15.56	-

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

Currency	Number of Contracts	Buy Amount	Purpose
USD	11	17,555,000	Creditors / FCL Payment

NOTE NO. - 37

EMPLOYEE BENEFITS :

I Binani Cement Limited:

a) Defined Contribution Plans :

During the year the Company has recognised Rs 280.65 Lakhs (Previous Year Rs. 250.79 Lakhs) in the Profit and Loss Statement on account of defined contribution plans i.e. Employers Contribution to Provident Funds and ESIC.

b) Defined benefit plans : as per actuarial valuation on 31st March, 2012

(₹ in Lakhs)

Particulars	Gratuity Funded		Leave Encashment Non-Funded	
	31st March 2012	31st March 2011	31st March 2012	31st March 2011
I Expenses recognised in the Statement of Profit & Loss				
1 Current Service Cost *	74.09	55.92	17.01	96.06
2 Interest Cost	41.26	26.68	-	-
3 Employee Contributions	-	-	-	-
4 Expected return on plan assets	(41.97)	(41.35)	-	-
5 Net Actuarial (Gains) / Losses	23.68	14.28	-	-
6 Past service cost	-	-	-	-
7 Settlement cost	-	-	-	-
8 Total expenses	97.07	55.53	17.01	96.06

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

Particulars	Gratuity Funded		Leave Encashment Non-Funded	
	31st March 2012	31st March 2011	31st March 2012	31st March 2011
II Net Asset/(Liability) recognised in the Balance Sheet				
1 Present value of Defined Benefit Obligation	598.64	500.17	203.98	186.97
2 Fair value of plan assets	557.30	524.63	-	-
3 Funded status [Surplus/(Deficit)]	(41.34)	24.46	-	-
4 Net asset/(liability)	(41.34)	24.46	(203.98)	(186.97)

	Particulars	Gratuity Funded		Leave Encashment Non-Funded	
		31st March 2012	31st March 2011	31st March 2012	31st March 2011
III	Change in obligation during the year				
1	Present value of Defined Benefit Obligation at beginning of the year	500.17	444.10	186.97	90.91
2	Current Service cost *	74.09	55.92	17.01	96.06
3	Interest cost	41.26	26.68		
4	Settlement cost	-	-	-	-
5	Past service cost	-	-	-	-
6	Employee Contributions	-	-	-	-
7	Actuarial (Gains) / Losses	21.44	11.66		
9	Present value of Defined Benefit Obligation at the end of the year	598.64	500.17	203.98	186.97

* 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 2012	31st March 2011
IV	Change in Assets during the Year		
1	Plan assets at the beginning of the year	524.63	516.88
2	Assets acquired on amalgamation in Previous Year	-	-
3	Settlements	-	-
4	Expected return on plan assets	-	-
5	Contributions by Employer	31.27	-
6	Actual benefits paid	(38.33)	(38.19)
7	Actuarial (Gains) / Losses	(2.24)	4.59
8	Actual return on plan assets	41.97	41.35
9	Plan assets at the end of the year	557.30	524.63
V	The major categories of plan assets as a percentage of total plan		
	Qualifying Insurance Policy	YES	YES
VI	Actuarial Assumptions :		
	Discount Rate	8.50%	8.25%
	Rate of Return on Plan Assets	8.60%	8.00%
	Salary Escalation	7.00%	7.00%
	Attrition rate	2.00%	2.00%

- c) Provision towards liability for Leave Encashment made on the basis of actuarial valuation as per Accounting Standard 15 (Revised). Actuarial value of liability is Rs. 203.98 Lakhs (Previous Year Rs. 186.97 Lakhs) based upon following assumptions.
- | | | |
|-------------------|-------|-------|
| Discount Rate | 8.50% | 8.25% |
| Salary Escalation | 7.00% | 7.00% |

II Binani Ready Mix Concrete:

Defined benefit plans as per actuarial valuation on 31st March, 2012

(a) Gratuity (unfunded)

Provision towards liability for Gratuity made on the basis of actuarial valuation as per Accounting Standard 15 (revised) is Rs. 1.75 Lakhs- (Previous Year - Nil) which is based upon following:

Discount Rate	8.50%
Salary Escalation	4.00%

(b) Leave Encashment

Provision towards liability for Leave Encashment made on the basis of actuarial valuation as per Accounting Standard 15 (revised) is Rs. 2.46 Lakhs (Previous Year - Nil) which is based upon following:

Discount Rate	8.50%
Salary Escalation	4.00%

NOTE NO. - 38 Consolidated Earning per share is calculated as follows :

PARTICULARS	31st March 2012	31st March 2011
Net Profit after tax attributable to equity shareholder (Rs in Lakhs)	(1,913.70)	1,779.26
Net Profit after tax before extraordinary item attributable to equity shareholder (Rs in Lakhs)	(1,913.70)	1,779.26
Equity shares outstanding as at the period 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	195,458,393
Nominal Value per Equity Share (in Rs.)	10.00	10.00
Earning Per Share (Basic) (in Rs.)	(1.01)	0.94
Earning Per Share (Diluted) (in Rs.)	(1.01)	0.91

NOTE NO. - 39

Binani Cement Limited : During the Previous Year, the buy back of 1,45,00,000 equity shares of Rs.10 each, from the existing shareholders, on proportionate basis has been completed and the said equity shares have been extinguished on 26th August, 2010. The equity share capital stands reduced to Rs.18,860 Lakhs effective from that date and the premium paid of Rs. 11,600 Lakhs has been reduced from the reserves & surplus of the Company.

NOTE NO. - 40

During 2010-11, Binani Cement Limited has completed the Reverse Book Building process for voluntary delisting of its Equity Shares in terms of SEBI (Delisting of Equity Shares), Regulations, 2009.

With a view to provide exit opportunity to the public shareholders of Binani Cement Limited under SEBI (Delisting of Equity Shares), Regulations, 2009, during the year Binani Industries Limited has purchased 2,501,823 number of shares of Binani Cement Limited from its public shareholders at a price of Rs. 90.00 per share valuing Rs. 2,251.64 Lakhs.

NOTE NO. - 41

Orders were placed in 2008-09 on M/s. FL Smith India Ltd. & M/s. FL Smith, Denmark towards supply of main plant and equipment for 2.5 MTPA Gujarat project for which Company has also paid advances towards these supplies. The project was very strategic for the Company's development in respect of cement export market. Before placement of this order, the Company had applied for sanction of mining lease etc. from Government. of Gujarat, for which we were informed that the same will be granted shortly. In the meantime, Government. of Gujarat has decided to revise mining policy. But due to inordinate delay, it was decided to cancel the orders placed on M/s. FL Smith India Ltd. & M/s. FL Smith, Denmark and also that the Company shall go in for larger plant of higher capacity in view of changed circumstances. Subsequently, we informed to FLS about the delays and requested them to hold further manufacturing & put the finished equipment in their safe custody / disposal at their end. Accordingly, the discussions were held with management of M/s. FL Smith India Ltd. & M/s. FL Smith, Denmark for amicable settlement to compensate the losses due to cancellation of these orders. Finally, it was agreed between M/s. FLS and our Company that, the Company will compensate M/s FLS towards cancellation losses of Rs. 807.00 Lakhs for equipments manufactured in India and Rs. 443.34 Lakhs for the foreign supplies. Accordingly, after adjustment of these amounts, balance advance amount of Rs 1313.96 Lakhs and Rs. 379.03 Lakhs were refunded to us by M/s. FL Smith India Ltd. & M/s. FL Smith, Denmark respectively. Accordingly, the amount of Rs. 1250.34 Lakhs has been written off in the current year and shown under exceptional items in P & L A/c.

NOTE NO. - 42

Mukundan Holdings Limited: The Company incurred loss during the year ended 31 March 2012 and, as of that date, the Company's total current liabilities exceeded its total current assets by US\$ 3,121,184 (Previous Period US\$ 4,473,728) including loan from Binani Cement Limited of US\$ 15,000,000 (Previous Year US\$15,000,000), Bhumi Resources (Singapore) Pte Ltd of US\$ Nil (Previous Year US\$ 9,150,000) and Krishna Holdings Pte Ltd.(KHL) US\$ Nil (Previous Year US\$9,700,000). The Holding Company, however, has agreed to provide unconditional financial support to the Company to enable the Company to operate as a going concern and to discharge its obligations as and when they fall due.

NOTE NO. - 43

Binani Cement Limited :Trade Receivables of Rs. 4,151.92 Lakhs have been netted off against advance received towards those sales and the excess of advance over receivables amounting to Rs. 4,036.19 Lakhs has been shown under current liability. Such advances are settled after full amount is received from the debtors.

NOTE NO. - 44

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. - 45

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

NOTE NO. - 46

Till the year ended 31st March 2011, the Company was using pre-revised schedule VI to the Companies Act 1956. for preparation and presentation of its financial statements. During the year ended 31st March 2012, the revised schedule VI notified under the Companies Act 1956, has become applicable to the Company. The Company has reclassified Previous Year's figures to confirm this year's classification. Except accounting for dividend on investment subsidiaries, the adoption of Revised Schedule VI does not impact recognition and measurement principal followed for preparation of Financial Statements. However, it significantly impacts presentation and disclosure made in the Financial Statements, particularly presentation of balance sheet.

As per our attached report of even date

For Kanu Doshi Associates

Chartered Accountants
Firm Registration No. 104746W

Mihir Hindocha

Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholetime Director

Consolidated Cash Flow Statement for the period ended 31st March, 2012

(₹ in Lakhs)

Particulars	31st March, 2012	31st March, 2011
Cash Flow From Operating Activities		
Net Profit Before Tax before Prior period items	(1,125.37)	1,757.42
Adjustments for:		
Depreciation / Amortization	12,543.67	11,758.24
Interest and Finance Charges	18,942.75	13,736.82
Loss on Sale of Fixed Assets	456.31	310.90
Dividend Received	(200.86)	(355.04)
Interest income	(2,930.95)	(881.89)
Exchange Fluctuation Unrealised		
Operating Profit Before Working Capital Changes	27,685.55	26,326.45
Adjustments for:		
Inventories	(630.92)	568.52
Trade and other Receivable	(37,776.27)	21,264.54
Trade and other Payable	28,355.57	588.99
Cash Generated from Operations	17,633.94	48,748.50
Direct Taxes Paid (including Fringe Benefit Tax) (Net)	(1,015.03)	(6,065.74)
A Net Cash flow from Operating Activities	16,618.90	42,682.76
Cash Flow from Investing Activities		
Purchase of Fixed Assets (including capital work - in progress)	(64,673.27)	(43,110.50)
Sale Of Fixed Assets	121.78	56.09
Investments including investment in Subsidiaries	-	(34,819.77)
Dividend and Interest Received	3,131.81	1,143.81
Long Term Loans and Advances	6,898.52	2,884.05
B Net Cash Used in Investing Activities	(54,521.16)	(73,846.32)
Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	79,275.20	39,876.47
Towards Share capital of subsidiary	-	49,227.88
Repayment of Long Term Borrowings	(54,813.00)	(17,749.20)
Dividend and Dividend Distribution Tax	(5,479.93)	(8,316.64)
Proceeds from Short Term Borrowings	7,758.74	(7,571.92)
Buy Back of Shares	-	(13,050.00)
Interest and other Finance Cost paid	(18,942.75)	(13,970.68)
Increase in reserves	11,488.71	740.79
C Net Cash from Financing Activities	19,286.97	29,186.70
D Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(18,615.29)	(1,976.86)
E Opening Cash & Cash Equivalents	34,218.11	36,194.97
F Closing Cash & Cash Equivalents	15,602.82	34,218.11

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.
- Previous Year figure 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

Mihir Hindocha
Partner
Membership No. 112766
Place : Mumbai
Date : 21st April, 2012

For and on behalf of the Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary
Place : Mumbai
Date : 21st April, 2012

P. Acharya
Sr. Executive Director &
Wholetime Director

Statement Pursuant to Section 212 (3) and 212(5) of the Companies Act, 1956 relating to Subsidiary/ Stepdown Subsidiary Companies of Binani Cement Limited for the year ended 31st March 2012

(₹ in Lakhs)

Sr. No	Name of the Subsidiary Company	Krishna Holdings Pte. Ltd.(KHL)	Mukundan Holdings Ltd. (MHL)	Murari Holdings Ltd. (MUHL)	Swiss Merchandise Infrastructure Ltd (Swiss)	Merit Plaza Ltd. (Merit)	Bhumi Resources (Singapore) Pte. Ltd (Bhumi)	Binani Cement Factory LLC (BCF)	Shandong Binani Rong An Cement Co. Ltd. (SBRCC)	Binani Ready Mix Concrete Limited	Binani Mineral Resources (Mongolia)	PT. Anggana Energy Resources (Anggana)	
1	Country of Incorporation	Singapore	British Virgin Islands	British Virgin Islands	India	India	Singapore	United Arab Emirates	China	India	Mongolia	Indonesia	
2	Financial year / period of the Subsidiary Company	January 1, 2011 to December 31, 2011	January 1, 2011 to December 31, 2011	January 1, 2011 to December 31, 2011	April 1, 2011 to March 31, 2012	April 1, 2011 to March 31, 2012	January 1, 2011 to December 31, 2011	January 1, 2011 to December 31, 2011	January 1, 2011 to December 31, 2011	1st April, 2011 to March 31, 2012	June 17, 2011, to December 31, 2011	January 1, 2011 to December 31, 2011	
3	Relation with Binani Cement Ltd (BCL)	Subsidiary of BCL	Subsidiary of BCL	Subsidiary of BCL	Subsidiary of BCL	Subsidiary of BCL	Subsidiary of BCL	MHL & MUHL	Subsidiary of KHL	Subsidiary of BCL	Subsidiary of KHL	Subsidiary of Bhumi	
4	Information pursuant to Sec. 212 (3)	Extent of the Holding Company's interest in the Subsidiary as at the end of the Financial Year / Period :											
A)	Number of Equity Shares	87,776,670 Shares of SGD 1 each	34,400,000 Ordinary Shares of USD 1 each	45,000,000 Ordinary Shares of USD 1 each	50,000 Shares of Rs.10/- Each	50,000 Shares of Rs.10/- Each	1,500,000 Ordinary Shares of USD 1 each	31,943 Shares of AED 1,000 each	Share Capital is not divided into No. of Shares (Amount of Share Capital in Rmb 4,500 Lakhs equivalent to Rs. 38,501.55 Lakhs)	36,59,000 Shares of Rs. 10 each	Share Capital is not divided into No. of Shares/ MNT 125,864,000 which is equivalent to Rs. 49,46 Lakhs	6,00,000 Shares of IDR 7,480 each	
	Number of Preference shares	9,631,835 Shares of SGD 1 each	-	-	-	-	-	-	-	-	-	-	
	% of Share Holding (Excluding Preference Share Capital)	55.54% held by BCL balance 44.46% held by MHL	100% Held By BCL	100% Held By BCL	100% Held By BCL	100% Held By BCL	100% Held By BCL	49% held by MHL / 51% held by MUHL (Beneficial Interest)	90% held by KHL	100% Held By BCL	100% held by KHL	100% held by Bhumi	
B)	Net aggregate amount of Profits / (Losses) of the subsidiary so far it concerns members of BCL, not dealt with in the standalone accounts of the Company :	109.56	(1,579.76)	(631.29)	3.39	(1.17)	17.20	(3,403.48)	815.80	-	6.86	20.67	
	a) For the financial year / period of the subsidiary aforesaid (Rs. Lakhs)	29.01	(1,927.06)	(931.70)	(0.46)	(0.32)	0.65	(728.92)	452.05	-	-	38.19	
	b) For the previous financial year / period of the subsidiary since it became the holding Company's subsidiary (Rs. Lakhs)	-	-	-	-	-	-	-	-	-	-	-	
5	Information pursuant to Section 212 (5) (SEE NOTE 2)												

Notes

- Binani Cement Factory LLC had incorporated five Companies viz Weighbridge Investments (Pty) Limited (Botswana), Christo Schutte Investments Number Nine (Pty) Limited (Namibia), Rightside Investment Pty Limited, Trans Africa Cement Limited (Mauritius) and Binani Cimentos (Mozambique) LDA on 16th March 2011, 22nd March 2011, 10th May 2011, 1st June, 2011 and 20th June, 2011 respectively. Their first accounting period would be from the date of incorporation to 31st December 2012. However, their unaudited financial statements from the date of incorporation to 31st March, 2012 have been considered for consolidation.
- Further in respect of the following subsidiaries of BCF LLC viz. Binani Cement Factory (SFZ) Limited (Republic of Sudan), Binani Cement Factory (Mauritius) Limited, Binani Cement Factory WLL (Kuwait), BC Trade Link Limited (Tanzania), Binani Cement Factory (Kenya) Limited, Binani Cement (Uganda) Limited, Binani Cement Company Limited (Republic of Sudan) and Binani Cement Company Limited (South Sudan) their Unaudited Accounts for the 12 months / period ended on 31st March 2012 have been considered for consolidation.
- During the current year, the financial statements of subsidiaries including step down subsidiaries (whose accounting year/period ended on 31st December 2011) for their respective period ended 31st March, 2012 have been considered for consolidation with the Company's financial statements for the year ended on the same date. Hence information required to be provided pursuant to Section 212 (5) is not applicable.

For and on behalf of the Board of Directors

R. Venkateswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

Atul P. Falgunia
Company Secretary

P. Acharya
Sr. Executive Director &
Wholetime Director

Place : Mumbai
Date : 21st April, 2012

SUMMARISED FINANCIAL INFORMATION IN RESPECT OF SUBSIDIARIES OF THE COMPANY IN COMPLIANCE WITH THE GENERAL EXEMPTION GRANTED BY THE MINISTRY OF COMPANY AFFAIRS UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956.

Sr. No	Name of the Subsidiary Company	Country of Incorporation	Relationship	Financial year/ period ended on	Currency	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	Proposed Dividend
1	Krishna Holdings Pte. Ltd.(KHL)	Singapore	Subsidiary of BCL	31-Dec-2011	USD	619.37	(8.55)	915.87	305.05	-	-	2.46	0.13	2.33	-
					INR	33,695.41	(464.92)	49,825.95	16,595.66	-	-	115.70	6.14	109.56	-
2	Mukundan Holdings Ltd. (MHL)	British Virgin Islands	Subsidiary of BCL	31-Dec-2011	USD	356.00	(72.66)	1,022.93	737.59	-	-	(33.58)	-	(33.58)	-
					INR	19,476.13	(3,932.78)	55,650.16	40,126.81	-	-	(1,579.76)	-	(1,579.76)	-
3	"Murari Holdings Ltd. (MUHL)"	British Virgin Islands	Subsidiary of BCL	31-Dec-2011	USD	470.00	(34.40)	800.28	364.68	-	-	(13.42)	-	(13.42)	-
					INR	25,569.22	(1,871.50)	43,537.45	19,839.73	-	-	(631.29)	-	(631.29)	-
4	Swiss Merchandise Infrastructure Limited (Swiss)	India	Subsidiary of BCL	31-Mar-2012	INR	5.00	2.93	5,255.17	5,247.24	-	-	5.04	1.65	3.39	-
5	Merit Plaza Limited (Merit)	India	Subsidiary of BCL	31-Mar-2012	INR	5.00	(1.49)	4,408.68	4,405.17	-	-	(1.17)	-	(1.17)	-
6	"Bhumi Resources (Singapore) Pte. Ltd. (Bhumi)"	Singapore	Subsidiary of BCL	31-Dec-2011	USD	150.00	0.38	150.45	0.07	-	1.23	0.41	0.05	0.36	-
					INR	8,160.39	20.66	8,184.86	3.81	-	57.88	19.41	2.21	17.20	-
7	Binani Cement Factory LLC (BCF)	United Arab Emirates	Subsidiary of MHL & MUHL	31-Dec-2011	AED	319.43	567.70	2,266.86	1,379.73	-	654.45	(265.75)	-	(265.75)	-
					INR	4,731.24	8,408.55	33,575.66	20,435.87	-	8,381.79	(3,403.48)	-	(3,403.48)	-
8	Shandong Binani Rong An Cement Co. Ltd. (SBROCC)	China	Subsidiary of KHL	31-Dec-2011	RMB	4,500.00	303.99	9,535.84	4,731.85	-	1,393.44	165.96	41.49	124.47	-
					INR	38,501.55	2,600.87	81,587.68	40,485.26	-	10,147.74	1,208.59	302.15	906.44	-
9	PT Anggana Energy Resources (Anggana)	Indonesia	Subsidiary of Bhumi Resources	31-Dec-2011	IDR	54,630.00	11,371.27	335,802.00	269,800.73	-	11,244.32	3,827.62	-	3,827.62	-
					INR	327.78	68.23	2,014.81	1,618.80	-	60.72	20.67	-	20.67	-
10	Binani Mineral Resources (Mongolia) LLC	Mongolia	Subsidiary of KHL	31-Dec-2011	MNT	1,258.64	183.27	1,491.03	491.2	-	348.76	203.64	20.36	183.28	-
					INR	49.72	7.24	58.90	1.94	-	13.04	7.62	0.76	6.86	-
11	Binani Ready Mix Concrete Limited*	India	Subsidiary of BCL	31-Mar-2012	INR	365.90	(367.11)	346.67	347.88	-	1,867.55	(348.97)	-	(348.97)	-

Notes

- Indian Rupees equivalent figures have been arrived at by applying the year/period end exchange rates prevailing on 31st December 2011 for all Assets & Liabilities which are as follows: a) for KHL, MHL, MUHL & Bhumi 1 USD = Rs. 54.40, b) for SBROCC 1 RMB = Rs. 8.56, c) for BCF 1 AED = Rs. 14.81, d) For PT Anggana Energy Resources 1 IDR = Rs. 0.0059 e) Binani Mineral Resources Mongolia 1 MNT = Rs. 0.0395 Revenue items are arrived by applying the average rates prevailing during the year / period which are as follows: a) for KHL, MHL, MUHL & Bhumi 1 USD = Rs. 47.04, b) for BCF 1 AED = Rs. 12.81, c) for SBROCC 1 RMB = Rs. 7.28, d) for PT Anggana Energy Resources 1 IDR = Rs. 0.0054 e) Binani Mineral Resources Mongolia 1 MNT = Rs. 0.0374
- BCF LLC had incorporated five Companies viz Weighbridge Investments (Pty) Limited (Botswana), Christo Schutte Investments Number Nine (Pty) Limited (Namibia), Rightside Investment Pty Limited, Trans Africa Cement Limited (Mauritius) and Binani Cimentos (Mozambique) LDA on 16th March 2011, 22nd March, 2011, 10th May 2011, 1st June, 2011 and 20th June, 2011 respectively. Their first accounting period would be from the date of incorporation to 31st December 2012. However, their unaudited financial statements from the date of incorporation to 31st March, 2012 have been considered for consolidation. Further in respect of the following subsidiaries of BCF LLC viz. Binani Cement Factory (SFZ) Limited (Republic of Sudan), Binani Cement Factory (Mauritius) Limited, Binani Cement Factory WLL (Kuwait), BC Trade Link Limited (Tanzania), Binani Cement Factory (Kenya) Limited, Binani Cement SARL (Djibouti), Binani Cement (Uganda) Limited, Binani Cement Company Limited (Republic of Sudan) and Binani Cement Company Limited (South Sudan) their Unaudited Accounts for the 12 months / period ended on 31st March 2012 have been considered for consolidation.

For and on behalf of the Board of Directors

Braj Binani
Chairman

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

P. Acharya
Sr. Executive Director &
Wholtime Director

Atul P. Falgunia
Company Secretary

Place : Mumbai
Date : 21st April, 2012

BINANI CEMENT LIMITED

Registered Office: 37/2, Chinar Park, New Rajarhat Main Road, P.O. Hatiara, Kolkata – 700 157

Corporate Office: Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Mumbai – 400001

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

- (1) Name(s) of Shareholder(s) :
(including joint holders, if any)
- (2) Registered address of the sole/
first named shareholder :
- (3) Registered folio No./DP ID No./Client ID No.* :
(*Applicable to investors holding shares in
dematerialized form)
- (4) No. of Shares held :
- (5) I / we hereby exercise my/our option to receive the documents such as Notice of Annual General Meeting, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report, Explanatory Statement etc., in electronic mode pursuant to the 'Green Initiative' by the Ministry of Corporate Affairs vide circular dated 29th April, 2011
- (6) My email id is:

Place:

Date:

(Name and Signature of the Member)

Binani

Binani Cement Limited

Registered Office: 37/2, Chinar Park, New Town, Rajarhat Main Road,
P.O. Hatiara, Kolkata - 700 157

PROXY FORM

I/We _____
of _____ in the district of _____
being a Member/Members of **BINANI CEMENT LIMITED** hereby appoint
of _____ in the district of _____ or failing him
of _____
in the district of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at
the **SIXTEENTH ANNUAL GENERAL MEETING** of the Company to be held
at 2.15 p.m. or immediately after the Twelfth Annual General Meeting
of Binani Zinc Limited if it concludes after 2.15 p.m on Saturday the 4th
August 2012 and at any adjournment thereof.

Signed this _____ day of _____ 2012

Signature(s) of
the Member(s)

Folio No. _____

DP. Id* _____

Client Id* _____

Note

i) This Proxy Form must be deposited at the Registered Office of the
Company, not later than 48 hours before the time of the meeting.

ii) A Proxy need not be a member.

*Applicable for Investors holding shares in Electronic Mode.

**Affix
Revenue
Stamp**

Binani

Binani Cement Limited

Registered Office: 37/2, Chinar Park, New Town, Rajarhat Main Road,
P.O. Hatiara, Kolkata - 700 157

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I hereby record my presence at the **SIXTEENTH ANNUAL GENERAL
MEETING** at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020
on Saturday, the 4th August 2012 at 2.15 p.m. or immediately after the
conclusion of the 12th Annual General Meeting of Binani Zinc Limited if
Meeting concludes after 2.15 p.m.

Name of the Member _____

No. of Shares held _____

Folio No. _____

DP ID* _____ Client Id* _____

Name of Proxy/Representative (in Block Letter)
(To be filled in if the Proxy attends instead of the Member)

Signature of the Members of Proxy/Representative.

* Applicable for Investors holding shares in Electronic Mode.

