

# BURNPUR CEMENT LIMITED ANNUAL REPORT, 2012-13

Powering India's infrastructure growth



## DISCLAIMER

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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**BOARD OF DIRECTORS**

Mr. Prem Prakash Sharma, *Chairman*, Mr. Ashok Gutgutia, *Vice-Chairman & Managing Director*  
Mr. Subrata Mookerjee      Mr. Manoj Kumar Agarwal  
Mr. Ansul Agarwal      Mr. Bal Krishan Ladha

**C.E.O.**

Mr. Ashish Roychowdhury

**SECRETARY**

Mr. Sudhansu Sekhar Panigrahi

**AUDITOR**

M/s. N. K. Agarwal & Co.

**BANKERS**

State Bank of India      State Bank of Hyderabad  
United Bank of India      Central Bank of India

**CORPORATE OFFICE**

14, Bentinck Street, "Gujarat Mansion", 2nd Floor, Kolkata - 700 001  
Tel. No. (033) 22623167, 30250826, Fax : 033-22623168

**REGISTERED OFFICE & PLANT**

Village : Palasdiha, Panchgachia Road  
P.O. Kanyapur, Asansol - 713 341, Dist. Burdwan, West Bengal  
Tel. No. (0341) 2250454, 2252965  
E-mail : [info@burnpurcement.com](mailto:info@burnpurcement.com), [investors@burnpurcement.com](mailto:investors@burnpurcement.com)  
Website : [www.burnpurcement.com](http://www.burnpurcement.com)

**PROPOSED PLANT**

Plot No. A-8P, 9, 10, 11, B-38, 39, 40, C-7P, 8, 9, 10, 11 & XP  
Block-D and Block-E, Patratu Industrial Area, Jharkhand

**REGISTRAR AND SHARE TRANSFER AGENT**

**Niche Technologies Pvt. Ltd.**

D-511, Bagree Market, 71, B. R. B. B. Road, Kolkata - 700 001  
Tel. No. : +91 33 22357270 / 7271, 22355236, Fax No. : +91 33 22156823  
E-mail : [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com), Website : [www.nichetechpl.com](http://www.nichetechpl.com)



## NOTICE

NOTICE is hereby given that the **Twenty Seventh Annual General Meeting** of the Members of the Company will be held at **10.00 a.m. on Monday, the 30th day of September 2013**, at Asansol Club Limited, Court Compound, P.O.-Asansol Dist-Burdwan, West Bengal, Pin. -713304, West Bengal, to transact the following Business:

### **Ordinary Business :**

1. To consider and adopt the audited accounts of the Company for the year ended 31st March 2013, together with the Report of the Directors and Auditors.
2. To appoint a director in place of Mr. Bal Krishan Ladha, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Mr. Ansul Agarwal, who retires by rotation and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass, with or without modification the following resolution as an **ordinary resolution** :  
"RESOLVED THAT the retiring auditor M/s. N. K. Agarwal & Co., Chartered Accountants, who being eligible, have offered themselves for reappointment, be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be mutually agreed between the Board of the directors of the company and the Statutory Auditors, in addition to the reimbursement of out of pocket expenses in connection with the audit of the Company".

### **Special Business :**

5. To Consider and if thought fit, to pass with or without modification the following resolution as an **ordinary resolution**:  
"RESOLVED THAT Mr. Prem Prakash Agarwal, who was appointed as an additional director by the board and who holds such office upto the date of this Annual General Meeting and in respect of whom a notice u/s 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Prem Prakash Agarwal as a candidate for the office of the director, be and is here by elected and appointed as 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 Section 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956, the Authorised Capital of the Company be and is hereby increased from present Rs. 87,00,00,000/- divided into 8,70,00,000 Shares of Rs. 10/- each to Rs. 97,00,00,000/- divided into 9,70,00,000 Shares of Rs. 10/- each and consequently, Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting in its place and stead, the following new **Clause V** :  
V. The Authorised Share capital of the company is Rs.97,00,00,000 (Rupees Ninety Seven Crores only) divided into 9,70,00,000 (Nine Crore seventy lacs) Equity Shares of Rs.10/-(Rupees Ten) each with power to increase or reduce, consolidate or sub-divide the capital for the time being into several classes and to attach thereto respectively such preferential or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and with power to issue Redeemable Preference Shares.
7. To consider and if thought fit to pass with or without modification the following resolution as **Special Resolution**:  
"RESOLVED THAT pursuant to provision of section 81(1A) and all other applicable provisions, if any of the Companies Act, 1956 (including any amendment thereto and any re-enactment thereof) (herein after referred to as "the Act") and subject to enabling provisions of the Memorandum and Article of Associations of the Company, the Listing Agreements entered into by the

Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the applicable Guidelines/Regulations issued by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Government of India ("GOI") or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such Statutory, Regulatory and Government approval and subject to such conditions and modifications as may be prescribed and imposed by any of them while granting such approvals, permissions or sanctions, which may be agreed to by the Board of Directors or any committee thereof (herein after referred to as the "Board"), the consent of the Shareholders be and is hereby accorded to the Board to offer and / or allot upto 40,00,000 (Forty Lacs) Convertible Warrants (Convertible Warrants No. 4) with an option to subscribe upto 40,00,000 (Forty Lacs) equity shares of Rs. 10/- each of the Company by way of Preferential Allotment basis to the persons mentioned in the following table Viz:

Sl. No.	Persons	Number of Convertible Warrants No. 4	Category of the Investor
1	Akshay Vintrade Pvt. Ltd.	40,00,000	Promoter
	Total	40,00,000	

whether or not such person (s) are members of the company in such manner and upon such conditions as are hereinafter contained:

- i. The options to the persons as aforesaid may be offered by way of Convertible Warrants No-4 which would be convertible into an exchangeable with Equity Shares of Rs. 10/- (Rupees Ten Only) each of the Company at a price of Rs. 10.00 (Rupees Ten Only) determined as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended till date.
- ii. The issue on subscription price of equity shares arising out of exchange against such Convertible Warrants No.4 shall be of Rs. 10.00 (Rupees Ten Only) face value per share. On allotment of the Convertible Warrants No. 4 the Allottees of Convertible Warrants No.4 shall be liable to pay Rs.2.50 (Rupees Two and Fifty paise Only) per Convertible Warrants No. 4 being not less than 25% of the price fixed for the shares arising out of / exchanged with such Convertible Warrants No. 4. The amount so collected shall be adjusted against the price payable subsequently for subscribing the shares by exercising the options.
- iii. The holder of each Convertible Warrant No. 4 shall before the respective date of conversion, pay the balance 75% of the consideration towards subscription to each Equity Share.
- iv. The relevant date for the purpose of pricing of issue of shares in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended till date be fixed as 30th August, 2013 (31st August being the 30th day prior to 30th September, 2013) i.e. the 30 days prior to the date on which the meeting of the general body of shareholder is held, in terms of section 81(1A) of the Companies Act, 1956 to consider the proposed issue.)
- v. The holder of each such Convertible Warrant No. 4 shall be entitled to apply for and obtain at their sole discretion one Equity Shares of Rs. 10.00 (Rupees Ten Only) each at a price of Rs. 10.00 (Rupees Ten Only) per share on the date or date(s) within 18 months from the date of allotment of Convertible Warrants No. 4 as may be decided by the Board. If such option is not exercised in the manner prescribed within the aforesaid period. The Convertible Warrants No. 4 shall be lapsed to the extent of the shares not so taken and the amount paid on the allotment of such Convertible Warrant No. 4 shall be forfeited.
- vi. The option attached to the Convertible Warrant No. 4 shall not be transferred or otherwise disposed off to any other person/third party.



- vii. The aggregate of warrants to be subscribed by the persons mentioned in the above table shall not exceed 40,00,000 (Forty Lacs).
- viii. The Equity Shares allotted pursuant to exercise of options attached to the Warrant No. 4 shall be locked in for a period of three year from the date of their allotment.

The new Equity Shares arising out of or exchanged with the Convertible Warrant No. 4 shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respect with the existing issued and subscribed Equity Shares of the Company.

**RESOLVED FURTHER THAT**

- a) The Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the Convertible Warrant No. 4 and/or shares and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to the compliance with the applicable guidelines, notifications, rules and regulations. The offer, issue & allotment of the aforesaid Convertible Warrant No. 4 shall be completed within fifteen days from the date of passing of Special Resolution or receipt of approval from the Regulatory Authority, if any, whichever is later.
- b) The Board be and is hereby authorized to accept any amendments, modifications, variations and alterations as the GOI/RBI/SEBI or any other regulatory authority may stipulate in that behalf.
- c) The Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors of the Company to give effect to the aforesaid resolution.
- d) For the purpose of giving effect to this Resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the shares and utilization of the issue proceeds of the shares, to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary and desirable, as they may deem fit."

Palashdiha, Kanyapur  
Panchgachhia Road, Asansol  
Asansol - 713 341

By order of the Board  
For Burnpur Cement Ltd.

**Sudhansu Sekhar Panigrahi**  
Company Secretary

Date : 29.08.2013

**Notes :**

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the items of Special Business to be transacted at the meeting is annexed herewith.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**
3. The instrument appointing Proxies should be deposited at the Registered Office of the Company not less than **48 hours** before the time fixed for the commencement of the meeting.
4. Members/Proxies should bring their attendance slips duly filled in for attending the meeting.

5. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting, as the copies of the report will not be circulated at the meeting.
6. The Register of Members and Share Transfer Registers of the Company will remain closed from **23rd September 2013 to 30th September, 2013 (both days inclusive)**.
7. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
8. A Member desirous of getting any information on the accounts or operations of the Company is requested to send his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
9. Pursuant to provisions of Section 109A of the Companies Act, 1956 Shareholders are requested to file nominations forms (Form 2B) in respect of their shareholding to the Registrar and Share Transfer Agent or directly to the company

**Invitation to Participate in the Green Initiative launched by the Ministry of Corporate Affairs**

The Ministry of Corporate Affairs (MCA) has permitted paper less compliance by the Companies vide its Circular No. 17/2011, Dated 21st April, 2011 and No. 18/2011, Dated 29th April, 2011. MCA has clarified that services of documents on members by e-mail will constitute sufficient compliances with Section 53 of the Companies Act, 1956, provided the members has given an advance opportunity to register their e-mail id or changes if any therein with the Company.

Pursuant thereto, we once again request those members who have not registered their e-mail id to participate in the Green Initiative by registering their e-mail id for the purpose of service of documents viz. Annual Reports, Notice of General Meetings and Notice of Postal Ballot etc. by e-mail.

Shareholders holding shares in demat. form who have not yet registered their e-mail id are requested to register the same with their respective Depository Participant at the earliest. Shareholders holding shares in physical form e requested to register their e-mail id with our Registrar and Share Transfer Agent - M/s Niche Technologies Pvt. Ltd. D-511, Bagree Market, 71, B R B Basu Road, Kolkata - 700 001, E-Mail ID: nichetechpl@nichetechpl.com. Any changes in the e-mail address may also be communicated from time to time.



**Disclosure pursuant to clause 49 of the Listing Agreement relating to directors seeking reappointment / appointment in the AGM.**

Mr. Bal Krishan Ladha, and Mr. Ansuul Agarwal director of the company are retiring by rotation at the forthcoming Annual General Meeting and, being eligible, offers themselves for reappointment. Mr. Prem Prakash Agarwal being additional director will hold office upto the date of Annual General Meeting, however his name has been recommended for appointment as director liable to retire by rotation on receipt of notice from members U/s 257 of the Companies Act, 1956. The changes are subject to approval of the share holders.

Name of the Director	Date of Birth	Date of Original Appointment	Experience in specific functional areas	Qualification	Directorship in other public companies	Membership of Board Committees in other public Companies	Remarks
Mr. Bal Krishan Ladha	18/11/1948	26/01/2011	Mr. Ladha is very talented person who has more than 20 years experience in the cement industries as an engineer. He has worked in various cement industries in various positions and have earned reputation. During his service tenure he had gained experience in project purchases and execution of cement plant. Completed many projects for Rajashree Cement including Birla White, Birla Super Cement, Sholapur, Captive Power Plant at Rajashree Cement etc.	BE (Hons.) Mechanical M.B.A.	Nil	Nil	Retires by rotation at the forthcoming Annual General Meeting and Offers himself for reappointment.
Mr. Ansuul Agarwal	25/03/1981	20/10/2010	He is a successful business man having own business. Have conceived and established India's first kids wear value brand E-Teenz now strongly present across the country in 250 plus format stores, 10 Exclusive Brand outlets. Large format stores include Megamart, ITC, Spencer etc. Presently functioning as Director of Dhananjai Lifestyle Ltd. Dhananjai Retail Pvt. Ltd. and Shine Homes Pvt. Ltd. Which own E-Teenz, employing 200 plus staff at various levels.	B.Com	Dhananjai Lifestyle Ltd.	Nil	Retires by rotation at the forthcoming Annual General Meeting and offers himself for reappointment
Mr. Prem Prakash Agarwal	02/10/1961	09/08/2013	Mr. Prem Prakash Agarwal is a generalist businessman having vast experience in the various fields like manufacturing of mining safety equipments, manufacturing of PP/HDPE bags, Fabrication and engineering works, transportation, installation of integrated steel plant. He has achieved tremendous success in the field of above mentioned business and he has also gained many experiences in his 27 year business career. He has also mining experience as a contractor of SAIL, Bharat Coking Coal Ltd., CC Ltd. etc. and transporter of Coal India Ltd.	B.Com	Nil	Nil	Holds upto the date of forthcoming Annual General Meeting as an additional director and to be appointed as a director liable to retire by rotation at the said meeting.



**Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956****Item No. 5**

Mr. Prem Prakash Agarwal was appointed as an additional director of the Company by the Board of Directors at their meeting held on 9th August, 2013 u/s 260 of the Companies Act, 1956 read with Article of Association of the Company 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. Prem Prakash Agarwal 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.

As required under the listing agreement the information to be provided for Mr. Prem Prakash Agarwal has been given in the notes to the Notice. Your directors recommend appointment of Mr. Prem Prakash Agarwal as director of the Company liable to retire by rotation.

None of the directors in any way concerned or interested in this resolution except Mr. Prem Prakash Agarwal.

**Item No. 6**

The Company proposes to expand its activity and hence it is desirable to increase the Authorised Capital, in order to enable the Company to raise Capital whenever the need arises. The present Authorised Share Capital of your Company is Rs. 87.00 Crores only which your Board feels inadequate commensurate with the proposed activities of your Company. It is, therefore, proposed to increase the Authorised Share Capital of the Company to Rs. 97.00 Crores to enable the Board of Directors to issue further shares as and when deemed necessary to meet the Company's financial requirements/ commitments.

Your Directors recommends the resolution for your approval.

None of the Directors of your Company is in any way concerned or interested

**Item No 7**

The extra fund is required for the patratu project due to escalation of project cost. In this regard the company has given an undertaking to the lender banks that in case of cost overrun, the extra cost shall be met by the promoters by way of equity or unsecured loan without any recourse to the banks. Therefore your Board in its meeting held on 29th August, 2013 subject to approval by the company in Annual General Meeting of share holders of the Company and requisite statutory approvals, and subject to negotiation and execution of appropriate legal documentation and fulfillment of the conditions mentioned therein has proposed to offer for subscription by way of Preferential Allotment up to 40,00,000 (Forty Lacs) Convertible Warrants with an option to subscribe upto 40,00,000 Equity Shares of Rs. 10/- (Rupees Ten Only) each of the Company at a price of Rs. 10.00 (Rupees Ten Only) per share against the said Convertible Warrants aggregating to Rs. 4,00,00,000/- (Rupees Four Crore).

The Special Resolutions has been proposed under the provisions of 81(1A) of the Companies Act, 1956 ("the Act") in view of the fact that the shares will be offered to person who may or may not be the existing members.

As per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for preferential issue, an issue of shares / Convertible Warrants on a preferential basis can be made only at a price which is not less than the higher of the following:

- (i) The average of the weekly high and low of closing prices of the share quoted on the stock exchange during the six months preceding the "relevant date".
- (ii) The average of the weekly high and low of the closing prices of the shares quoted on the stock exchange during the two weeks preceding the "relevant date".

The "relevant date" for the above purpose means the date thirty days prior to the date on which the Annual General Meeting is held to consider the proposed issue under section 81(1A) of the Act. As the date of Annual General Meeting of share holders is 30th September, 2013 the relevant date is 30th August, 2013.

A copy of the certificate from the Statutory Auditors of the Company, certifying that the issue of Convertible Warrants is being made in accordance with the requirements of SEBI's Regulations for preferential Issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, shall be placed before the shareholders at the Annual General Meeting.

The Board believes that the proposed offer to the persons stated in Resolution No. 7 will be in the best interest of the Company and its members.

None of the Directors in any way are concerned or interested in the proposed resolution.

Please refer below to the information as required under Regulation 73 (1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for Preferential Issue.

**1. Objects of the Preferential Issue :**

The objects of the issue is to part finance its ongoing setting up of 800 TPD Integrated Cement Plant at Patratu, Jharkhand



2. Proposal of the Promoter to subscribe to the offer.

Sl. No.	Persons	Number of Warrants	Rate (Rs.)	% of Post holding	Category
1	Akshay Vintrade Pvt. Ltd.	40,00,000	10/-	4.62	Promoter

To infuse the capital for the Patratu project above mentioned person who are promoter in the promoters group will subscribe to the proposed preferential issue.

3. Shareholding pattern before and after the Preferential Issue:

Share holding pattern before and after issue of Equity Shares pursuant to conversion of Warrants by the Warrant holders in respect of the Warrants covered under the Item no 1.

	Existing Shareholding as on 09.08.2013		Post issue shareholding. (Upon conversion of Warrants)	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>A. Promoters of Promoters Group</b>				
<b>1. Indian</b>				
Individual/ HUF	5064717	7.775	5304717	6.129
Central Govt./ State Govt.	Nil	Nil	Nil	Nil
Bodies Corporate	16081180	24.687	20556180	23.749
Financial Institutions/ Banks	Nil	Nil	Nil	Nil
<b>Sub Total (A)(1)</b>	<b>21145897</b>	<b>32.463</b>	<b>25860897</b>	<b>29.878</b>
<b>2. Foreign</b>				
Individuals (NRIs/ Foreign)	Nil	Nil	Nil	Nil
Bodies Corporate	Nil	Nil	Nil	Nil
Institutions	Nil	Nil	Nil	Nil
<b>Sub Total (A) (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Share Holding of Promoters &amp; Promoters Group A = (A)(1) + (A)(2)</b>	<b>21145897</b>	<b>32.463</b>	<b>25860897</b>	<b>29.878</b>
<b>B. Public Share Holding</b>				
<b>1. Financial Institutions</b>				
Mutual Funds / UTI	Nil	Nil	Nil	Nil
Financial Institutions/ Banks	Nil	Nil	Nil	Nil
Central Govt./ State Govt.	Nil	Nil	Nil	Nil
Venture Capital	Nil	Nil	Nil	Nil
Insurance Companies	Nil	Nil	Nil	Nil
Foreign Institutional Investors	Nil	Nil	Nil	Nil
<b>Sub Total (B) (1)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Non Institutions</b>				
Bodies Corporate	18705814	28.717	34405814	39.751
Individual Share Holders	24309061	37.319	25309061	29.241
NRI/OCBs	676793	1.039	676793	0.782
Trust	Nil	Nil	Nil	Nil
Clearing Members/ Clearing Corp.	301798	0.463	301798	0.348
<b>Sub Total (B) (2)</b>	<b>43993466</b>	<b>67.537</b>	<b>60693466</b>	<b>70.122</b>
Total Public Share Holding				
<b>B = (B)(1) + (B)(2)</b>	<b>43993466</b>	<b>67.537</b>	<b>60693466</b>	<b>70.122</b>
Total A + B	65139363	100.000	86554363	100.000

The proposed preferential allotment will not change the management control. Voting rights shall change according to the change in the shareholding pattern mentioned above. The above figures in the table are on the assumption that all the Warrants will be issued and allotted pursuant to the resolution and all the Warrants will be exercised and that if any Warrants are not issued or allotted or any Warrants are not exercised, the figures will change correspondingly.

**4. Proposed time within which allotment will be completed.**

The allotment of the warrants is expected to be completed within 15 (fifteen) days of the date of passing of the Special Resolution in the AGM. Provided that, where the allotment is pending on account of pendency of any allotment by any Regulatory Authority, the allotment is expected to be completed within 15 (fifteen) days from the receipt of such approval.

**5. Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them:**

Sl. No.	Persons	Number of Convertible Warrants	% of post Issue share holding after conversion of Warrants
1	Akshay Vintrade Pvt. Ltd. 52, Weston Street, Kolkata - 700 013	40,00,000	4.62

**6. The issuer will re-compute the price of the preferential issue in terms of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 where it is required to do so.**

**7. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Warrants shall continue to be locked-in till the time such amount is paid by the allottees.**

29th August, 2013  
Kolkata

By order of the Board  
For Burnpur Cement Limited

Sudhansu Sekhar Panigrahi  
Company Secretary

Due to printing error the details of securities including % (percentage) of share holding (post issue) of proposed allottees of warrants no 3 under regulation 73(1)(e) of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations 2009 for preferential issue of 10000000 convertible warrants has been wrongly published in the notice of EGM held on 25.02.2013. Due to that the Company had given an undertaking to BSE to publish the details of securities of following allottees in the notice of subsequent shareholders meeting.

**Under Regulation 73 (1)(e) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.**

The details of the proposed allottees for the aforesaid preferential issue are:

Sl. No.	Persons	Number of Convertible Warrants	Post Issue share holding after conversion of warrants	% of post Issue share holding after conversion of warrants
1	Solex Finance Pvt. Ltd. 180, M G Road, 3rd Floor Kolkata - 700 007	25,00,000	25,00,000	2.922
2	Imtihan Distributors Pvt. Ltd. 180, M G Road, 3rd Floor, Kolkata - 700 007	20,00,000	30,85,000	3.606
3	Grade Merchandise Pvt. Ltd. 180, M G Road, 3rd Floor, Kolkata - 700 007	25,00,000	36,00,000	4.208
4	Altimate Vyapar Pvt. Ltd. 58, Metcalf Street, Kolkata - 700 013	12,00,000	12,00,000	1.402
5	North East Tradelink Pvt. Ltd. 52, Western Street, Kolkata - 700 012	15,00,000	15,00,000	1.753
6	Rashmi Modi 4/3A, Chanditala Lane, Tollygunge, Kolkata - 700 040	3,00,000	3,00,000	0.351
	<b>Total</b>	<b>1,00,00,000</b>		<b>14.242</b>



## DIRECTORS' REPORT

To The Shareholders,

Your Directors have pleasure in presenting the 27th Annual Report and Audited Accounts of your Company for the year ended 31st March, 2013:

### Financial Results :

The financial results for the year ended 31st March 2013 are summarized below :

(₹ in Lakhs)

	2012- 2013	2011- 2012
Sales (Net)	8375.96	4623.57
EBDIT	858.46	442.86
Interest	255.06	218.61
Depreciation	129.38	72.89
Profit before Tax	474.02	151.36
Income Tax		
-Current Tax	123.85	19.51
-Deferred Tax	33.46	29.81
Profit after Tax	316.71	102.04
Balance brought forward from last year	631.24	529.20
Earlier Year Adjustment	-	-
Balance carried forward to Balance Sheet	947.95	631.24

### DIVIDEND :

The profit for the year is not enough to declare the dividend therefore your directors do not recommend any dividend for the year ended 31st March, 2013.

### RESULT OF OPERATION

The gross sale and other income for the financial year ended 31st March 2013 was Rs. 105.53 Crores as against Rs. 52.77 Crore for the previous year. Due to better marketing strategies adopted by the management turnover of the Company has crossed Rs. 100 Crore. In 2012-13 the Company has produced 174348.3 M.T. against 111260.65 M.T. in the previous year. The effective capacity utilization was 58.11% against 37.07% in the previous year. Due to increase in cost of power & fuel and clinker the profit during the year has affected more compared to previous year. After completion of Patratu project, which is a integrated plant (Clinkering & Grinding) the cost of clinker will be reduced than purchase from market.

In our existing plant (cement grinding) at Asansol we are planning for close circuiting of cement mills which will help us improving our production capacity as well as efficiency of the plant. As a result our capacity utilization will be proportionately increased.

With our expansion planning by setting new clinker unit at patratu we will be expanding further our marketing areas in other states closed to our patratu plant like Odisha & U.P.

### PROJECT AT PATRATU

As per our further business growth /development we have already started execution of our proposed cement projects (clinkering as well as grinding). We are executing our cement project of 800 tpd as per our time bound programme. i.e. cement grinding by the end of December, 2013 and clinkering by the end of May, 2014.

We have already ordered and mobilized various civil constructions, agencies which is supervised by our own experienced cement professionals. Construction progress on various structure are going on as per our schedule. Accordingly we are also bringing all the related equipments for first installment.

With our experienced and dedicated team we are having confidence of meeting our target of commissioning the new cement plant as per our schedule.

### PARTICULARS UNDER SECTION 217

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

With regard to Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo, details are given in Annexure A.

### PARTICULARS OF EMPLOYEES

No employees of the companies is covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 made there under.

### DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of 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:

- (i) The financial statements are prepared in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India and the requirements of the Companies Act, 1956 to the extent applicable to the Company and there are no material departures from prescribed accounting standards.
- (ii) The Board of Directors accept responsibility for the integrity and objectivity of these financial statements. The accounting policies used in the preparation of financial statements have been consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of your company as at 31st March 2013 and of the profit or loss for the financial year ended 31st March 2013.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your company and for preventing and detecting frauds and other irregularities.
- (iv) The annual accounts of your company have been prepared on a going concern basis.

**AUDITORS & AUDITOR'S REPORT**

The auditors M/s. N. K. Agarwal & Co., Chartered Accountant retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. 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 in section 224(1) of the Companies Act, 1956.

The Board proposes the reappointment of M/s N. K. Agarwal & Co. as statutory auditors of the company based on the recommendation of the Audit Committee to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting.

The Notes on Accounts referred to in the Auditor's Report are self explanatory and, therefore, do not call for any further comments.

**COST AUDITOR**

As per the provision of Section 233B of the Companies Act, 1956 the Company's cost records for the year ended March, 2013 are being audited/ reviewed by Cost Auditor M/s Baid & Co. The Cost Audit Report for the year ended 31st March, 2012 was filled in accordance with Cost Audit (Report) Rule 2001 within the stipulated time.

**STATUTORY DISCLOSURE**

None of the Directors of the Company are disqualified as per the provisions of section 274(1)(g) of Companies Act, 1956. The Directors have made necessary disclosures as required under the various provisions of the Act.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report forming part of the Directors Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is annexed to this Annual Report.

**CORPORATE GOVERNANCE**

Your Company re-affirms its commitment to the standard of corporate governance. As per clause 49 of the Listing Agreement with the stock Exchanges, a separate section on Corporate Governance together with a certificate from the Auditors of the company confirming the compliance is set out in the Annexure forming part of this report.

**DIRECTORS**

Mr. Bal Krishan Ladha and Mr. Ansul Agarwal are liable to retire from office by rotation and being eligible offers themselves for reappointment.

Mr. Prem Prakash Agarwal was appointed as an additional director with effect from 9th August, 2013 to hold office till the conclusion of ensuing Annual General Meeting. Notice pursuant to Section 257 of the Companies Act, 1956 has been received from members proposing Mr. Prem Prakash Agarwal for appointment as director of your company.

The Board recommends the above appointment and Resolution seeking your approval on these items are included in the notice convening the Annual General Meeting together with brief resume of the directors being appointed/ reappointed.

**APPRECIATION**

Your Directors express their deep sense of gratitude to the Financial Institutions, Banks, Government Authorities, dealers, suppliers, business associates and Company's valued customers and the esteemed Shareholders for the faith they continue to repose in the Company and look forward to their continued support in future.

The Directors also warmly thank all the employee of the Company for their contribution to company's performance and steady progress.

For and on behalf of the Board  
**MANOJ KUMAR AGARWAL**  
Director

Place : Kolkata  
Date : 09.08.2013

**ASHOK GUTGUTIA**  
Vice Chairman and Managing Director



**ANNEXURE - A TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2013 PARTICULARS UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956**

**A. CONSERVATION OF ENERGY**

- a. Energy conservation measures taken Installed compact fluorescent lamp (CFL) at Plant and Registered Office.
- b. Additional investment and proposals, if any, being implemented for reduction of consumption of energy: N.A.
- 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:  
Due to various conservation measures there was saving in power consumption.
- d. Total energy consumption and Energy consumption per unit of Production:  
Please refer Form A attached.

**B. TECHNOLOGY ABSORPTION**

Please refer Form B attached.

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

- a) Activities relating to export: - Initiative are being taken to start exports to neighboring countries.
- b) Foreign exchange Earning Nil  
Foreign exchange outgo Nil

**ANNEXURE TO THE REPORT OF THE DIRECTORS**

**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, 2013.

**A. POWER AND FUEL CONSUMPTION**

	Current Year (2012-13)	Previous Year (2011-12)
1. Electricity		
a. Purchase		
Units (KWH)	11072818	7561930
Total Amount (Rs. Lacs)	821.76	514.50
Rate per unit	7.42	6.80
b. Own Generation		
I) Through Diesel Generators		
Unit	NA	NA
Unit per Ltr. of Diesel Oil	NA	NA
Cost per Unit	NA	NA
I) Through Steam turbine/generator		
Unit	NA	NA
Unit per Ltr. of Fuel Oil/Gas	NA	NA
Cost per Unit	NA	NA
2. Coal (A to D grade used in Dryer)		
Quantity (Tonnes)	1200	870
Total Amount (Rs. Lacs)	100.67	50.66
Average Rate (Rs.)	8389.54	5823.19

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**Burnpur Cement Ltd.**

3. Furnace Oil		
Quantity (K. Ltrs)	NIL	NIL
Total Amount (Rs. Lacs)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
4. Other / Internal Generation		
Quantity	NIL	NIL
Total Amount	NIL	NIL
Rate per Unit	NIL	NIL

**B. Consumption per Ton of Cement Production**

	Standards (if any)	Current Year (2012-13)	Previous Year (2011-12)
Electricity (Unit)	N. A.	63.51	68.00
Furnace Oil	N. A.	N.A.	N.A.
Coal (Ton) (A to D grade used in dryer)	N. A.	0.007	0.008
Others (specify)	N. A.	N.A.	N.A.

**FORM B**

Form for the disclosure of particulars with respect to technology absorption.

**RESEARCH AND DEVELOPMENT**

- Specific areas in which R&D carried out by the company None
- Benefits derived as a result of above R&D N.A
- Future Plan of action

The company is envisaged to set up R&D facility in the plant to improve operations controls in order to minimize the cost of production after implementation of expansion.

- Expenditure on R&D
 

Capital	Nil
Recurring	Nil
Total R&D expenditure	Nil
As a percentage of Turnover	Nil

**TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION** N.A.

For and on behalf of the Board  
**MANOJ KUMAR AGARWAL**  
 Director

Place : Kolkata  
 Date : 09.08.2013

**ASHOK GUTGUTIA**  
 Vice Chairman and Managing Director



## **MANAGEMENT DISCUSSION & ANALYSIS**

### **Business Environment**

In India, cement production has increased rapidly during the last few years. Indian cement industry is performing well with the growth in infrastructure and housing segments. The demand for cement being a derived demand depends primarily on the industrial activity, construction activity and investment in the infrastructure sector. While growth in cement production and consumption in 2012-13 was not at all encouraging, there is some hope of recovery in the ongoing fiscal because of expected revival in the economy growth in general and the construction sector in particular.

Cement production rose by 7.3 per cent in October 2012 to 199.1 lakh tonnes. This was over a 1.5 per cent growth in the corresponding month a year ago. When compared to September, production was nine per cent up during the month. During the April-October 2012 period, cement production grew by 8.4 per cent compared to 2.9 per cent in the year-ago period. Low base and improved demand is likely to have aided the healthy growth in production.

Cement output grew just 4.24 per cent to 233.3 million tone in 2012-13 compared to 7.34 per cent (228.3 m.t.) in the previous fiscal. Growth in consumption was 4.2 per cent compared to 7.1 per cent in the previous financial year. While decline in the growth of cement consumption mainly due to slow down in the real estate industry particularly, the housing segment, other factors like fall in capital expenditure, patchy implementation of infrastructure projects and rise in prices.

Over sixty per cent of the cement demand in the country comes from housing sector with rural housing accounting 40 per cent of the total. Slowdown in the housing sector in 2012-13 is mainly due to high interest rate.

The industry is also optimistic that demand for cement will surge in the near future through the revival of economic activity by the government especially through 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 alongwith lower capacity utilizations."

Against this back ground your company continues to maintain its growth path through continued focus on operational efficiency and unrelenting sustainability effort.

### **Opportunity & Threats**

Being a huge country, there will be a difference in the region wise demand for cement in the country which is broadly divided into the western, eastern, northern and southern regions. A rise in growth will be witnessed by the Eastern and Central regions from the lower than average levels of 6 percent in FY2011-12 to 9 percent in FY2013-14.

One of the key drivers of housing sector in the coming months would be the initiatives of the central and the state governments to promote affordable housing. Both the central and state governments are taking steps to provide low-cost housing and rural housing. In the short run, the impending general election (scheduled in mid 2014) may spur populist spending on mass housing projects.

In order to stimulate demand in an already sagging industry, the government needs to initiate certain measures in the form of providing tax incentive to the industry, reduce the overall tax value on the commodity and phase out cross subsidy on supportive components.

The government can also consider classifying cement as "Declared Goods" like steel having a uniform VAT rate of 4 percent throughout the country. In a nutshell, the government needs to support the cement industry in reviving its fortune through initiatives like reducing tax burden, providing incentives and ensuring availability of superior quality coal.

### **Future Outlook**

Recent forecast for coming years that the cement industry will grow with a compound annual growth rate (CAGR) of around 12 per cent to reach 303 million metric ton per annum in 2014. Growth in the demand for cement in 2013-14 may improve as the economy is expected to grow faster and also because the Governments policy initiative may promote housing sector. According to recent economic survey, the Indian economy may grow around 6.5 per cent in 2013-14 more than the estimated 5 per cent in 2012-13 because of easing of monetary policy by Reserve Bank of India. Recovery in the construction sector may contribute to the growth in the cement demand in 2013-14. Growth in the construction sector is expected to be 7 percent in 2013-14 compared to 5.9 per cent on the previous year.

### **Risk & Concern**

The Union Budget for 2013-14, has outlined its focus of sustained development and need for rationalizing expenditure to enable India to get back to the 8% growth levels. The Budget has also laid special focus on social development through a number of programmes. The government has increased allocation towards various infrastructural schemes/projects. The allocation towards JNNURM and RIDF has been set at "14,873 crore and " 20,000 crore, respectively. PMGSY has been allocated Rs. 21,700 crore and allocation to Indira Awas Yojana is set at " 15,184 crore. Inorder to promote home ownership, an additional deduction of interest upto "1,00,000 is proposed on a housing loan upto " 25 lakh availed in FY14. The enhanced allocation to different infrastructure projects and continued focus on development of affordable housing in the country will augur well for the cement industry. However, in the Union Budget 2013-



14, the custom duty on steam coal has been increased from 0% to 2%. This will lead to rise in power and fuel cost of the cement manufacturers as many cement companies have to rely on imported coal which is negative for the industry.

**Performance of the Company :**

(₹ in Lacs)

Particulars	2012-13	2011-12
1. Total Income (Net)	8399.37	4724.40
2. Total expenditure	7540.91	4281.54
3. Profit before interest, depreciation and tax	858.46	442.86
4. Interest	255.06	218.61
5. Profit after interest but before depreciation and tax	603.40	224.25
6. Depreciation	129.38	72.88
7. Profit before tax	474.02	151.36
8. Profit after tax	316.71	102.04
Annual Production		
No. of Bags (Weight 50 kgs. Each)	3486966	2225213

**Internal control system and its Adequacy:**

The Company has proper and adequate systems of internal controls to provide reasonable assurance that transactions are authorized, recorded and reported correctly and to ensure compliance with policies, statute. The internal control system provides for well-documented policies, guidelines, authorizations and approval procedures. The Internal Audit function is an independent function and is carried out by team of external auditors at the plants and registered office. The Internal Audit team monitors the effectiveness of the internal control systems and periodically reviews the same. The Company has an Audit Committee that regularly reviews the reports submitted by the Internal Auditors.

**Corporate Social Responsibility:**

The Company is committed to do business with emphasis on Corporate Social Responsibility and in this regard following activities undertaken by the company during the year are:

- Donation made for development of Burial ground in soliya village.
- Donation made for development of villages near Patratu plant.
- Distribution of blanket to BPL Families during winter season.
- Donation made for celebration of Makar Sankranti Festival.
- Donation made for construction of Maa Manasha Temple in a village near Patratu Plant.
- Organized free health check-up camp.

Apart from above the company is donating on regular basis to local committees for development of local areas, upliftment of poor peoples and economic development of local people. The company is also contributing to some extent for economic development and improvement of quality of life of employees and local community residing near the plant.

**Industrial Relation:**

Industrial relations has become one of the most delicate and complex problems of modern industrial society. Industrial progress is impossible without cooperation of labors and harmonious relationships, therefore your company has specific industrial policy to create and maintain good relations between employees and management. Your company believes that nurturing and development of human capital is of key importance for its operations. Hiring the best people, retaining them and ensuring their development is a major challenge for the industry in today's competitive environment. Your Company has laid down process for attracting, retaining and rewarding talent. The appraisal system is transparent and fair and carried on with an objective to identify and reward the performer.

**Cautionary statement**

Statement in MDAS describing the company's objective, estimates, projections, expectation or prediction may be forward looking statement within the meaning of applicable laws and regulations. Actual results, performance or achievement could differ materially from those expressed or implied in such forward looking statements.



## REPORT ON CORPORATE GOVERNANCE:

### 1. COMPANY'S PHILOSOPHY

The company's philosophy on corporate governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders including shareholders, lenders, creditors and employee. The Company and its Board of directors firmly believe that strong corporate governance, by maintaining a simple and transparent corporate structure, is integral to creating value on a sustainable basis. Good governance is a continuing exercise and the company reiterates its commitment to pursue the same in all aspects of its operations in the overall interest of all its stakeholders. The directors and employees have accepted a code of conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the company.

### 2. BOARD OF DIRECTORS

#### (A) Composition of Board

The present strength of the Board of Directors is six, out of which three are independent director and one is professional director. The composition of the Board of Directors is in conformity with the Corporate Governance code. None of the Director is a member of more than ten committees and Chairman of more than five committees, across all the companies in which he is a Director. The board functions as a full Board and through committees. The Board of Directors and committee meet at regular intervals. Every directors of the company are over twenty one years of age. The composition and category of the Directors on Board is as follows:

Name	Designation	Category of Directorship	
		Executive/ Non-Executive Director	Independent/Non- independent/ Promoter Director
Mr. Prem Prakash Sharma	Chairman	Non-Executive	Independent
Mr. Ashok Gutgutia	Vice Chairman and Managing Director	Executive	Promoter
Mr. Manoj Kumar Agarwal	Whole-Time Director	Executive	Promoter
Mr. Subrata Mookerjee	Director	Non-Executive	Independent
Mr. Bal Krishan Ladha	Director	Non-Executive	Professional
Mr Ansul Agarwal	Director	Non-Executive	Independent

#### Number of Board Meetings and Attendance Record of Directors

The Board meets at least once in a quarter to consider amongst other business the performance of the company and financial results. The particulars of Board Meetings held during the year 2012-13 are given below:

Number of Board Meetings held during 2012-13 : 7			
Sl.No.	Date of Board Meeting	Sl.No.	Date of Board Meeting
1	25.05.2012	5	04.12.2012
2	30.07.2012	6	24.12.2012
3	08.08.2012	7	25.01.2013
4	15.10.2012		

The attendance of each director at the meeting of the Board of Directors during the year and the last Annual General Meeting and their directorship/chairmanship in other companies are given below:

Sl. No.	Name of Director	No. of Board meeting attended	Attendance at last AGM	No. of other Directorship @	No. of membership / chairmanship ^ held in committee of other companies Member, Chairman	
1	Mr. P. P. Sharma	2	No	3	Nil	Nil
2	Mr. Ashok Gutgutia	7	Yes	Nil	Nil	Nil
3	Mr. Manoj Kumar Agarwal	7	Yes	Nil	Nil	Nil
4	Mr. Subrata Mookerjee	2	No	Nil	Nil	Nil
5	Mr. Bal Krishan Ladha	3	No	Nil	Nil	Nil
6	Mr. Ansul Agarwal	7	Yes	1	Nil	Nil

@ Other directorships do not include alternate directorships, directorships of Private Limited Companies, section 25 companies, and of companies incorporated outside India.

^ Chairmanship / Membership of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

#### COMMITTEES OF BOARD OF DIRECTORS

The Board has constituted Committees of Directors to deal with matters and monitor the activities falling within the terms of reference as follows:

##### (A) AUDIT COMMITTEE

The Audit committee of the Company is constituted pursuant to the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the stock exchanges. As on 31st March, 2013 the Audit Committee comprised of following directors.

##### CONSTITUTION OF AUDIT COMMITTEE:

Name of the Members	Designation	Status
Mr. Ansul Agarwal	Chairman	Independent Director
Mr. Subrata Mookerjee	Member	Independent Director
Mr. Bal Krishan Ladha	Member	Professional Director
Mr. Prem Prakash Sharma	Member	Independent Director
The company Secretary acts as Secretary to the committee.		

It has the following terms of reference and composition:

Terms of references/scope of the Company audit committee inter alia include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board the appointment, re- appointment and, if required, the replacement or removal of the statutory auditors and the fixation of the audit fees.
3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.



- b. Changes, if any, in accounting policy and practices and reason for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d. Significant adjustments made in the financial statement arising out of audit findings
  - e. Compliance with listing and other legal requirement relating to financial statements.
  - f. Disclosure any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements and annual financial statements before submission to the Board for approval.

The committee met four times during the year under review. All the members of the committee are eminent in their respective fields having sufficient accounting and financial management expertise and the Chairman of the committee is a commerce graduate having experience in dealing accounting matters. During the year four meetings of the Audit Committee of the Company were held on 25.05.2012, 08.08.2012, 15.10.2012 and 25.01.2013 and attendance of the Members of the Committee at these Meeting are as under :

Name of the Members	No. of Meetings Attended
Mr. Ansul Agarwal	4
Mr. Subrata Mookerjee	2
Mr. P P Sharma	2
Mr. Bal Krishan Ladha	3

#### (B) REMUNERATION COMMITTEE

The Board has set up a Remuneration Committee on January 4, 2007. and has been reconstituted on 30th April, 2010, 20th October, 2010. The Committee is responsible for recommending to the Board, the Remuneration package of Whole Time Directors including their annual increment and commission after reviewing their performance and also the compensations to the non-executive directors of the company.

##### Constitution of Remuneration committee:

Name of the Members	Designation	Status
Mr. Prem Prakash Sharma	Chairman	Independent Director
Mr. Subrata Mookerjee	Member	Independent Director
Mr. Ansul Agarwal	Member	Independent Director

The Company Secretary acts as Secretary to the committee.

The remuneration committee passed a resolution in the meeting of board of directors held on 25th May, 2012 and approved the remuneration paid to Mr. Manoj Kumar Agarwal as Whole Time Director w.e.f. 1st June, 2012.

##### Remuneration Policy

The remuneration policy is directed toward rewarding performance, based on review of achievement on a periodical basis.

Besides sitting fees no remuneration was paid to any non-executive directors during the financial year under review.

##### a) Details of remuneration paid to the Directors for the year ended 31st March 2013

Name	Designation	Salary	Perquisites & Other allowances*	Commission	Total
Mr. Ashok Gutgutia	Vice Chairman and Managing Director	21,00,000	Nil	Nil	21,00,000
Mr. Manoj Kumar Agarwal	Whole Time Director	10,00,000	Nil	Nil	10,00,000

\* The Managing Director have their right to receive perquisite and other allowances during the year under report.

There are no stock options available/issued to any directors of the company.

**b) Paid to Non Executive Directors**

Sl. No.	Name of the Director	Sitting Fees Paid (Rs.)
1	Mr. Prem Prakash Sharma#	60,000/-
2	Mr. Subrata Mookerjee#	60,000/-
3	Mr. Ansul Agarwal#	1,20,000/-
4	Mr. Bal Krishan Ladha	90,000/-
	<b>Total</b>	<b>3,30,000/-</b>

# Above mentioned directors have waived their fees for attending some/all of the board meeting voluntarily

**Shareholders'/Investors' Grievances Committee**

This committee has been constituted for redressing the complaints of the shareholders and investors, to oversee share transfers and monitors investor's grievances such as complaints on transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, non receipt of refund order in case of part-allotment/non-allotment of shares relating to public issue etc. and redress thereof. During the year the committee met once on 25th January, 2013 in which the members of the committee were present.

**Constitution of Investors Grievances Committee:**

Name of the Member	Designation	Status
Mr. Prem Prakash Sharma	Chairman	Independent Director
Mr. Manoj Kumar Agarwal	Member	Promoter
Mr. Ashok Gutgutia	Member	Promoter
The company Secretary acts as Secretary to the committee.		

**Share Transfer System:** The Shareholders'/Investors' Grievances Committee has been delegated the power to deal with share transfer. The Board has also delegated the power of share transfer to the officer of the company. The delegated authorities attend to share transfer formalities at least twice in a month. Transfer of shares are processed and registered within the stipulated time, provided all the documents are valid and complete in all respect. The board has appointed the Company Secretary as Compliance Officer of the company to monitor the share transfer process.

The company has appointed M/s Niche Technologies Pvt Ltd, as its Share Transfer Agent for both physical and demat segment of equity shares.

**Compliance Officer :** Mr. Sudhansu Sekhar Panigrahi, Company Secretary  
Gujarat Mansion, 14, Bentinck Street, 2nd Floor  
Kolkata, West Bengal, Pin- 700 001  
Tel No-(033) 2262 3167, 3025 0826 ; Fax No-(033) 2262 3168  
Email:info@burnpurcement.com, investors@burnpurcement.com

**General Body Meetings**

Details of Annual General Meetings

The last three Annual General Meetings were held as under :

Year	Location	Date	Time
2011-2012	Surya Sen Mancha, 432, Prince Anwar Shah Road, Kolkata - 700 068	28-09-2012	3.00 P.M.
2010-2011	Asansol Club Limited Court Compound, Asansol - 713 304	30-11-2011	11.00 A.M.
2009-2010	Asansol Club Limited Court Compound, Asansol - 713 304	29-09-2010	3.30 P.M.



Two special resolution was passed in the previous Annual General Meeting of the members of the company.

No special resolution was passed through postal ballot during the financial year.

#### DISCLOSURES

A) A summary of transactions with related parties, in the ordinary course of business is placed before the Audit Committee.

B) Related Party Transactions

None of the transactions with any of the related party was in conflict with the interest of the Company at Large. The details of the related party transaction are given in the notes of accounts of the Balance Sheet.

C) Non - compliance / strictures / penalties imposed

There was no such instance in the last three years.

D) Accounting Treatment

The financial statements are prepared in accordance with the accounting standards issued by the **Institute of Chartered Accountants of India**. Where, in the preparation of financial statements, a treatment different from that prescribed in an Accounting Standard has been followed, the fact has been disclosed in the financial statements, together with the Management explanation as to why it believes such alternatives treatment is more representative of the true and fair view of the underlying business transaction. The significant Accounting Policies which are consistently applied have been set out in the Notes on Accounts.

E) Risk Management

Risk evaluation and management is an ongoing process within the organization. During the period under review, a detailed exercise on Risk Management was carried out covering the entire gamut of operations of the company and the Board was informed about the same.

F) Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. As regards the non-mandatory requirements a remuneration committee has been set up and the terms of reference thereof has defined. Other non-mandatory requirements including inter-alia Whistle Blower Policy are being reviewed by the board from time to time.

#### DETAILS OF INFORMATION ON 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 the companies in which the person already holds directorship and membership of the committees of the Board forms part of the notice convening the 27th Annual General Meeting.

#### CEO/CFO Certification

As required under Clause 49 V of the listing agreement with the stock exchanges, the Vice chairman and Managing Director of the Company, Mr. Ashok Gutgutia heading the finance function of the Company certify to the Board that:

- a) The financial statements and the Cash Flow Statement for the year have been reviewed and to the best of their knowledge and belief:
  - (i) these statements do not contain any untrue statement of material fact, have not omitted any material fact and do not contain any statement that is 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.
- b) To the best of his knowledge and belief no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct.
- c) He accepts responsibility for establishing and maintaining internal controls for financial reporting and that he has evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
- d) They have indicated to the auditors and the Audit Committee:
  - i) Significant changes in the internal control over financial reporting during the year

- ii) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
- iii) There have been no instances of significant fraud either by the management or an employee having a significant role in the Company's internal control system of financial reporting.

#### Code of Conduct

The company has adopted and implemented a code of conduct for its director and senior management. The code of conduct is posted in the official website of the company. For the year under review, all Directors and Senior Management personnel of the Company have confirmed their adherence to the provision of the said code.

#### Insider Trading

In Compliance with the Security and Exchange board of India Regulation on prevention of Insider Trading the Company has formulated a well defined Insider Trading Policies which prohibits its directors, employees and other associates to deal in the securities while in possession of any unpublished price sensitive information relating to the Company. The Insider Trading Policy lays down the guideline which advises all the persons considering as Insider on the procedures to be followed and disclosures to be made while dealing with share of the Company and cautioning them of the consequent violation.

All the Directors and designated employees have confirmed compliance with the code.

#### COMPLIANCE WITH CLAUSE 47(f) OF THE LISTING AGREEMENT

In compliance with Clause 47 (f) of the Listing Agreement, a separate e-mail Id investors@burnpurburncement.com has been set up as a dedicated ID solely for the purpose of registering investors complaints.

#### MEANS OF COMMUNICATION

The un-audited financial results of the company for each quarter are generally placed before the Board of Directors in its meeting held after end of each quarter. The audited financial results/un-audited financial results of the company were/will be published generally in English news paper (Mint) (all editions) and in Bengali news paper: (Dainik Statesman or Arthik Lipi) (Kolkata edition). The financial Results for the year ended 31st March 2013 and other useful information on the company are also available on the Company's Website at www.burnpurburncement.com.

#### General Shares Holders Information

I)	AGM : Date, time & venue	30th September, 2013, 10.00 A.M. Asansol Club Ltd. Court Compound, Asansol - 713304	
II)	Financial Calendar for F. Y. 2013-14 (Tentative)	Unaudited Financial Results for the First Quarter ended 30.06.13	Within 15th August, 2013
		Unaudited Financial Results for the Second Quarter/half year ended 30.09.13	Within 15th November, 2013
		Unaudited Financial Results for the Third Quarter/nine months ended 31.12.13	Within 15th February, 2014
		Unaudited Financial Result for the fourth quarter/year ended 31.03.2014	Within 15th May, 2014
		Audited Results : Year ended 31.03.2014	By the end of May 2014 or any other date fixed by the Board.
III)	Date of Book Closure	23rd September, 2013 to 30th September, 2013 (Both the days inclusive)	



IV)	Dividend Payment	N. A.
V)	Listing on Stock Exchange	The Company's Equity shares are listed at the following Stock Exchanges : 1. Bombay Stock Exchange Ltd. 25th Floor, Phiroze Jeejeebhoy Towers Dalal Street Fort, Mumbai - 400 001 2. The National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block - G Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051 The Company has paid the listing fee for the year 2013-14 to both the Stock Exchanges.
VI)	Stock Code	Bombay Stock Exchange : 532931 National Stock Exchange : BURNPUR
VII)	ISIN allotted to Equity Shares	INE817H01014
VIII)	Registered Office	Palashdiha, Kanyapur, Panchgachia Road Asansol - 713341, Burdwan Tel. No. : (0341) E-mail : info@burnpurcement.com, investors@burnpurcement.com Website : www.burnpurcement.com
IX)	Registrar and Share Transfer Agents (RTA)	<b>NICHE TECHNOLOGIES PRIVATE LIMITED</b> D-511, Bagree Market, 71, B. R. B. Basu Road, Kolkata - 700 001, West Bengal, India Tel. : +91 33 2235 7270 / 7271, Fax : +91 33 2215 6823 E-mail : nichetechpl@nichetechpl.com Website : www.nichetechpl.com
X)	Address for investors' correspondences	Investors/shareholders can correspond with the RTA and directly to the Registered Office and Corporate Office of the Company.

xi) a) Distribution of Shareholding as on 31st March,2013

No. of shares held	No. of Shareholders	% of Shareholder	No. of	% of shareholding Shares Held
1 to 500	26148	78.4495	53,66,044	8.5169
501 to 1000	4189	12.5679	33,64,412	5.3400
1001 to 5000	2482	7.4465	54,83,605	8.7035
5001 to 10000	257	0.7711	19,69,834	3.1265
10001 to 50000	190	0.5700	39,56,333	6.2795
50001 to 100000	30	0.0900	22,23,855	3.5297
100001 and above	35	0.1050	4,06,40,280	64.5039
Total	33331	100	6,30,04,363	100



**b) Pattern of Shareholding as on 31st March, 2013**

Category	No. of Shareholders	% of shareholders	No. of shares held	% of Shareholding
Individual	32814	98.449	27770722	44.077
Bodies Corporate	254	0.762	34131596	54.173
NRI / OCBS	186	0.558	698024	1.108
Clearing Member / Clearing corp.	77	0.231	404021	0.641
Total	33331	100	63004363	100
Promoters	27	0.08	19095897	30.309
Non-Promoters	33304	99.92	43908466	69.691
Total	33331	100	63004363	100

**c) Summary report of shareholding as on 31st March, 2013**

PARTICULARS	NO. OF SHARES	% OF SHAREHOLDING
PHYSICAL	17864	0.028
NSDL	42455238	67.385
CDSL	20531261	32.587
TOTAL	63004363	100

**Status of Shareholders'/ Investors' Complaints for the year ended 31.03.2013**

Nature of Complaint	No. of Complaints pending as on 31.03.2012	No. of complaints received	No. of complaints resolved	No. of complaints pending as on 31.03.2013
IPO Related Matter	Nil	1	1	Nil

**Stock Market Data**

Monthly high and Low prices of equity shares of the company quoted at Bombay Stock Exchange and National stock Exchange during the year 2012-13.

Month	Bombay Exchange*	Stock	National Exchange*	Stock	Sensex	
April	7.00	6.03	6.95	6.00	17664.10	17010.16
May	8.00	5.60	7.65	5.60	17432.33	15809.71
June	6.90	5.56	6.50	5.50	17448.48	15748.98
July	6.20	5.40	6.35	5.45	17631.19	16598.48
August	7.15	5.55	7.10	5.55	17972.54	17026.97
September	7.68	5.80	7.65	5.70	18869.94	17250.80
October	13.38	7.30	13.40	7.05	19137.29	18393.42
November	10.60	9.05	10.40	9.00	19372.70	18255.69
December	9.85	8.50	9.95	8.50	19612.18	19149.03
January	9.65	8.21	9.60	7.80	20203.66	19508.93
February	8.59	7.00	8.60	6.95	19966.69	18793.97
March	7.40	5.69	7.50	5.70	19754.66	18568.43



- xii) Dematerialization of Equity Shares and Liquidity: 99.97% of Equity Shares have been dematerialized as on 31st March, 2013
- xiii) Outstanding GDRs/ADRs / Warrant: The company has issued 12550000 Convertible warrants to Promoters and Non promoters during the year 2012-13. and 2900000 warrants have been converted into equity which was earlier issued.
- xiv) Plant Location: Village-Palasdaha, Panchgachia Road, P.O- Kanyapur, Dist. Burdwan, West Bengal. Tel No-(0341) 2250454, 2252965
- xv) Proposed Plant Location: Plot No.A-8P,9,10,11, B-38,39,40, C-7P,8,9,10,11 & XP, Block-D and Block-E, Patratu Industrial Area, Jharkhand State.

#### DECLARATION

This is to confirm that the company has adopted a code of conduct for its Directors and its senior management and employees. As provided under Clause 49 of the Listing Agreement with the Stock Exchange, all the directors and the designated personnel in the senior management of the company have affirmed compliance with their respective code for the financial year ended 31st March 2013.

Place: Kolkata  
Date: 9th August, 2013

For BURNPUR CEMENT LTD.  
**Ashok Gutgutia**  
Vice-Chairman & Managing Director

#### AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Share Holders  
**Burnpur Cement Ltd.**

We have examined the Compliance of the conditions of Corporate Governance by Burnpur Cement Ltd for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company with the relevant Stock Exchanges in India.

The compliance of the 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 report nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has, in all material respect, complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement with the relevant Stock Exchanges.

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

Place: Kolkata  
Date: 9th August, 2013

For M/s N K Agarwal & Co.  
(Chartered Accountant)

**Mr. N. K. Agarwal**  
(Proprietor)  
Membership No 14267

**INDEPENDENT AUDITORS' REPORT****TO THE SHAREHOLDERS OF BURNPUR CEMENT LIMITED.**

To the Members of  
**BURNPUR CEMENT LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of BURNPUR CEMENT LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

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

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

**Opinion**

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;  
and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211 (3C) of the Act
  - e) On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274 (1)(g) of the Act.

For M/s. N. K. Agarwal & Co.  
(Chartered Accountant)

N. K. Agarwal  
(Properties)

Membership No. 14267

Dated : 22.05.2013

Place : Asansol



## **ANNEXURE TO AUDITORS REPORT**

(Referred to in Paragraph (1) thereof)

To the Shareholders of  
**BURNPUR CEMENT LIMITED**

- 1) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed asset. All the fixed assets have not been verified by the management during the period. According to the information and explanations given to us 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. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
- 2) None of the Fixed Assets have been re-valued during the period.
- 3)
  - a) The inventory has been physically verified during the period. In our opinion the frequency of verification is reasonable.
  - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. No major discrepancies were noticed.
- 4) The Company has taken unsecured loan and secured loans from financial institutions banks, and body corporate, and director. However the terms of loans are not prima facie prejudicial to the interest of the Company.
- 5) In respect of contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - a) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5000 in respect of each party during the year have been made at a prices which appear reasonable as per information available with the company.
- 6) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax and Sales Tax and such other statutory dues with the appropriate authorities.
  - a) Demand of Rs.55.06 Lac raised on completion of Sales Tax Assessment for the years ended on 31-03-1996 and 31-03-2005 under West Bengal Sales Tax Act, 1994, have not been provided for in the books. It is explained by the Management that the whole demand is disputed and revision/ appeal have been preferred before appropriate Appellate Forum and the management has bonafide belief that demand will be reduced to Nil on disposal of revision / appeal proceedings.
  - b) Demand of Rs. 7,83,434/- raised on completion of sales tax assessment for the year ended on 31.03.2010 under West Bengal VAT Act, 2003 and Rs. 1,45,087/- under Central Sales Tax Act have not been provided for in the books. It is explained by the management that the whole demand is disputed and revision/appeal have been preferred before appropriate Appellate Forum and the management has bonafide belief that demand will be reduced to Nil on disposal of revision/ appeal proceedings.
  - c) The demand of Rs. 380.46 Lakhs raised on completion of Income Tax regular assessment for the asst. year 2008-09 has been reduced to Nil by CIT(A), Asansol. But the department has gone in second appeal before the Tribunal and the management firmly believes that there will not be any demand.
  - d) Fresh demand of Rs. 1,04,559/- for A.Y 2006-07, Rs. 74,06,921/- for A.Y 2007-08, Rs. 7,64,860/- for A.Y. 2009-10 and Rs. 22,60,590/- for A.Y. 2010-11 raised by Income Tax Department on completion of income as assessment, have not been provided for in the Books of Accounts. The demands are disputed and appeals have been filed for all the years before the appropriate appellant authority and the management is confident that demand will be reduced to Nil on completion of appeal proceedings.
- 7) The Company has not granted any loans, secured or unsecured to the companies, firms or other parties in which directors are interested.

- 8) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- 9) According to the information and explanation given to us, the Company has not accepted any deposits from the public. Accordingly, paragraph 4(vi) of the order is not applicable.
- 10) The Company has adequate internal Audit system commensurate with the size and nature of its business.
- 11) We have broadly reviewed the cost records maintained by the Company pursuant to Companies (Cost Accounting Records) Rules 2011 prescribed by the Central Government under Section 209(1) (d) of Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 12) Based on our Audit procedures and according to information and explanation given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to Banks and Financial Institutions.
- 13) Based on our examination of documents and records and according to the information and explanation given to us, we are of the opinion that the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 14) In our opinion, the Company is not a chit fund or nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- 15) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- 16) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions. Therefore, the provisions of clause 4(xv) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- 17) According to information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment and vice versa.
- 18) The company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
- 19) According to the information and explanations given to us, the Company has made preferential allotment of convertible warrants to parties including those who are covered in the register maintained under Section 301 of the Companies Act, 1956.
- 20) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the year, hence paragraph 4(xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- 21) During the period covered by our Audit Report, the Company has not raised any money by way of Public Issues. However the balance share warrants of 29 lakh have been converted into equity shares during the year and fresh convertible warrants of 12550000 have been issued during the year.
- 22) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M/s. N. K. Agarwal & Co.  
(Chartered Accountant)

N. K. Agarwal  
(Properties)  
Membership No. 14267

Dated : 22.05.2013  
Place : Asansol



### CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

	As at 31.03.13		As at 31.03.2012	
	Amount (₹)		Amount (₹)	
<b>A. EQUITY &amp; LIABILITIES :</b>				
<b>Shareholders' Funds</b>				
a) Share Capital	630,043,630.00		601,043,630.00	
b) Reserves and Surplus	261,577,723.45		227,773,516.04	
c) Money received against share Warrants	<u>45,750,000.00</u>	937,371,353.45	<u>34,800,000.00</u>	863,617,146.04
<b>Non Current Liabilities</b>				
a) Long term Borrowing	498,665,773.96		148,780,707.73	
b) Deferred Tax liabilities (net)	12,637,131.90		9,290,950.90	
c) Other Long Term provision	<u>4,334,861.00</u>	515,637,766.86	<u>3,277,184.00</u>	161,348,842.63
<b>Current Liabilities</b>				
a) Short Term Borrowings	166,899,699.48		164,491,470.18	
b) Trade Payable	87,557,599.32		58,805,208.45	
c) Other Current Liabilities	90,388,272.27		17,948,412.95	
d) Short term provisions	<u>25,514,197.35</u>	<u>370,359,768.42</u>	<u>13,129,468.35</u>	<u>254,374,559.93</u>
<b>Total :</b>		<u><u>1,823,368,888.73</u></u>		<u><u>1,279,340,548.60</u></u>
<b>B ASSETS :</b>				
<b>Non-Current Assets</b>				
a) <b>Fixed Assets</b>				
(i) Tangible Assets	260,198,071.80		225,655,943.45	
(ii) Intangible Assets	510,175.06		613,919.06	
(iii) Capital Work in Progress	721,762.00		14,415,506.50	
(iv) Capital Work in Progress (Jharkhand Unit)	<u>519,812,361.65</u>	781,242,370.51	<u>260,443,276.65</u>	501,128,645.66
b) Non Current Investments		139,320.00		-
c) Deferred Tax Assets				
d) Long Term Loans & Advances		556,839,884.20		387,852,984.70
e) Other Non Current Assets		47,463.30		-
<b>Current Assets</b>				
a) Current Investments				
b) Inventories		159,680,500.40		89,098,651.24
c) Trade Receivable		181,200,842.58		195,175,290.89
d) Cash & Bank Balances		65,681,159.86		47,246,878.85
e) Short Term Loans & Advances		72,862,755.98		57,316,292.26
f) Other Current Assets		<u>5,674,591.90</u>		<u>1,521,805.00</u>
		<u><u>1,823,368,888.73</u></u>		<u><u>1,279,340,548.60</u></u>

Significant Accounting Policies  
Notes on Financial Statements

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

Mr. N. K. Agarwal  
(Proprietor)

Date : 22.05.2013  
Place : Asansol

On behalf of the Board

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

S. S. Panigrahi  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

	<u>As at 31.03.13</u> Amount (₹)	<u>As at 31.03.2012</u> Amount (₹)
<b>A. CONTINUING OPERATIONS :</b>		
Revenue from Operations(Net)	837,595,786.07	462,357,501.63
Other Income	2,341,344.00	10,082,307.89
<b>Total Revenue</b>	<b><u>839,937,130.07</u></b>	<b><u>472,439,809.52</u></b>
<b>Expenditure</b>		
Cost of Materials Consumed	501,505,514.53	249,006,845.28
Purchase of Stock in Trade	16,858,649.69	13,020,931.88
Change In Inventory of Stock in Trade	(13,509,709.03)	(11,446,442.67)
Employee Benefits Expenses	23,244,457.00	16,830,593.00
Finance Cost / Interest & Other Charges	25,506,443.48	21,861,351.06
Depreciation & amortisation expenses	12,937,575.92	7,288,506.60
Other Expenses	291,202,097.38	160,741,970.63
Less: Captive Consumption	<u>(65,209,757.83)</u>	-
<b>Total Expenses</b>	<b><u>792,535,271.14</u></b>	<b><u>457,303,755.78</u></b>
<b>Profit/(Loss) before exceptional &amp; extraordinary items &amp; tax</b>	47,401,858.93	15,136,053.74
Profit/(Loss) before tax	47,401,858.93	15,136,053.74
<b>Tax Expenses</b>		
(a) Current tax expenses for current year	12,384,730.00	1,951,032.42
(b) Deferred tax	3,346,181.00	2,980,902.90
<b>Profit / (Loss) from continuing operation</b>	31,670,947.93	10,204,118.42
<b>B. TOTAL OPERATIONS :</b>		
<b>Profit/ (Loss) for the year.</b>	31,670,947.93	10,204,118.42
<b>Earning per Share(of Rs.10/- each)</b>		
(a) Basic	0.50	0.17
(b) Diluted	0.51	0.16
<b>No.of share used in computing Earning per Shares</b>		
(a) Basic	63004363.00	60104363.00
(b) Diluted	62679363.00	63004363.00

Significant Accounting Policies

Notes on Financial Statements.

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

Mr. N. K. Agarwal  
(Proprietor)

Date : 22.05.2013  
Place : Asansol

On behalf of the Board

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

S. S. Panigrahi  
Company Secretary



### CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Notes	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net Profit Before Tax		47,401,858.93	15,136,053.74
Adjustment for :			
Depreciation		12,937,575.92	7,288,506.60
Interest Expenditure		25,506,443.48	21,861,351.06
Payment of Gratuity		(15,000.00)	(7,452.00)
Interest on Fixed Deposits		<u>(2,134,806.00)</u>	<u>(1,037,122.22)</u>
<b>Operating Profit Before Working Capital Changes</b>		<b><u>83,696,072.33</u></b>	<b><u>43,241,337.18</u></b>
Adjustment for:			
Decrease/(Increase) Inventories		(70,581,849.16)	(28,268,457.13)
Decrease/(Increase) Sundry Debtors		12,916,337.55	(29,129,516.67)
Decrease/(Increase) Loans and Advances(Long Term & ONCT)		(161,952,556.50)	(18,670,347.31)
Decrease/(Increase) Loans and Advances(ST/OCT)		(19,829,250.62)	(8,644,080.00)
(Decrease)/Increase Current Liabilities		<u>106,784,734.74</u>	<u>115,899,665.43</u>
Cash Generated From Operations		(48,966,511.66)	74,428,601.50
Direct taxes paid (net of refunds)		<u>(9,626,272.00)</u>	<u>(5,781,122.00)</u>
<b>Net Cash from Operating Activities</b>	<b>(A)</b>	<b><u>(58,592,783.66)</u></b>	<b><u>68,647,479.50</u></b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchase of Fixed Assets		(68,244,636.87)	(66,777,521.61)
Capital Work-In-Progress		(264,963,483.08)	(17,191,497.31)
Sale/(Purchase) of Investments		(139,320.00)	-
Interest on Fixed Deposits		2,134,806.00	1,037,122.22
<b>Net Cash From Investing Activities</b>	<b>(B)</b>	<b><u>(331,212,633.95)</u></b>	<b><u>(82,931,896.70)</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Issue of Capital		29,000,000.00	(8,100,000.00)
Proceeds from LT & Unsecured Borrowings		386,732,460.23	35,487,843.33
Money Received against share warrant		10,950,000.00	-
Interest Paid		(25,506,443.48)	(21,861,351.06)
Security Premium Recd.		5,800,000.00	34,200,000.00
<b>Net Cash From Financing Activities</b>	<b>(C)</b>	<b><u>406,976,016.75</u></b>	<b><u>39,726,492.27</u></b>
<b>D. NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>17,170,599.14</b>	<b>25,442,075.07</b>
Closing Balance of Cash and Cash Equivalents		65,681,159.86	48,510,560.72
Opening Balance of Cash and Cash Equivalents		<u>48,510,560.72</u>	<u>23,068,485.65</u>
		<b><u>17,170,599.14</u></b>	<b><u>25,442,075.07</u></b>

**Note :**

- 1 The above cash Flow statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS)-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2 Figures in bracket indicate cash outflow.

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

Mr. N. K. Agarwal  
(Proprietor)

Date : 22.05.2013  
Place : Asansol

On behalf of the Board

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

S. S. Panigrahi  
Company Secretary



**SIGNIFICANT ACCOUNTING POLICIES****a. BASIS OF ACCOUNTING**

The financial statement have been prepared under the historical cost convention and on accrual basis in accordance with the 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.

**b. 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 amounts of assets and liabilities on the date of the financial statement and the reported amounts of revenues and expenses during the period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

**c. ACCOUNTING OF CLAIMS**

- i. Claims receivable are accounted at the time when reasonable certainty of receipt is established. Claims payable are accounted at the time of acceptance.
- ii. Claims raised by Government Authorities regarding taxes and duties, which are disputed by the company, are accounted based on the merits of each claim.

**d. FIXED ASSETS**

- i) Fixed assets are stated at cost of acquisition inclusive of duties (net of Cenvat), taxes, incidental expenses, erection/ commissioning expenses and interest etc. upto the date the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written up by the valuer is considered in the accounts and the differential amount is transferred to revaluation reserves.
- ii) Preliminary expenses and pre operative expenses related to Jharkhand Project (Patratu) has been booked under the head capital work in progress.

**e. OPERATING LEASE**

Rentals are expensed with reference to lease terms and other considerations.

**f. INTANGIBLE ASSETS**

Intangible assets are stated at cost of acquisition net of recoverable taxes.

**g. DEPRECIATION & AMORTIZATION**

- i. Depreciation on Fixed Asset is provided on straight line method, at the rate and in the manner prescribed under schedule XIV of the Companies Act, 1956.
- ii. Lease hold land is amortized over the period of the lease.

**h. REVENUE RECOGNITION**

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, sales tax, service tax, excise duty, adjusted for discounts, VAT. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

**i. EXCISE DUTIES**

The figures of excise duty paid are disclosed in the Books at the net figures after taking Credit for rebate/refund of Excise Duty.

**j. VALUATION OF INVENTORIES**

- i. Raw materials, components, stores and spares are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis.
- ii. Work-in-Progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and Labour and proportion of manufacturing overhead based on normal operating capacity. Cost is determined on a weighted average basis. Cost of finished goods includes excise duty. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.
- iii. Packing materials are valued at cost price.



**k. INVESTMENTS**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investment. Unquoted and long term investments are considered at cost. Current quoted investments are stated at lower of cost or market rate on individual investment basis.

**l. BORROWING COST**

Borrowing costs attributable to the acquisition and/or construction of qualifying assets are capitalized as a part of cost of such assets up to the date when such assets are ready for their intended use. Other borrowing costs are charged to Profit & Loss Account.

**m. INCOME TAX**

Tax expenses comprises of Current, Deferred Tax and Fringe Benefit Tax. Provision for Current Income Tax is made in accordance with the Income Tax Act, 1961. Deferred tax is accounted for in accordance with Accounting Standard 22 on "Accounting For Taxes on Income" issued by ICAI. Deferred Income taxes reflect the impact of the current period timing difference between taxable income and accounting income for the period and reversal of timing difference 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 asset arising on account of unabsorbed depreciation and losses are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

**n. EMPLOYEE BENEFITS**

- i. PF contribution, ESI contribution and other statutory contribution as applicable to the company are charged to the profit and loss account when the contributions to the respective fund are due.
- ii. Gratuity liability is provided for on the basis of an actuarial valuation made at the end of each financial year from approved actuary.

**o. GRANTS & SUBSIDY**

Grants received from the government agencies against specific fixed assets are adjusted to the cost of the assets and capital grants for project capital subsidy are credited to capital reserve. Revenue grants are recognized as other income or reduced from the respective expenditure.

Grants & Subsidy are accounted for once the claims are admitted by the appropriate authorities.

**p. PROVISIONS, CONTIGENT LIABILITIES**

Provisions are recognized where a reliable estimate can be made for probable outflow of resources to settle the present obligations as a result of past event and the same is reviewed at each Balance Sheets date. Contingent liabilities are not recognised but are disclosed in the notes.

**n. IMPAIRMENT OF ASSETS**

In compliance with AS-28 relating to impairment of assets, the company has reviewed the carrying amount of fixed assets as cash generating unit and there was no indication of impairment during the year.

As per our annexed report of even date.

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

On behalf of the Board

Mr. N. K. Agarwal  
(Proprietor)

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

Date : 22.05.2013  
Place : Asansol

**BALANCE SHEET AS AT 31ST MARCH, 2013 (HEAD OFFICE, BURNPUR)**

	Notes	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>A. EQUITY &amp; LIABILITIES :</b>			
<u>Shareholders' Funds</u>			
a) Share Capital	1	630,043,630.00	601,043,630.00
b) Reserves and Surplus	2	261,577,723.45	227,773,516.04
c) Money received against share Warrants		<u>45,750,000.00</u>	<u>34,800,000.00</u>
		937,371,353.45	863,617,146.04
<u>Non Current Liabilities</u>			
a) Long term Borrowing	3	98,873,147.44	111,933,313.73
b) Deferred Tax liabilities (net)	4	12,637,131.90	9,290,950.90
c) Other Long Term provision	5	<u>4,048,291.00</u>	<u>3,277,184.00</u>
		115,558,570.34	124,501,448.63
<u>Current Liabilities</u>			
a) Short Term Borrowings	6	166,899,699.48	164,491,470.18
b) Trade Payable	7	87,557,599.32	58,805,208.45
c) Other Current Liabilities	8	57,782,371.80	15,836,833.70
d) Short term provisions	9	<u>25,514,197.35</u>	<u>13,129,468.35</u>
		<u>337,753,867.95</u>	<u>252,262,980.68</u>
<b>Total :</b>		<u><u>1,390,683,791.74</u></u>	<u><u>1,240,381,575.35</u></u>
<b>B ASSETS :</b>			
<u>Non-Current Assets</u>			
a) <u>Fixed Assets</u>	10		
(i) Tangible Assets		244,834,121.02	208,454,007.37
(ii) Intangible Assets		510,175.06	613,919.06
(iii) Capital Work in Progress		721,762.00	14,415,506.50
(iv) Capital Work in Progress (Jharkhand Unit)		<u>-</u>	<u>241,155,134.07</u>
		246,066,058.08	464,638,567.00
b) Non Current Investments	11	649,964,797.87	-
c) Deferred Tax Assets			
d) Long Term Loans & Advances	12	42,074,038.34	385,308,519.00
e) Other Non Current Assets	13	47,463.30	-
<u>Current Assets</u>			
a) Current Investments			
b) Inventories	14	140,264,423.96	89,098,651.24
c) Trade Receivable	15	179,918,108.58	194,117,180.13
d) Cash & Bank Balances	16	54,127,033.73	48,510,560.72
e) Short Term Loans & Advances	17	72,547,275.98	57,186,292.26
f) Other Current Assets	18	<u>5,674,591.90</u>	<u>1,521,805.00</u>
		<u>1,390,683,791.74</u>	<u>1,240,381,575.35</u>
Significant Accounting Policies			
Notes on Financial Statements.	27-41		

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

Mr. N. K. Agarwal  
(Proprietor)

Date : 22.05.2013  
Place : Asansol

On behalf of the Board

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

S. S. Panigrahi  
Company Secretary



**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013 (HEAD OFFICE, BURNPUR)**

	Notes	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>A. CONTINUING OPERATIONS :</b>			
Revenue from Operations(Net)	19	837,595,786.07	462,357,501.63
Other Income	20	2,341,344.00	10,082,307.89
<b>Total Revenue</b>		<b>839,937,130.07</b>	<b>472,439,809.52</b>
<b>Expenditure</b>			
Cost of Materials Consumed	21	501,505,514.53	249,006,845.28
Purchase of Stock in Trade	22	2,706,103.69	13,020,931.88
Change In Inventory of Stock in Trade	23	5,906,367.41	(11,446,442.67)
Employee Benefits Expenses	24	23,244,457.00	16,830,593.00
Finance Cost / Interest & Other Charges	25	25,506,443.48	21,861,351.06
Depreciation & amortisation expenses	10	12,937,575.92	7,288,506.60
Other Expenses	26	285,938,566.94	160,741,970.63
Less: Captive Consumption		(65,209,757.83)	-
<b>Total Expenses</b>		<b>792,535,271.14</b>	<b>457,303,755.78</b>
<b>Profit/(Loss) before exceptional &amp; extraordinary items &amp; tax</b>		<b>47,401,858.93</b>	<b>15,136,053.74</b>
Profit/(Loss) before tax		47,401,858.93	15,136,053.74
<b>Tax Expenses</b>			
(a) Current tax expenses for current year		12,384,730.00	1,951,032.42
(b) Deferred tax		3,346,181.00	2,980,902.90
<b>Profit / (Loss) from continuing operation</b>		<b>31,670,947.93</b>	<b>10,204,118.42</b>
<b>B TOTAL OPERATIONS :</b>			
Profit/ (Loss) for the year.		31,670,947.93	10,204,118.42
Earning per Share(of Rs.10/- each)	27		
(a) Basic		0.50	0.17
(a) Diluted		0.51	0.16
<b>No.of share used in computing Earning per Shares</b>			
(a) Basic		63004363.00	60104363.00
(a) Diluted		62679363.00	63004363.00

Significant Accounting Policies

Notes on Financial Statements.

27-41

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

Mr. N. K. Agarwal  
(Proprietor)

Date : 22.05.2013  
Place : Asansol

On behalf of the Board

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

S. S. Panigrahi  
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>Share Holders Fund</b>		
<b>Authorised Share Capital :</b>		
8,70,00,000 Equity Shares of Rs 10/- each (7,70,00,000)	870,000,000.00	770,000,000.00
<b>1 a) Issued Subscribed &amp; Paid up</b>		
6,30,04,363 Equity Shares of Rs 10/- each fully paid up. (6,01,04,363)	630,043,630.00	601,043,630.00
1.1 Shares out of the issued, subscribed and paid up capital were allotted for consideration other than cash.		
1.2 <u>The details of share holders holding more than 5% shares</u>		
Name of the Share holders	31st March, 2013	31st March, 2012
	<u>No. of Shares</u> <u>% of Holding</u>	<u>No. of Shares</u> <u>% of Holding</u>
Chhatisgarh Biripatta (P) Ltd	9,200,000.00      14.60	9,200,000.00      15.306
Insight Consultants (P) Ltd	8,238,333.00      13.075	8,238,333.00      13.706
1.3 The reconciliation of the number of shares outstanding is set out below:		
Equity Shares at the beginning of the year	60,104,363.00	
Add: Shares issued on conversion of warrants	2,900,000.00	
	63,004,363.00	
<b>2. b) Reserve &amp; Surplus</b>		
<b><u>Capital Reserve</u></b>		
As Per Last Year Balance Sheet	1,008,763.15	1,008,763.15
<b><u>General Reserve</u></b>		
As Per Last Year Balance Sheet	1,000,000.00	1,000,000.00
<b><u>Profit &amp; Loss A/c</u></b>		
As Per Last Year Balance Sheet	63,124,454.93	52,920,336.51
Add: Transfer from P/L A/c	31,670,947.93	10,204,118.42
Less: Utilised	0.00	0.00
C/Balance	94,795,402.86	63,124,454.93
	94,795,402.86	63,124,454.93
<b><u>Revaluation Reserve</u></b>		
As Per Last Year Balance Sheet	59,619,371.96	63,296,185.96
Less: Transferred to P/L Statement	3,666,740.52	3,676,814.00
	55,952,631.44	59,619,371.96
<b><u>Security premium Account</u></b>		
As Per Last Year Balance Sheet	103,020,926.00	68,820,926.00
Add: On Issue of Shares	5,800,000.00	34,200,000.00
	108,820,926.00	103,020,926.00
	261,577,723.45	227,773,516.04



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>3. Non Current Liabilities</b>		
<b><u>Long term Borrowings</u></b>		
<b>a) Secured :</b>		
<b>Term Loan :</b>		
i) <u>From Banks :</u>		
HFDC Bank Ltd. - Car Loan	0.00	414,088.64
HFDC Bank Ltd. - Payloader Loan	1,340,154.44	2,719,776.91
Axis Bank Ltd. - Bolero	336,820.00	0.00
Axis Bank Ltd. - INNOVA	674,783.00	0.00
Indusind Bank Ltd. - Excavator	1,098,600.00	3,735,240.00
	<u>3,450,357.44</u>	<u>6,869,105.55</u>
ii) <u>From Others :</u>		
Bridge Loan -WBIDCL	778,000.00	0.00
West Bengal Financial Corporation	41,100,000.00	72,450,000.18
	<u>41,878,000.00</u>	<u>72,450,000.18</u>
	45,328,357.44	79,319,105.73
<b>b) Unsecured :</b>		
i) Loans & Advances From Related Parties	13,544,790.00	19,414,208.00
ii) From Others	40,000,000.00	13,200,000.00
	<u>53,544,790.00</u>	<u>32,614,208.00</u>
	<u><b>98,873,147.44</b></u>	<u><b>111,933,313.73</b></u>

**Notes :**

**1 WBFC Loan is secured by way of :**

- First charge on the whole of the Plant & Machinery of the company only situated at its plant at Palashdiha, Kanyapur, Panchgachhia Road, Asansol, Burdwan both present and future.
- Second Charge on the Current Assets of the company only situated at its plant at Palashdiha, Kanyapur, Panchgachhia Road, Asansol, Burdwan both present and future.

**2** Bridge Loan from West Bengal Industrial Development Corporation Ltd. secured against Interest Subsidy Sanctioned.

**3** Car Loan & Payloader Loan from HDFC Bank Ltd is secured by hypothecation of said Car & Payloader

**4** Excavator Loan from Indusind Bank Ltd is secured by hypothecation of said Excavator.

**5** Bolero Loan & Innova Loan From Axis Bank Ltd, is Secured by hypothecation of said Bolero & Innova.

**6** Maturity Profile & Rate of Interest are as set out below :-

	<u>Intt.Rate</u>	<u>F. Yr 14-15</u>	<u>F.Yr 15-16</u>	<u>Beyond 4 years</u>
a. West Bengal Fin.Corp.	@13.75%	17,660,000.00	11,720,000.00	11,720,000.00
b. West Bengal Ind.Develop. Corp. Ltd.	@16.25%	778,000.00	0.00	0.00
c. HFDC Bank Ltd. - Payloader	@11.52%	817,900.75	522,253.69	0.00
e. Indusind Bank Ltd.-Excavator (incl. int.)	@05.00%	1,098,600.00	0.00	0.00
f. Axis Bank Ltd. - Innova	@10.50%	437,784.00	236,999.00	0.00
g. Axis Bank Ltd. - Bolero	@10.25%	167,507.00	169,313.00	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	<u>31st March, 2013</u>	<u>31st March, 2012</u>
	<u>Amount (₹)</u>	<u>Amount (₹)</u>
<b>4 Deferred Tax Liabilities</b>		
<b>Related To Fixed Assets</b>		
Opening Balance	9,290,950.90	6,310,048.00
Add: Creation	3,346,181.00	2,980,902.90
	<u>12,637,131.90</u>	<u>9,290,950.90</u>
<b>5 Long Term Provisions</b>		
<b>Provision For Employee Benefits</b>		
Provision for Gratuity	4,048,291.00	3,277,184.00
	<u>4,048,291.00</u>	<u>3,277,184.00</u>
<b>Current Liabilities</b>		
<b>6 Short Term Borrowings:</b>		
Secured:		
A. Loans Repayable on Demand		
a) From Bank		
SBI, Asansol, CC A/c	146,907,775.48	144,199,788.18
SBI, Asansol, SLC A/c	19,991,924.00	20,291,682.00
	<u>166,899,699.48</u>	<u>164,491,470.18</u>
	<u>166,899,699.48</u>	<u>164,491,470.18</u>
<b>Notes : Cash Credit is secured by</b>		
a Way of first charge hypothecation of present and future stock of raw Materials, Stores, Stock in Process, Chemicals & consumables, fuel, packing material, finished goods etc. and Book Debts of the company;		
b Way of second charge on the Plant & Machinery of the Company and personal Guarantees of the promoter directors of the company;		
c Equitable Mortgage (1st Charge) of Land and Building at Factory, Palashdiha, Kanyapur, Asansol and Equitable Mortgage (1st Change) of Land at Dharma Mouza.		
<b>7 Trade Payable</b>		
<b>Others</b>		
a Sundry Creditors for Expenses	38,281,316.31	22,002,080.67
c Sundry Creditors for Trade/Raw Materials	49,276,283.01	36,803,127.78
	<u>87,557,599.32</u>	<u>58,805,208.45</u>
<b>8 Other Current Liabilities :</b>		
a) <b>Current Maturities of Long Term Debt</b>		
<b>From Banks</b>		
HFDC Bank Ltd. - Payloader Loan	729,309.12	0.00
HFDC Bank Ltd. - Car Loan	173,337.97	0.00
Axis Bank Ltd. - Bolero	151,258.00	0.00
Axis Bank Ltd. - INNOVA	393,585.00	0.00
Indusind Bank Ltd. - Excavator	1,318,320.00	0.00
	<u>2,765,810.09</u>	0.00
<b>From Others :</b>		
Bridge Loan -WBIDCL	3,112,000.00	0.00
West Bengal Financial Corporation	16,400,000.00	0.00
	<u>19,512,000.00</u>	0.00



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	31st March, 2013 Amount (₹)	31st March, 2012 Amount (₹)
b) Interest Accrued But Not Due on Borrowings		
Bridge Loan -WBIDCL	142,012.00	0.00
c) Creditors For Capital Expenditure	651,156.00	848,946.00
d) Unclaimed/ Unpaid Dividend	15,000.00	15,000.00
e) Other Payables		
Statutory Liabilities		
Magma Fincorp Limited	0.00	26,501.67
Employee's Contribution to Professional Tax	9,005.00	6,485.00
Employee's Contribution to ESIC	0.00	1,571.00
E.P.F. Payable account	211,276.00	165,995.00
E.S.I.C. Payable account	41,321.00	34,477.00
Corporation Tax Payable	20,000.00	-
Water Tax Payable	9,000.00	-
CST Payable	11,125.00	-
Sales Tax Account	1,506,397.65	961,096.82
T.D.S. Payable	2,313,787.98	1,094,021.00
W.B. VAT	1,156,754.08	1,385,143.21
Excise & Cenvat	3,054,882.00	0.00
Service Tax Payable	890,347.00	0.00
	<u>9,223,895.71</u>	<u>3,675,290.70</u>
Trade Deposits	<u>25,472,498.00</u>	<u>11,297,597.00</u>
	<u>34,696,393.71</u>	<u>14,972,887.70</u>
	<u>57,782,371.80</u>	<u>15,836,833.70</u>
9 Short Term Provisions:		
Provision for Taxation	<u>25,514,197.35</u>	<u>13,129,468.35</u>
Non Current Assets		
11 Non Current Investment		
Others		
B.C.L.Developer	139,320.00	0.00
BCI Patratu	<u>649,825,477.87</u>	<u>0.00</u>
	<u>649,964,797.87</u>	<u>0.00</u>
12 Long Term Loans & Advances (Unsecured considered good)		
Capital Advances		
b Advance for Jharkhand Project	0.00	362,919,580.00
c. Advances for Capital Goods	<u>4,849,668.34</u>	0.00
	4,849,668.34	362,919,580.00
Security Deposits		
a. Security Deposit with Excise	45,100.00	0.00
b. Security Deposits with Govt. Authorities	<u>5,164,059.00</u>	<u>0.00</u>
	5,209,159.00	0.00
Other Loans & Advances		
a. Advance with Income Tax/S.Tax	<u>32,015,211.00</u>	<u>22,388,939.00</u>
	<u>42,074,038.34</u>	<u>385,308,519.00</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	<u>31st March, 2013</u>	<u>31st March, 2012</u>
	<u>Amount (₹)</u>	<u>Amount (₹)</u>
<b>13 Others Non Current Assets</b> (Unsecured considered good)		
a. Finance Charges Suspense	47463.30	0.00
	<u>47,463.30</u>	<u>0.00</u>
<b>14 Inventories (at lower of cost and net realisable value)</b>		
<b>a. Raw Material</b>		
I Clinker	48,161,086.01	25,153,403.03
II Gypsum	1,554,430.48	599,936.46
III Slag	<u>43,622,437.92</u>	<u>35,298,319.68</u>
	93,337,954.41	61,051,659.17
<b>b. Finished Goods</b>		
I Cement	5,540,075.26	-
<b>c. Stores &amp; Spares</b>		
I Coal	13,218,916.73	4,892,654.85
II Grinding Media	5,886,445.50	4,761,539.55
III Stores & Spares	<u>15,861,563.92</u>	<u>3,685,912.00</u>
	34,966,926.15	13,340,106.40
<b>d. Others</b>		
I Advertisement Items	511,774.00	697,120.00
<b>e. Stock in Trade:</b>		
I Lime Stone	0.00	11,446,442.67
<b>f. Packing Material</b>		
I HDPE Bags	<u>5,907,694.14</u>	<u>2,563,323.00</u>
	<u>140,264,423.96</u>	<u>89,098,651.24</u>
<b>15 Trade Receivables</b> (Unsecured considered good)		
a Over six months.	58,374,137.58	92,906,542.17
b Less than six months	<u>121,543,971.00</u>	<u>101,210,637.96</u>
(As Certified by the Management)	<u>179,918,108.58</u>	<u>194,117,180.13</u>
<b>16 Cash and Cash Equivalents</b>		
<b>a) Balance with Banks:</b>		
i) On Current Account with Banks	6,324,462.73	4,868,314.90
ii) On Deposits Account with Bank	24,417,019.00	22,367,019.00
iii) SBI, Asansol Unpaid/ Un Claimed Dividend)	<u>15,000.00</u>	<u>15,000.00</u>
	30,756,481.73	27,250,333.90
<b>b Cash in Hand (as certified by management)</b>	<u>23,370,552.00</u>	<u>21,260,226.82</u>
	<u>54,127,033.73</u>	<u>48,510,560.72</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

10 FIXED ASSETS

Particulars	Gross Block						Depreciation			Net Block	
	Opening as on 01.04.12	Addition during the year	Deduction during the year	Closing as on 31.03.13	Opening as on 01.04.12	For the Year	Adjustment	Total	As on 31.03.13	As on 31.03.12	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	
<b>Tangible Assets</b>											
Land (Dhama Mouza)	0.00%	2,201,050.00	11,071,087.00		13,272,137.00	0.00	0.00	0.00	13,272,137.00	2,201,050.00	
Land (Freehold)	0.00%	19,480,263.00			19,480,263.00	0.00	0.00	0.00	19,480,263.00	19,480,263.00	
Factory Building	3.34%	21,367,061.53	506,077.00		21,873,138.53	5,390,247.53	724,261.68		15,758,629.32	15,976,814.00	
Shed & Building/Dhama Mouza	1.63%	8,462,992.36	8,462,992.36		8,462,992.36		377.94		8,462,614.42	0.00	
Plant & Machinery	5.28%	210,269,850.71	23,093,705.23	702,954.32	232,660,601.62	67,176,917.63	11,581,134.43	-8,715.16	153,893,834.40	143,092,933.08	
Electrification & Installation	4.75%	12,238,688.68	2,276,931.89		14,515,620.57	5,680,406.22	611,722.89		8,223,491.46	6,558,282.46	
Laboratory Equipment	4.75%	831,506.67	76,922.00		908,428.67	473,335.06	40,373.02		394,720.59	358,171.61	
Furniture & Fixtures	6.33%	3,371,921.68	617,802.00		3,989,723.68	532,784.23	230,147.44		3,226,792.01	2,839,137.45	
Computer Sets	16.21%	1,808,643.24	284,101.00		2,092,744.24	930,589.73	311,446.33		850,708.18	878,053.51	
Pollution Equipment	5.28%	12,498,144.70	4,861,633.93		17,359,778.63	6,483,179.31	785,295.46		10,091,303.03	6,014,965.39	
Motor Vehicles*	9.50%	4,884,799.90	2,171,450.00		7,056,249.90	2,153,452.36	525,478.87		4,377,318.67	2,731,347.54	
Poy Loader/Excavator	11.31%	14,799,155.49	603,285.00	654,500.00	14,747,940.49	7,501,485.99	1,627,416.77	30,944.44	5,649,982.17	7,297,669.50	
Television	6.33%	5,400.00	20,300.00		25,700.00	2,025.64	1,122.91		22,551.45	3,374.36	
Telephone	6.33%	44,800.00			44,800.00	23,960.94	2,835.84		18,003.22	20,839.06	
Mobile Sets	6.33%	200,309.00	1,40,104.00		340,413.00	29,130.99	17,309.35		293,972.66	171,178.01	
EPABX Machine	6.33%	69,664.00			69,664.00	2,554.86	4,409.73		62,719.41	67,129.14	
FAX/Xerox Machine	6.33%	82,000.00			82,000.00	3,597.45	5,190.60		73,211.95	78,402.55	
Air Conditions	7.07%	689,606.00	21,834.00		711,440.00	74,149.75	49,994.30		587,295.95	615,456.25	
Projector EPSON	7.07%	67,540.00	2,050.00		69,590.00	2,930.19	375.94		66,550.87	64,609.81	
Water Tank/Purifier	5.28%	4,500.00	6,300.00		10,800.00	169.35	287.54		10,343.11	4,330.65	
Camera	4.75%	304,914,904.60	54,238,140.41	1,357,454.32	357,795,590.69	96,460,897.23	16,522,801.72	22,229.28	244,834,121.02	208,454,007.37	
SubTotal (A)											
<b>Intangible Assets</b>											
Computer Software	16.21%	640,000.00			640,000.00	26,080.94	103,744.00		510,175.06	613,919.06	
SubTotal (B)											
Capital WIP Pollution equipment		640,000.00	0.00	0.00	640,000.00	26,080.94	103,744.00	0.00	510,175.06	613,919.06	
Capital WIP Building		481,320.00	721,762.00	481,320.00	721,762.00				721,762.00	0.00	
Shed at D/Mouza WIP		3,934,520.00	6,463,162.36	10,397,682.36					0.00	481,320.00	
Capital WIP 22&23 -WBFC		9,999,666.50	8,425,808.08	18,425,474.58					0.00	3,934,520.00	
SubTotal (C)		14,415,506.50	15,610,732.44	29,304,476.94	721,762.00	0.00	0.00	0.00	721,762.00	14,415,506.50	
TOTAL (A+B+C)		319,970,411.10	69,848,872.85	30,661,931.26	359,157,352.69	96,486,978.17	16,626,545.72	22,229.28	113,091,294.60	223,483,432.93	
Previous year		222,886,530.20	88,886,374.40	6,218,000.00	305,554,904.60	85,521,657.57	10,965,320.60	1,576,867.00	223,483,432.93	160,301,719.60	

\* Original cost/professional Valuation as at 31.03.2005

\* Includes original cost of Assets of Rs. 68503108.68 which have been revalued upward by Rs. 85489569.06 on 31.03.2005 by professional valuer.



**NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

	<u>31st March, 2013</u>	<u>31st March, 2012</u>
	<u>Amount (₹)</u>	<u>Amount (₹)</u>
<b>17 Short Term Loans &amp; Advances</b>		
<b>Unsecured, considered good</b>		
<b>Other Loans &amp; Advances</b>		
Advance for Raw Materials/Suppliers/Others	63,418,150.77	46,393,158.17
Security Deposits	4,604,493.00	5,164,059.00
Excise & Cenvat Details	432,945.23	3,664,657.07
Entry Tax Receivable	2,005.00	0.00
Other Advances	205,043.00	0.00
Service Tax Account	1,238,894.76	874,371.80
Accrued Interest on FDR	2,645,744.22	1,090,046.22
	<u>72,547,275.98</u>	<u>57,186,292.26</u>
<b>18 Other Current Assets :</b>		
BCI Patratu Others	3,461,264.20	0.00
Finance Charges Suspense	164,075.70	0.00
Advance to Office Staff & Plant Labour	1,803,340.00	1,075,255.00
Pre-Paid Expenses	245,912.00	446,550.00
	<u>5,674,591.90</u>	<u>1,521,805.00</u>
	<u>As at 31.03.13</u>	<u>As at 31.03.2012</u>
	<u>Amount (₹)</u>	<u>Amount (₹)</u>
<b>19 REVENUE FROM OPERATIONS:</b>		
Sale Of Product		
Cement Sales	1,052,972,836.38	517,665,335.83
Less: Excise Duty	112,755,351.85	57,133,593.66
	<u>940,217,484.53</u>	<u>460,531,742.17</u>
Less: Trade Discount	51,564,486.99	0.00
Less: Captive Consumption	65,209,757.83	0.00
	<u>823,443,239.71</u>	<u>460,531,742.17</u>
Lime Stone Sales	14,152,546.36	1,825,759.46
	<u>837,595,786.07</u>	<u>462,357,501.63</u>
<b>20 OTHER INCOME</b>		
<b>Interest Income</b>		
Interest On Fixed Deposits	2,134,806.00	1,037,122.22
<b>Other Non Operating Income</b>		
Misc. Income	123,725.00	32,127.00
Discount Received	2,950.00	0.00
Income from Lime Stone Mining	0.00	5,099,470.76
Transporting on behalf of Dealer	0.00	78,476.00
Shortage Deduction	11,693.00	0.00
Rebate on Sales Tax	68,170.00	8,306.20
Sundry Creditors Written Off	0.00	3,826,805.71
	<u>2,341,344.00</u>	<u>10,082,307.89</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>21 COST OF MATERIALS CONSUMED</b>		
Imported	-	-
Indigenous	501,505,514.53	249,006,845.28
	<u>501,505,514.53</u>	<u>249,006,845.28</u>
<b>21.1 PARTICULARS OF MATERIALS CONSUMED</b>		
Clinker	278,126,692.89	144,477,378.16
Slag	166,715,048.11	75,421,668.57
Gypsum	11,857,609.98	3,969,809.70
Packing Materials(HDPE Bags)	28,958,642.52	15,031,462.83
Others	15,847,521.03	10,106,526.02
	<u>501,505,514.53</u>	<u>249,006,845.28</u>
<b>22 PURCHASE OF STOCK IN TRADE</b>	2,706,103.69	13,020,931.88
<b>23 CHANGE IN INVENTORY OF FINISHED GOODS , WORK IN PROGRESS &amp; STOCK IN TRADE</b>		
<b>Inventories (At Close)</b>		
Finished Goods / Stock In Trade	5,540,075.26	11,446,442.67
<b>Inventories (At Commencement)</b>		
Finished Goods / Stock In Trade	11,446,442.67	0.00
	<u>5906367.41</u>	<u>(11,446,442.67)</u>
<b>24 EMPLOYEE BENEFITS EXPENSES</b>		
<b>a) Salaries &amp; Wages:</b>		
Directors' Remuneration	3,100,000.00	1,500,000.00
Salaries	11,864,789.00	7,666,747.00
Wages	4,242,000.00	3,999,117.00
Bonus	1,122,801.00	1,050,737.00
<b>b) Contribution to Provident &amp; Other Funds</b>		
Contribution to Recognised Provident Fund	1,265,867.00	1,012,285.00
Gratuity	939,568.00	832,354.00
Employees' State Insurance Schemes	349,178.00	286,616.00
<b>c) Staff Welfare Expenses</b>	360,254.00	482,737.00
	<u>23,244,457.00</u>	<u>16,830,593.00</u>
<b>25 FINANCE COST</b>		
<b>a) Interest Expense</b>		
<b>i) On Borrowings From Banks &amp; Others:</b>		
Interest on Term Loan	6,195,038.65	405,567.91
Interest on Cash Credit & SLC	21,664,532.00	20,080,290.00
Interest on Car Loan	96,073.66	72,564.09
	<u>27955644.31</u>	<u>20558422.00</u>
Less : Interest subsidy	6,485,000.00	-
	<u>21470644.31</u>	<u>20558422.00</u>
<b>ii) On Security Deposit &amp; Statutory Dues &amp; Others:</b>	2,392,121.00	379,500.00
<b>b) Other Borrowing Cost :</b>		
Bank Charges & Bank Guarantee Expenses	1,313,191.17	358,779.06
Loan Processing Fees	330,487.00	564,650.00
	<u>25,506,443.48</u>	<u>21,861,351.06</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	<u>As at 31.03.13</u> <u>Amount (₹)</u>	<u>As at 31.03.2012</u> <u>Amount (₹)</u>
<b>10 DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
Depreciation	16,604,316.44	10,965,320.60
Less: Transferred From Revaluation Reserve	<u>3,666,740.52</u>	<u>3,676,814.00</u>
	<u>12,937,575.92</u>	<u>7,288,506.60</u>
<b>26 OTHER EXPENSES</b>		
<b>1 Manufacturing Expenses</b>		
Demurage /Rate Difference	769,449.00	-
Factory Rent	900,000.00	750,000.00
Power & Fuel	87,937,694.29	43,437,792.89
Testing , Laboratory Fees & Other Incidental Exp.	130,903.00	743,822.00
Loading / Unloading Charges	459,307.00	0.00
Repair & Maintenance - Machinery	2,394,975.50	1,769,783.70
Repair & Maintenance - Building	<u>23,300.00</u>	<u>-</u>
A	<u>92,615,628.79</u>	<u>46,701,398.59</u>
<b>2 Establishment Expenses</b>		
Insurance Charges	101,582.34	156,731.00
Director Sitting Fees	330,000.00	0.00
Rent	526,810.00	165,200.00
Legal cum Service charges	859,304.00	917,009.00
EGM Meeting Expenses	16,000.00	0.00
Conveyance & Travelling Expenses	2,750,748.00	2,002,765.00
Lime Stone Mining Expenses	0.00	6,717,266.00
Payment to Auditors	458,700.00	338,000.00
Board Meeting fees	38,611.00	420,000.00
Rates and Taxes	1,251,671.29	862,895.00
Printing & Stationery	612,781.00	407,077.00
Postage & Telegram	385,594.00	110,040.00
Telephone Exp.	<u>592,893.00</u>	<u>437,061.00</u>
B	<u>7,924,694.63</u>	<u>12,534,044.00</u>
<b>3 Selling &amp; Distribution Expenses</b>		
Discount Allowed	6,623,843.00	0.00
Freight Outward Expenses	33,346,345.00	16,865,203.00
Commission On sales	6,167,868.00	0.00
Sales Promotion	3,904,325.50	0.00
VAT on Sales	117,681,523.43	59,733,007.63
Road Expenses & Taxes(Carriage Outward)	688,745.00	0.00
Advertisement	8,802,347.85	15,592,589.39
Service Tax on Outward GTA/TDS/I.TAX (Exp)	0.00	1,096,010.00
Other Misc. Expenses	<u>8,183,245.74</u>	<u>8,219,718.02</u>
C	<u>185,398,243.52</u>	<u>101,506,528.04</u>
(A+B+C)	<u>285,938,566.94</u>	<u>160,741,970.63</u>
<b>26.1 PAYMENT TO AUDITORS :</b>		
<b>a) Auditor</b>		
Tax audit Fees	50,000.00	40,000.00
Statutory Audit Fees	130,000.00	100,000.00
VAT Audit Fees	0.00	28,000.00
<b>b) Fees for Limited Review</b>	40,000.00	30,000.00
<b>c) Internal Audit Fees</b>	140,000.00	140,000.00
<b>d) Cost Audit Fees</b>	53,000.00	0.00
<b>e) For Expenses</b>	<u>45,700.00</u>	<u>0.00</u>
	<u>458,700.00</u>	<u>338,000.00</u>



**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013 (PATRATU UNIT)**

	Notes	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>A. CONTINUING OPERATIONS :</b>			
1	Revenue from Operations(Net)	-	-
2	Other Income	-	-
3	<b>Total Revenue (1+2)</b>	<b>Nil</b>	<b>Nil</b>
4	<b>Expenditure</b>		
	Cost of Materials Consumed	-	-
	Purchase of Stock in Trade	14,152,546.00	-
	Change in Inventory of Stock in Trade	(19,416,076.44)	-
	Employee Benefits Expenses	-	-
	Finance Cost / Interest & Other Charges	-	-
	Depreciation & amortisation expenses	-	-
	Other Expenses	5,263,530.44	-
	<b>Total Expenses</b>	<b>Nil</b>	<b>Nil</b>
5	<b>Profit/(Loss) before exceptional &amp; extraordinary items &amp; tax</b>	-	-
6	<b>Profit/(Loss) before tax</b>	-	-
7	<b>Tax Expenses</b>		
	(a) Current tax expenses for current year	-	-
	(b) Deferred tax	-	-
8	<b>Profit / (Loss) from continuing operation (6-7)</b>	<b>Nil</b>	<b>Nil</b>
<b>B TOTAL OPERATIONS :</b>			
10	<b>Profit/ (Loss) for the year</b>	-	-
11	<b>Earning per Share(of Rs.10/- each)</b>	-	-
	(a) Basic	-	-
	(b) Diluted	-	-
12	<b>No.of share used in computing Earning per Shares</b>	<b>Nil</b>	<b>Nil</b>
	(a) Basic	-	-
	(b) Diluted	-	-

Attached herewith accompanying notes forming part of the Financial Statement

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

Mr. N. K. Agarwal  
(Proprietor)

Date : 22.05.2013  
Place : Asansol

On behalf of the Board

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

S. S. Panigrahi  
Company Secretary



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (PATRATU UNIT)

	As at 31.03.13 Amount (₹)	As at 31.03.2012 Amount (₹)
<b>1 Secured Loan :</b>		
CBI Term Loan	84,728,168.00	-
SBH Term Loan	85,085,916.00	-
UBI- Term Loan	85,082,591.00	-
SBI, Asansol SME Branch Term Loan	99,204,899.00	97,128.00
HDFC Bank Indigo Car Loan	15,895.52	312,588.00
Indusind Bank Ltd. Dhanbad Poklane	1,051,137.00	3,735,240.00
Indusind Bank Ltd. Dhanbad Poklane	-	2,623,060.00
<b>Grand Total</b>	<b><u>355,168,606.52</u></b>	<b><u>6,768,016.00</u></b>
<b>Notes</b>		
The Consortium account from CBI Term Loan, SBH Term Loan, SBI Asansol SME Term Loan & UBI Term Loan is secured by way of :-		
1 a. First parti passu mortgage and charge on all the immovable properties both present and future of the borrower at the plant at Patratu, Jharkhand in favour of the Lenders.		
b. First pari passu charge by way of hypothecation of all the borrower's movables (excluding current assets), including movable plant and machinery, machinery spares, tools and accessories both present and future of the project at Patratu, Jharkhand and all the Borrower's fixed assets both present and future.		
c. Second pari passu charge by way of hypothecation on the borrower's movables (excluding fixed assets) and including operating cash flows, book debts, receivables, Commission and any other revenues of whatsoever nature and wherever arising both present and future of the project at Patratu, Jharkhand subject to the lenders ceding second charge over the fixed assets of the borrower's in the favour of the working capital on the Borrower's current assets, both present and future.		
2 Car loan from HDFC Bank is secured by way of hypothecation of the said car.		
3 Excavator loan from Indusind Bank Ltd is secured by hypothecation of said excavator		
<b>2 Un-Secured Loan :</b>		
(a) Loans & Advances From Related Parties	11,124,020.00	18,079,378.00
(b) Loans & Advances From Others	33,500,000.00	12,000,000.00
<b>Grand Total (a+b)</b>	<b><u>44,624,020.00</u></b>	<b><u>30,079,378.00</u></b>
<b>3 Other Current Liabilities</b>		
(a) Creditors for expenses	5,167,233.20	1,281,611.52
(b) Statutory Dues Payable		
EPF Payable	21,277.00	7,115.00
Building & other Construction cess Payable	146,108.00	-
WCT payable	829,023.00	-
Service Tax Reverse charge payable	109,896.00	-
	<b><u>1,106,304.00</u></b>	<b><u>7,115.00</u></b>
(c) Creditors For Capital Expenditure	24,998,259.27	822,852.73
(d) Current Year Maturity		
HDFC Bank Indigo Car Loan	179,860.00	-
Indusind Bank Ltd. Dhanbad Poklane	1,154,244.00	-
	<b><u>1,334,104.00</u></b>	<b><u>NIL</u></b>
<b>Grand Total (a+b+c+d)</b>	<b><u>32,605,900.47</u></b>	<b><u>2,111,579.25</u></b>
<b>5 Cash &amp; Cash Equivalent</b>		
Cash in Hand	3139254.00	16,281.00
SBI ESCROW Account-32526484612	5750528.00	-
Central Bank of India (Kol Main Bazar)	12899.00	-
United Bank of India, City Centre Bazaar	18215.00	-
State Bank of Hyderabad, Kolkata	13276.00	10,700.00
State Bank of India, Asansol	2035927.00	(1,638,819.00)
State Bank of India, Park Street	397414.13	227,921.13
State Bank of India, Patratu	186613.00	120,235.00
<b>Grand Total</b>	<b><u>11,554,126.13</u></b>	<b><u>(1,263,681.87)</u></b>



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (PATRATU UNIT)

Notes : (Tangible Assets)

Sl. No.	Particulars		Gross Block				Depreciation				Net Block	
			Opening as on 01.04.12	Addition during the year	Deduction during the year	Closing as on 31.03.13	Opening as on 01.04.12	For the Year	Adjustment	Total	As on 31.03.13	As on 31.03.12
			Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
	Tangible Assets											
1.	Air Conditions	7.07%	199,800.00	26,000.00		225,800.00	15,782.37		15,782.37	210,017.63	199,800.00	
2.	Motor Vehicles	9.50%	1,499,032.00	705,405.00		2,204,437.00	168,877.38		168,877.38	2,035,559.62	1,499,032.00	
3.	Computer Sets	16.21%	386,182.00	179,463.00		565,645.00	78,780.20		78,780.20	486,864.80	386,182.00	
4.	Electrification & Installation	4.75%	1,748,119.00			1,748,119.00	83,035.65		83,035.65	1,665,083.35	1,748,119.00	
5.	FAX/Xerox Machine	6.33%	6,760.00			6,760.00	427.91		427.91	6,332.09	6,760.00	
6.	Furniture & Fixtures	6.33%	472,866.00	116,633.50		589,499.50	32,696.17		32,696.17	556,803.33	472,866.00	
7.	Mobile Sets	6.33%	6,385.00	64,950.00		71,335.00	3,081.34		3,081.34	68,253.66	6,385.00	
8.	Pay Loader/Excavator	11.31%	12,575,205.08		1,339,300.00	11,235,905.08	1,270,780.86		1,270,780.86	9,965,124.22	12,575,205.08	
9.	Television	6.33%	166,000.00			166,000.00	10,507.80		10,507.80	155,492.20	166,000.00	
10.	Water Tank/Purifier	5.28%		8,000.00		8,000.00	97.21		97.21	7,902.79	0.00	
11.	Plant & Machinery	5.28%	141,587.00	74,382.00		215,969.00	9,451.91		9,451.91	206,517.09	141,587.00	
	<b>TOTAL</b>		<b>17,201,936.08</b>	<b>1,174,833.50</b>	<b>1,339,300.00</b>	<b>17,037,469.58</b>	<b>1,673,518.79</b>	<b>0.00</b>	<b>1,673,518.79</b>	<b>15,363,950.78</b>	<b>17,201,936.08</b>	
	Capital WIP		260,443,276.65	264,161,942.56	4,792,857.56	519,812,361.65				519,812,361.65	260,443,276.65	
	<b>TOTAL</b>		<b>277,645,212.73</b>	<b>265,336,776.06</b>	<b>6,132,157.56</b>	<b>536,849,831.23</b>	<b>1,673,518.79</b>	<b>0.00</b>	<b>1,673,518.79</b>	<b>535,176,312.43</b>	<b>277,645,212.73</b>	



ACCOUNTING POLICIES AND NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH, 2013

NOTES ON ACCOUNTS

27. Earning per Share is calculated as follows:

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Net Profit/Loss after Tax	3,16,70,947.93	1,02,04,118.00
Equity Shares outstanding at the period end (in nos)	Basic - 63004363 Diluted - 62679363	Basic - 60104363 Diluted - 63004363
Weighted average no. of equity shares used as denominator for calculating basic and diluted EPS	62679363	63004363
Nominal value per Equity Share (in Rs.)	10.00	10.00
Earning per share (Basic and Diluted) (in Rs.)	Basic - 0.50 Diluted - 0.51	Basic 0.17 Diluted 0.16

28. Contingent Liability:

Particulars	Amount as on 31.03.2013 (Rs. In Lacs)	Amount as on 31.03.2012 (Rs. In Lacs)
WBSEB Demand	Rs. 99.00	Rs. 99.00
VAT Liability	Rs. 37.09	Rs. 37.09
Bank Guarantee	Rs. 96.00	Rs. 115.16
Sales Tax Demand	Rs. 59.72	Rs. 59.72
Income Tax Demand	Rs. 105.36	Rs. 105.36
Entry Tax	Rs. 7.11	

29. Depreciation on revalued fixed assets amounting to Rs.3666740.52 has been written off from revaluation reserve.
30. The figures of Excise Duty paid are disclosed in the Books at the net figures after taking credit for rebate / refund of Excise Duty. Cenvat Credit on Capital goods amounting to Rs. 8,26,949.50/- has been taken during the year for Asansol unit.
31. Figures pertaining to previous year have been re-grouped/re-arranged, reclassified and restated, wherever considered necessary, to confirm to the classification adopted in the current year.
32. There were no Foreign exchange inflow and outflow during the year.
33. Deferred Tax is recognized subject to consideration of prudence in respect of deferred tax assets on timing difference being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Creation of deferred tax liability on account of depreciation for Rs. 3346181.00 (Debited into P/L Account) has been made in the Books of Accounts in accordance with Accounting Standard-22.
34. Service Tax is also being determined in accordance with the provision of Service Tax Law.
35. The company operates in Production and Sales of Cement and trading in Lime Stone under the name & style of Burnpur Cement Limited. In current year, no segment reporting is required.

36. In terms of Section 22 of Micro, Small & Medium Enterprises Act 2006, the outstanding to these enterprises are required to be disclosed. However, these enterprises are required to be registered with under the Act. In the absence of the information about registration of the enterprises under the above Act, the required information could not be furnished. In view of above and in absence of relevant information, the auditor has relied upon the same.

### 37. Gratuity

The Company has defined gratuity plan. Every employee who has completed 5 years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The amount of contribution to be made is arrived at based on Actuarial valuation done at the balance sheet date, as given below and is accounted accordingly:

Opening Balance as per Books	Rs.	32,77,184.00
Closing Balance as per Actuarial Valuation	Rs.	43,34,861.00
Provision made during the Year	Rs.	10,72,677.00
Gratuity Paid during the year	Rs.	15,000.00

38. Sundry Debtors, Sundry Creditors and advances to parties as reflected in the financial statements are subject to confirmations from the respective parties and management of the Company.

- i. It was informed by the Management that petition for renewal of eligibility certificate for exemption under West Bengal Value Added Tax Act, 2003 is pending before EC Cell, Kolkata. If the certificate is not granted, the Company may be liable to pay tax to the extent of Rs. 37.09 Lacs.
- ii. Demand of Rs.59.72 Lac and Rs.9.29 raised on completion of Sales Tax Assessment for the years ended on 31-03-1996, 31-03-2005 & 31.03.2010 under West Bengal Sales Tax Act, 1994, WB VAT Act, 2003 and CST Act. have not been provided for in the books. It is explained by the Management that the whole demand is disputed and revision/ appeal have been preferred before appropriate Appellate Forum and the management has bonafide belief that demand will be reduced to Nil on disposal of revision / appeal proceedings.

39. In the opinion of the management, the current assets, loans and advances have a value on realization in the ordinary course of business, which is at least equal to the amount at which they are stated.

40. Interest on fixed deposits taken in the financial statement is as per management's certificate.

### 41. RELATED PARTY DISCLOSURE

Related Party transaction as per Accounting Standard 18 issued by ICAI

A. As defined in Accounting Standard 18, the company has a related party relationship in the following:

#### Associate Companies :

- a. Bharat Cement Pvt. Ltd.
- b. Mittal Polypacks (P) Limited.
- c. Dalhausi Datamatics (P) Limited
- d. Bharosa Distributors (P) Limited

#### Key Management Personnel

- a. Mr. Ashok Gutgutia, Vice Chairman and Managing Director
- b. Mr. Manoj Kumar Agarwal, Director
- c. Mr. Ram Prasad Agarwal
- d. Ram Prasad Agarwal (HUF)
- e. Shakuntala Agarwal
- f. Suchitra Agarwal

B. The transactions are entered into in ordinary course of Business with related parties at arms length as per details below:

	Name of Party	Relation	Transaction Value Rs.	Outstanding Balance Rs.
1. Loan Taken	Dalhousi Datamatics (P) Limited	Associates	1,77,00,000/-	1,44,66,128/-
	Bharosa Distributors (P) Ltd.	Associates	75,50,000/-	75,69,451/-
2. Repayment of Loan	Dalhousi Datamatics (P) Limited	Associates	1,96,43,762/-	1,44,66,128/-
	Bharosa Distributors (P) Ltd.		1,88,30,076/-	75,69,451/-
3. Interest on Loan	Dalhousi Datamatics (P) Limited	Associates	8,28,536/-	Nil
4. Interest on Loan	Bharosa Distributors (P) Limited	Associates	8,55,417/-	Nil
5. Bags Purchased	Mittal Polypacks (P) Limited	Associates	2,50,24,367/-	Nil
6. Rent	Ashok Gutgutia	Key Management	9,00,000/-	Nil
7. Remuneration	Ashok Gutgutia	- do -	21,00,000/-	Nil
	Manoj Kumar Agarwal	-do-	10,00,000/-	Nil

10. Following warrant Money received from related parties :-

<u>Name</u>	<u>Amount (Rs.)</u>	<u>Relation</u>	<u>Nature of transaction</u>
Manoj Kumar Agarwal	5,00,000/-	Key Management	Share Warrant Money
Ram Prasad Agarwal	5,00,000/-	Father of Manoj Kumar Agarwal	- DO -
Ram Prasad Agarwal (HUF)	1,25,000/-	Karta is the Father of Manoj Kumar Agarwal	- DO -
Shakuntala Agarwal	2,50,000/-	Mother of Manoj Kumar Agarwal	- DO -
Suchitra Agarwal	1,25,000/-	Wife of Manoj Kumar Agarwal	- DO -
Dalhousi Datamatics Pvt. Ltd.	11,87,500/-	Associates	- DO -
Bharat Cement Pvt. Ltd.	1,80,00,000	Associates	- DO -

For M/s. N. K. Agarwal & CO.  
(Chartered Accountant)  
Firm Registration No. : 308115E

Mr. N. K. Agarwal  
(Proprietor)

Date : 22.05.2013  
Place : Asansol

On behalf of the Board

Ashok Gutgutia  
V.C. & Managing Director

Manoj Kumar Agarwal  
Director

S. S. Panigrahi  
Company Secretary



**BURNPUR CEMENT LTD.**

Regd. Office : Palashdiha, Panchgachhia Road, Kanyapur  
Asansol - 713 341, West Bengal

**ATTENDANCE SLIP**

ANNUAL GENERAL MEETING - MONDAY, 30TH SEPTEMBER, 2013 - 10.00 A.M.

Name of Shareholder	Folio No./DPID & Client ID	No. of Shares

I/we certify that I am/we are registered shareholder/s/proxy for the registered shareholder/s of the company. I/we hereby record my/our presence at the ANNUAL GENERAL MEETING of the Company to be held 10.00 A.M. on Monday, 30th September 2013 at Asansol Club Ltd. Court Compound, Asansol - 713304, West Bengal.

\_\_\_\_\_  
Member/s / Proxy Signature

Note : Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL.



**BURNPUR CEMENT LTD.**

Regd. Office : Palashdiha, Panchgachhia Road, Kanyapur  
Asansol - 713 341, West Bengal

**FORM OF PROXY**

I/We ..... of ..... being a member/ members of Burnpur Cement., hereby appoint Mr. .... or failing him Mr. .... as my/our proxy to attend and vote for me/us on my/our behalf at the ANNUAL GENERAL MEETING of the Company to be held at 10.00 A.M. Monday, 30th September 2013 at Asansol Club Ltd. Court Compound, Asansol - 713304, West Bengal. and/or at any adjournment thereof.

Signed this ..... day of .....2013

Folio No. / DPID & Client ID .....

Signature .....

Affix a  
Revenue  
Stamp

- Note :
1. Please do not fail to put proper revenue stamp and your signature, when sending this form to the company.
  2. The proxy must be returned so as to reach the Registered Office of the Company not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.
  3. A proxy need not be a member of the Company.

# On-going construction work at Patratu plant





**BURNPUR CEMENT LIMITED**

14, Bentinck Street,  
Gujarat Mansion, 2nd Floor,  
Kolkata, West Bengal 700001