



BARAK VALLEY
CEMENTS LIMITED

ANNUAL REPORT 2009-10

Believe in the dream

Barak Valley Cements Limited

Annual Report 2009-2010

Composition of Board

Mr. Bijay Kumar Garodia	- Chairman
Mr. Kamakhya Chamaria	- Vice-Chairman and Managing Director
Mr. Mahendra Kumar Agarwal	- Vice Chairman
Mr. Santosh Kumar Bajaj	- Whole Time Director
Mr. Prahlad Rai Chamaria	- Director
Mr. B. P. Bakshi	- Director
Dr. D. R. Agarwal	- Director
Mr. Dinesh Chandra Agarwal	- Director
Mr. Ramesh Chandra Bajaj	- Director
Mr. Vishal More	- Director
Mr. E. E. Fernandes	- Nominee Director (IDBI)

Company Secretary

Mr. Hitesh Wadhera

Auditor

M/s. Kumar Vijay Gupta & Co.
Chartered Accountants,
408, New Delhi House,
27, Barakhamba Road
Connaught Place, New Delhi-110001

Bankers and FIs

Industrial Development Bank of India (IDBI)
Northern Eastern Development Financial Institution (NeDFI)

Offices:

Regd. Office:
202, Royal View,
B. K. Kakoti Road, Ulubari,
Guwahati, Assam-781007

Corp. Office:
281, Deepali, Pitam Pura,
Delhi-110034

Works:

Jhoom Basti, Debendranagar,
Badarpurghat, Distt. Karimganj,
Assam - 788803

Branches:

1. Shyama Prasad Road,
Silchar, Assam
2. CF-361, Salt Lake City, Kolkata,
West Bengal - 700064

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Notice

NOTICE is hereby given that the 11th Annual General Meeting of the Members of **BARAK VALLEY CEMENTS LIMITED** will be held on Saturday, the 07th day of August, 2010, at the Registered Office of the Company at 202, Royal View, B.K. Kakoti Road, Ulubari, Guwahati, Assam -781007 at 2.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 and Profit and Loss A/c for the year ended on that date together with the Report of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended on 31st March, 2010.
3. To appoint Director in place of Shri Bijay Kumar Garodia, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Dr. Dhanpat Ram Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s Kumar Vijay Gupta & Co., Chartered Accountants 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 and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 256 read with Section 258 and other applicable provisions, if any, of the Companies Act, 1956 and rules made there under, consent be and is hereby accorded, not to appoint any other person in place and stead of Sh. Dinesh Chandra Agarwal, a Director retiring by rotation, who has expressed his un-willingness to be re-appointed."

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

"RESOLVED THAT pursuant to Section 293(1)(d) and other applicable provisions (if any) of the Companies Act, 1956 consent of the members of the Company be and is hereby accorded, for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company (apart from the Temporary loans obtained or to be obtained from time to time in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up share Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose(s), provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs.200 Crores(Rupees Two Hundred Crores only)".

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

"RESOLVED THAT pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such Charges, Mortgages and Hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of Banks/Financial Institutions and other investing agencies to secure Rupee/Foreign currency Loans and Working Capital facilities availed or proposed to be availed by the Company, provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans, shall not at any time exceed the limit of Rs.200 Crores(Rupees Two Hundred Crores only)".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as well as to execute all such documents, instruments and writings as may be required in order to give effect to the above resolution".

9. To consider and if thought fit to pass, with or without modification(s), following resolution as Special Resolution:

"RESOLVED THAT pursuant to Section 21 and other applicable provisions (if any) of the Companies Act, 1956, rules and regulations made there under and subject to approval of Central Government the name of company be change from its existing name to **BARAK CEMEMT LIMITED**".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as well as to execute all such documents, instruments and writings as may be required in order to give effect to the above resolution."

BY ORDER OF THE BOARD
For Barak Valley Cements Limited

Sd/-
(Bijay Kumar Garodia)
Chairman

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint proxy(ies) to attend and vote on a poll instead of him/her self and the proxy need not be a member of the Company.
2. The instrument appointing proxy(ies), to be effective, must be duly filled, stamped and must reach at the company's registered office not later than 48 hours before the commencement of the meeting. A blank Proxy Form is annexed to this notice.
3. As required by Clause 49 of the Listing Agreement, the relevant details of the Directors liable to retire by rotation and seeking re-appointment are given hereunder.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 2nd day of August, 2010 to Saturday, the 7th day of August, 2010 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if any, declared at the meeting.
5. Link Intime (India) Private Limited is the Registrar & Share Transfer Agent (R&TA) of the Company. All investor related communications may be addressed to Link Intime at the following address:

Link Intime (India) Private Limited
Unit: Barak Valley Cements Limited
A-40, 2nd Floor, Naraina Industrial Area,
Phase II, Near Batra Banquet Hall, Naraina, New Delhi -110028
E mail: delhi@linktime.co.in
6. Members are requested to notify about any changes in address/ bank details/ECS (Electronic Clearing Service) mandate to:
 - (a) the R&T Agent of the Company, viz. Link Intime, if shares are held in physical form; and
 - (b) their respective Depository Participants (DPs), if shares are held in electronic form.
7. Members/proxies are requested to kindly take note of the following:
 - (i) attendance slip, as sent herewith, is required to be produced at the venue duly filled in and signed for attending the meeting,
 - (ii) entry to the hall will be strictly on the basis of the entrance pass, which shall be provided at the counters at the venue, in exchange for duly completed and signed attendance slips, and
 - (iii) in all correspondence with the Company and/or the R&T Agent, Folio No./DP & Client ID no. must be quoted.
8. Members are requested to send their queries, if any, at least 10 days in advance of the meeting so that the information can be compiled in advance.
9. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
11. For any investor related queries, communication may be sent by e-mail at cs@barakceament.com.
12. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No. 2B in duplicate (which will be made available on request) to the R&T Agent.
13. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. and 1.00 PM. up to the date of the Annual General Meeting.
14. Members may please note that briefcase, bag, mobile phone and/or eatables shall not be allowed to be taken inside the hall for security reasons.
15. Details of the Directors seeking re-appointment in the 11th Annual General Meeting of the Company pursuant to Clause 49 of the Listing Agreement:

I. Sh. Bijay Kumar Garodia**a. Brief Resume:**

Mr. Bijay Kumar Garodia, aged 53 years and has started his business career in 1978 by establishing a small-scale industry and within a decade he established himself as a successful entrepreneur, he has also promoted Forest Product based industry in the North-Eastern state of Assam and Arunachal Pradesh.

He was duly appointed as a Director of the Board of Arunachal Pradesh Forest Product Corporation Limited in 1995 and subsequently, awarded the "National Citizenship Award" in 1995 by the then Honorable Prime Minister of India.

b. Nature of experience:

He has vast knowledge, experience in promoting and developing various industries in North-East Region, further he is associated with the Company since inception.

c. Companies in which he holds the Directorship and the Membership of the Committees of the Board:

- | | |
|-------------------------------------|---------------------------------------------|
| 01. Meghalaya Cements Limited | 04. Prithvi Ferro Alloys Pvt. Ltd. |
| 02. Prithvi Energy Limited | 05. Dhariwal Power and Alloys Pvt. Ltd |
| 03. Aditya Mining & Steel Pvt. Ltd. | 06. Prithvi Global Ventures Ltd, London, UK |

d. Shareholding: 21,62,500 Equity Shares.**e. Relationship with other Directors: Brother of Mr. Mahendra Kumar Agarwal's (Vice-Chairman) wife.****II. Dr. Dhanpat Ram Agarwal****a. Brief Resume:**

Dr. Dhanpat Ram Agarwal, aged 50 years, is a qualified Chartered Accountant, holds degree of Law and is having doctorate degree in Economics. He has authored books on WTO, IPR and Direct Taxes.

b. Nature of experience:

He has done extensive foreign traveling on professional and academic assignment. He is a resource person for WTO outsourcing roster for the delivery of training and technical co-operation activities. He is associated with the Company as Independent Director since March 2006.

c. Companies in which he holds the Directorship and the Membership of the Committees of the Board:

- | | |
|------------------------------|------------------------------------|
| TCI Finance Ltd. | Lucas Financial Services Pvt. Ltd. |
| ITAG Business Solutions Ltd. | Kumpepar Construction Pvt. Ltd. |

d. Shareholding: Nil**e. Relationship with other Directors: Nil**

BY ORDER OF THE BOARD
For Barak Valley Cements Limited

Kolkata
26/05/2010

Sd/-
(Bijay Kumar Garodia)
Chairman

EXPLANATORY STATEMENT (UNDER SECTION 173 OF COMPANIES ACT, 1956)**Item No. 6**

Pursuant to Section 255 and 256 of Companies Act, 1956 Sh. Dinesh Chandra Agarwal, Director is liable to retire by rotation and has expressed his unwillingness to be reappointed. The Board of Directors in their Meeting held on 26/05/2010 resolved not to propose appointment of any other person in place and stead of Sh. Dinesh Chandra Agarwal.

In accordance with Section 256(4)(a) of the Companies Act, 1956 if at the place of the retiring director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. Further, according to Section 258 of the Companies Act, 1956 a Company in general meeting may, by ordinary resolution, increase or reduce the number of directors within the limits fixed in that behalf by its articles.

Your Directors consider the resolution in interest of the Company and recommends the resolution for your approval.

None of Directors of your Company are interested, either directly or indirectly, in the said proposal, except to the extent of their shareholding.

Item No. 7

Since the company is expanding its operations and borrows money in regular course of its business activities, therefore it needs more funds to fulfill its fund requirements, the present maximum limit up to which company can borrow is aggregate of Paid-up Capital and Free Reserve, so it is proposed to increase the Borrowing Power of the Board. Therefore, your Directors place before you the proposal to increase the maximum borrowing limit to Rs. 200 Crores (Rupees Two Hundred Crores) so that they can borrow money, from time to time, for the abovementioned purpose and also for any other purpose which they at their absolute discretion and in the best interest of the Company may deem fit, notwithstanding such amount together with amount already borrowed may exceed Paid-up Share Capital of the Company and its Free Reserves.

Your Directors consider the resolution in interest of the Company and recommends the resolution for your approval.

None of Directors of your Company are interested, either directly or indirectly, in the said proposal, except to the extent of their shareholding.

Item No. 8

As per the provisions of Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Public Company can not Sell, Lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking without the consent of the shareholders in the General Meeting.

The borrowing power of the Company has been increased to Rs. 200 Crores consequent to the said increase the Company may create further Mortgage/Hypothecation or Charges on the present and Future Assets of the Company in favour of Banks/Financial Institutions or any other Lenders. As the Mortgage/Charge/Hypothecation by the Company on its Assets as aforesaid in favour of the Banks and Financial institutions may be regarded as disposal of the Company's properties/undertaking in certain events of default, it is necessary for the Members to pass a resolution under section 293(1)(a) of the Companies Act, 1956, for creation of said Charge/Mortgage/Hypothecation.

Your Directors consider the resolution in interest of the Company and recommends the resolution for your approval.

None of Directors of your Company are interested, either directly or indirectly, in the said proposal, except to the extent of their shareholding.

Item No. 9

For better representation of objects and activities of the Company, the Board of Director in their Meeting held on 26/05/2010 proposed to change the name of Company from its existing name to 'BARAK CEMENT LIMITED'.

In accordance with Section 21 of the Companies Act, 1956 a Company may by special resolution and with the approval of the Central Government signified in writing, change its name.

Your Directors consider the resolution in interest of the Company and recommends the resolution for your approval.

None of Directors of your Company are interested, either directly or indirectly, in the said proposal, except to the extent of their shareholding.

BY ORDER OF THE BOARD
For Barak Valley Cements Limited

Kolkata
26/05/2010

Sd/-
(Bijay Kumar Garodia)
Chairman

Directors' Report

To
The Members,

Your Directors are pleased to present 11th Directors' report for the Financial Year ended on 31st March, 2010.

Financial Results

The summary of your Company's financial performance during Financial Year ended on 31st March, 2010 is as under:

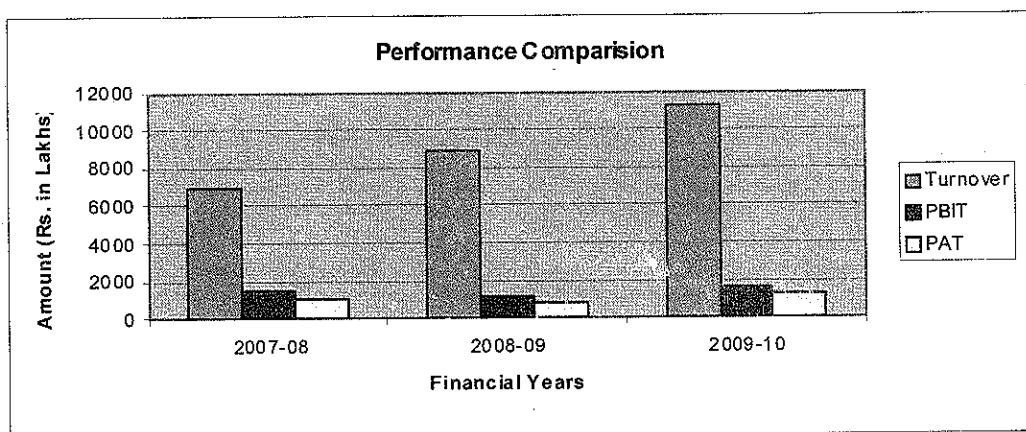
Particulars	Year Ended on 31st March, 2010	Year Ended on 31st March, 2009 Rs. In Lacs
Sales (net of excise duty)	11294.09	8914.33
Other Income	1.27	48.13
Total Sales & Other Income	11295.36	8962.46
Profit before Interest, Dep. & Income Tax	2254.58	1744.11
Less: Depreciation	626.2	607.81
Profit Before Interest and Income Tax	1628.38	1136.30
Less: Interest	293.17	292.46
Profit before Income Tax	1335.21	843.84
Less: Prior Period Adjustments	23.47	1.52
Less: Provision for Income Tax		
Current Income Tax	-	-
Deferred Tax Liability	(6.26)	18.54
Fringe Benefit Tax	-	7.11
Profit after Tax	1318.00	816.67
Add: Balance Brought down from last year	3711.56	3154.15
Profit available for Appropriation	5029.56	3970.82
Less: Appropriations		
Transferred to General Reserve	-	-
Proposed Dividend on Equity Shares	221.60	221.60
Corporate Dividend Tax	37.66	37.66
Balance Transferred to Reserve & Surplus	4770.30	3711.56

OPERATIONS

Stand Alone Financial

Your Company has achieved the 26.70% increase in the turnover (from Rs. 8914.33 Lakhs in 2008-09 to Rs. 11294.09 in 2009-10), consequently there is increase of 61.39 % in the Net profit of the Company (from Rs. 816.67 in 2008-09 to Rs. 1318.00 in 2009-10).

The Earning Per Share of the Company has been increased from Rs.3.69/- in 2008-09 to Rs. 5.95/- in 2009-10 resulting into 61.25% increase.



Financial Ratios	2007-08	2008-09	2009-10
Current Ratio	3.64	3.83	3.33
Debt Equity Ratio	0.43	0.39	0.42
Return on Equity	15.03%	10.37%	14.75%
*Price Earning Ratio	5.57	3.58	4.66
*Dividend Yield Ratio	6.09%	7.58%	3.60%
Net Profit Ratio	15.65%	9.16%	11.67%

* Closing market price as on 31st March (Source: www.nseindia.com)

Consolidated

The Consolidated Financial Statement, is prepared according to the Accounting Standards of ICAI, further as per the requirement of Clause 32 of the Listing Agreement, the audited consolidated financial results of the Company are attached with the annual report. Summary of Consolidated financial performance of the Company and its subsidiaries is hereunder mentioned:

	(Rs. in Lacs)	
Particulars	2009-10	2008-09
Sales/ Turnover	15,436.50	11,941.18
Profit Before Tax	1,142.07	597.49
Profit After Tax	1,152.19	593.00
Total Shareholders Fund	11,486.43	7,872.41

Subsidiaries

At present, your company has six subsidiary companies namely (i) Cement International Limited, (ii) Badarpur Energy Private Limited, (iii) Meghalaya Minerals and Mines Limited, (iv) Singlacherra Tea Company Private Limited, (v) Goombira Tea Company Private Limited, (vi) Chargola Tea Company Private Limited.

Your Company has applied for exemption under Section 212 of the Companies Act, 1956 from attaching the annual accounts of subsidiaries with that of holding company and the same was granted by Ministry of Corporate Affairs, Government of India vide their letter dated 09/04/2010. The annual accounts and other related information of subsidiaries will be made available to investors of holding as well as of subsidiaries on request, who are seeking such information.

DIVIDEND

Your Directors after considering the performance of the Company for the Financial Year 2009-10 have recommended a Dividend of Re. 1/- per Equity Share of Face Value of Rs. 10/- each, amounting to Rs. 221.60 Lakhs (Previous Year Dividend of Re. 1/- per Equity Share amounting to Rs. 221.60 Lakhs was paid). The approval of Members of the Company will be sought during the forthcoming 11th Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the Clause 49 of the Listing Agreement, Management Discussion and Analysis Report is annexed herewith and forming integral part of this report.

CORPORATE GOVERNANCE REPORT

A separate section on Corporate Governance in the Annual Report of the Company, with a detailed compliance report on Corporate Governance is forming part of this report.

DIRECTORS

In accordance with the provision of Section 255 & 256 of Companies Act, 1956 Mr. Bijay Kumar Garodia, Dr. Dhanpat Ram Agarwal & Mr. Dinesh Chandra Agarwal are liable to retire by rotation. Mr. Dinesh Chandra Agarwal has expressed his unwillingness to be reappointed, the Board decided not to propose appointment of any other person on his place.

AUDITORS

The Statutory Auditor of the Company M/s Kumar Vijay Gupta & Co., Chartered Accountant, will cease his office at the ensuing Annual General Meeting of the Company and are eligible for re-appointment. They have sought re-appointment and have confirmed that their appointment, if made, shall be within the limits laid down under Section 224(1B) of the Companies Act, 1956. Further M/s Kumar Vijay Gupta & Co., has subjected themselves to the peer review process of ICAI and holds a valid certificate issued by the Peer Review Board of ICAI.

The Board of Directors recommend the re-appointment of M/s Kumar Vijay Gupta & Co. as Statutory Auditor of the Company from the conclusion of ensuing Annual General Meeting of the Company till the conclusion of Annual General Meeting to be held next thereafter and to fix their remuneration.

AUDIT COMMITTEE

Your Company has an Audit Committee, in terms of Companies Act, 1956 and that of Listing Agreement, further details of Audit Committee are given in the Corporate Governance Report.

AUDITOR'S REPORT

Auditors' Report to the Shareholders does not contain any qualifications. Notes on Accounts referred to the Auditor's Report are self explanatory and thereafter do not call for further comments.

PARTICULARS OF EMPLOYEES

None of the employee of the Company was in receipt of remuneration in excess of the limits laid down in Section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employees) Rules, 1975.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirements 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 explanations obtained by them, confirm that they have taken all reasonable steps, as are required to ensure:

- i. that all the applicable accounting standards have been followed in preparation of the financial statements and there are no material departures from the said standards;
- ii. that reasonable and prudent accounting policies have been used in preparation of the financial statements, that they have been consistently applied and that reasonable and prudent judgments and estimates have been made in respect of items not concluded by the year end, so as to give a true and fair view of the state of affairs of the Company as at 31.03.2010 and of the profit for the year ended 31.03.2010;
- iii. that proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the financial statements have been prepared on a going concern basis.

INSURANCE

All the properties of the Company, including building, plant and machinery and stocks, where necessary and to the extent required have been adequately insured against major risks.

PUBLIC DEPOSIT, BUY BACK OF SHARES

During the period under review, your Company has not accepted any deposit from public/ shareholders in accordance with Section 58A of the Companies Act, 1956 and rules made there under and hence no amount of principal or interest was outstanding as on 31/03/2010.

No Buy Back of Shares was proposed or pending during the Financial Year ended on 31/03/2010.

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

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 are set out in Annexure 'A' forming part of this report.

ACKNOWLEDGMENT

Your Directors place on record their sincere appreciation for significant contribution made by the employees through their dedication, hard work and commitment. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry.

Your Directors take this opportunity to express their deep sense of gratitude to the banks, financial institutions, central and state governments and their departments and the local authorities for their continued guidance and support.

Your Directors would also like to place on record their sincere appreciation for the total commitment, dedication and hard work put in by every member of the BVCL family.

Your Directors are also grateful to the shareholders for their confidence and faith reposed in the Company.

For Barak Valley Cements Limited

Sd/-

Kolkata
26/05/2010

Bijay Kumar Garodia
Chairman

Annexure 'A' to Director's Report

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

a) Energy Conservation Measures Taken:

- i. Installation of VFD at kiln BF fan 110 kw saving power 70 kw/hr.
- ii. Installation of VFD at kiln BF fan 75 kw saving power 27 kw/hr.
- iii. Installation of VFD at kiln CF2 fan 55 kw saving power 22 kw/hr.
- iv. Installation of VFD at kiln CF3 fan 55 kw saving power 25 kw/hr.
- v. Installation of VFD at kiln CF4 fan 55 kw saving power 30 kw/hr.
- vi. Installation of VFD at coal mill TF 3.7 kwsaving power 2.2 kw/hr.
- vii. Installation of VFD at coal mill CA fan saving power 12 KW/hr.
- viii. Add 120 KVAR capacitor Bank with C/M3 saving power 50 kw/hr.
- ix. PLC in Cement Grinding Mill No. 3.

b) Additional investment and proposal, being implemented for reduction of energy consumption.

- i. Steel Chord Belt Elevator at different place with auxiliary drive.
- ii. Weigh feeders in Raw material grinding.
- iii. Follaphone in Grinding Mills.
- iv. Belt weighers.
- v. Soft starter at difference place to take care of Starting Torque of motor.
- vi. Auxilary drive in cement mills.
- vii. Audit and replacement of motor of correct size.
- viii. Replacement of cement mill no. 1, motor for 450 KW to 350 kw.
- ix. Weigh feeder in place of coal feeding screw conveyor.

c) Impact of measure at (a) and (b) above for reduction of energy consumption and consequent impact on the production.

After implementation of the above measure, power consumption will decrease and production will increase.

d) Total Energy Consumption and Consumption per unit of production as per Form A in respect of Industries specified in the schedule:

FORM - A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:

	2009-10	2008-09
a) Purchase Units (KWH)	2,39,03,974 Units	2,19,17,151Units
Total Amount (Rs. In Lakhs)	1358.64	1155.05
Rate/Unit (Rs.)	5.68	5.27
Own Generation (KWH)	1,73,304 Units	8,33,950 Units
Total Amount (Rs. in Lakhs)	17.73	78.56
Rate/Unit (Rs)	10.23	9.42
b). Coal Consumption	27,115.33 MT	29,258.71 MT
Total Amount (Rs. in Lakhs)	1060.68	1188.69
Rate/MT (Rs)	3912	4062
Consumption per unit of production (Unit/MT)	Power (Per MT of Cement)	Coal (Per MT of Clinker)
Standard, if any	129.00	0.20
Current Year	115.80	0.18
Previous Year	127.47	0.18

FORM-B

TECHNOLOGY ABSORPTION AND RESEARCH AND DEVELOPMENT

1. Researches and Development (R&D)

a) Specific Areas in which Research and Development (R&D) is being carried out by the Company

- i. Use of Combustion catalyst – coal saver.
- ii. Use of flyash activator.
- iii. Use of waste heat from cooler to dry the flyash and coal.
- iv. Lime sludge bricks and to use as pozzolana.
- v. Two ways secondly firing at a time.

b) Benefits derived as a result of the above efforts.

Cost of Clinker will reduce by 2 to 3%.

c) Future plan of action

To modify the preheater with precalciner to increase the production of clinker from 700 MTD to 850 MTD.

d) Expenditure on R&D

Particulars	2009-2010	2008-2009
1. Capital Expenditure	Nil	Nil
2. Recurring Expenditure	<u>30,69,527</u>	2,75,000
Total Expenditure	<u>30,69,527</u>	2,75,000

2. Technology absorption, adaptation and innovation during 2009 – 10 the following jobs were taken up.

- a)** i) Three tier conveyor to dry the coal from waste heat of cooler.
 ii) Manufacturing the drg chain and installation through inside of cooler chamber.

b) Benefit derived as a result of the above efforts

The installed capacity of the kiln production will go upto 700 T/Day of clinker and 850 MT of Cement.

c) Foreign Exchange earning and outgo.

Due to demand supply gap in North Eastern areas, the company is able to sell its entire production in the domestic market itself. Hence, the company is not engaged in any activity relating to import or export.

Foreign Exchange Earned

NIL

Foreign Exchange Used
(Foreign Travelling Expenses)

Rs. 1,47,378

For Barak Valley Cements Limited

Kolkata
26/05/2010

Sd/-
Bijay Kumar Garodia
Chairman

Management Discussion and Analysis

INDIAN ECONOMY OUTLOOK

After witnessing the uncertainty and jolts in the global economy in 2009-10, the positive economy developments at the start of 2010 are giving promising signs of improvement for financial year 2010-11 and mitigating the effects of recessions suffered during the 2009-10.

The Indian economy does give optimistic signals with recognizable GDP growth. Importantly, it can be expected that sectors like IT, cement, steel and other service sectors like banking and infrastructure will see upward growth.

Overall corporate earnings in India for 2010 is on the path of recovery in the last 4 - 6 quarters, but experts still have doubt regarding the strength and sustainability of recent growth, since the growth is not commensurate by sufficient capital expenditures.

Further, the sustainability of growth will be highly influenced by the optimism of Foreign Investors in the Indian Economy, one can afford to be positive on this front due to confidence shown in Indian economy by various international agencies from time to time like World Bank etc.

But the shadow of doubts are still wandering on the Indian Economy due to its dependency on good monsoon, high inflation, pressure on interest rates, raising fiscal deficit, lack of commitment and political will power on disinvestment by Indian Government.

History of our Company

Our company was incorporated on 28th April 1999 by Mr. Prahlad Rai Chamaria, Mr. Bijay Kumar Garodia and Mr. Santosh Kumar Bajaj and commenced its production on 1st April 2001.

Since then the Company has achieved significant growth, the turnover of the company have increased around 6 times from 1890.58 Lakhs during Financial Year 2001-02 to Rs. 11294.09 Lakhs during Financial Year 2009-10.

Present and Future Strategy

At present our plant is situated at Deberidra Nager, Jhoombasti, Badarpurhat, Assam, initially its installed capacity was of 300 TPD of cement, subsequently company undertook various expansion and modernization plans from time to time which increased the installed capacity to 600 TPD of clinker and 750 TPD of cement.

Future expansion and modernization strategy

Encouraged by good demand for cement in North Eastern Region, your company is now planning to renovate and upgrade the existing facilities, which will enable the Company to increase the installed capacity to 700 TPD of clinker and 850 TPD of cement, for which approximately Rs.2200 Lakhs of funds are required, out of which Rs. 200 Lakhs are to be financed thorough internal accruals and remaining Rs. 2000 Lakhs are to be financed by way of Rupee Term Loan from Banks and Financial Institutions. The IDBI Bank Ltd. has sanctioned the entire term loan to the Company for the said expansion plan.

Products of our Company

Your company is presently manufacturing various Grades of OPC (Ordinary Portland Cement) and PPC (Portland Pozzolana Cement).

- (a) OPC is produced by inter-grinding clinker, performance improver and gypsum in a cement mill. Portland cement is a blend of finely pulverized clinker, produced by burning at high temperature material containing lime, alumina, iron and silica in pre determined proportion to give the desired end proportion. Normally Gypsum or its derivatives are added during grinding stage for set control. When mixed with water alone or in combination with sand and stone, it has the property of combining slowly with water to form hard mass.
- (b) PPC is blended cement produced by adding pozzolanic materials, such as fly ash, volcanic ash and calcined clay to clinker. PPC can be used for the majority of construction projects, such as in the building of houses, high-rise buildings and bridges. The production process for PPC is similar to that for OPC, but fly ash, the pozzolanic material which is generally used, is mixed with clinker in the cement mill stage of manufacturing.

INDUSTRY OUTLOOK

The Indian Cement Industry is the second largest producer of cement in the world comprises of 140 large and more than 365 mini cement plants which produces various grades of cement like Ordinary Portland Cement (OPC), Portland Pozzolana Cement (PPC), Portland Blast Furnace Slag Cement (PBFS), Oil Well Cement, Rapid Hardening Portland Cement, Sulphate Resisting Portland Cement, White Cement, etc.

During 2008-09, total cement consumption in India stood at 178 million tonnes while exports of cement and clinker amounted to around 3 million tonnes. Since cement industry works in strong nexus with other industries like real estate, infrastructure, transport, coal etc. this makes Cement Industry an important sector for Indian Economy. This is supported by the fact that cement industry is one of the major contributors to the exchequer by way of indirect taxes.

Cement production during April to January 2009-10 was 130.67 million tonnes as compared to 115.52 million tonnes during the same period for the year 2008-09 and dispatches were estimated at 129.97 million tonnes during April to January 2009-10 whereas during the same period for the year 2008-09, they stood at 115.07 million tonnes.

The reasons for such encouraging growth of Indian Cement Industry was mainly due to growth in demand in various ancillary sectors like real estate, increased investments in infrastructure by both the private sector and Government, and higher Governmental spending under various social programmes. With demand growth being buoyant and capacity addition limited, the industry posted capacity utilisation levels of around 93% during the last five years.

Cement Industry suffered a setback in 2008-09 due to economy slow down, but still the growth in cement demand remained at a healthy rate of 8.4% which is expected to raise at 12.5%, reason for such upward trend is growth in consumption during the first eight months at all-India level and the growth in consumption in the major cement-consuming States over the last five years.

(Source: Cement Manufacturers Association (CMA))

Future Outlook

Growth in domestic cement demand is expected to remain strong, given the revival in the housing markets, continued Government spending on the rural sector and the gradual increase in the number of infrastructure projects being executed by the private sector. The trend in demand growth seen during the last five years is expected to continue over the medium term. Also, with Government targeting over 8% GDP growth rate, consequently cement demand is also expected to grow in next few years.

Consolidation in Cement Industry

The Industry has undergone rapid technological upgradation and growth, and now, some of the Cement Plants in India are comparable to the world's best operating plants in all respects. In recent years, the process of consolidation has occurred in Cement Industry.

Impact of Union Budget 2010-11 on Cement Industry

- Government's focus on infrastructure development which accounts for about 25% of the total cement consumption in the country.
- Increased allocation to programmes like RAY and IAY and also extension of interest subvention scheme on housing loan likely to boost the housing demand in semi-urban and rural areas which will augur well for the cement industry.
- Hike in excise duty will increase the prices of cement by about Rs. 3-5 per bag across different regions.
- Imposition of Clean Energy Cess on coal will have a very negligible impact on the cost structure of cement companies.

Relaxation of Prime Minister's Rozgar Yojana (PMRY) Norms for the North Eastern Region

The Prime Minister's Rozgar Yojana has been expanded in scope to cover areas of horticulture, piggery, poultry, fishing, small tea gardens etc. so as to cover all economically viable activities in the North Eastern Region. This tends to increase government expenditure on infrastructure and consequently increase in the demand of cement.

COMPANY PERFORMANCE

The performance of the Company for the financial year 2009-10 as compared to the financial year 2008-09 is as under:

	FY 2009-10	FY 2008-09
Production (MT)	2,07,923	1,66,142
Dispatches (MT)	2,06,823	1,64,753
Turnover (Rs. in lakhs)	11,294.09	8,914.33
Profit after Tax (Rs. in lakhs)	1,318.00	816.67

The Net Profit of the Company for the year ending 31st March 2010 is Rs. 1,318.00 lakhs in comparison to the Net Profit of Rs.816.67 lakhs in the previous financial year. The main reason for enhanced profitability of the Company is increased dispatches of Cement and better realization of finished goods during the year. In 2009-10, the Company has sold 2,06,823 MT of Cement against 1,64,753 MT of Cement in 2008-09, which is 25% more than the previous year. Similarly Net Cement realization has been improved by 10% to Rs. 4,496/- per MT as compared to Rs. 4,090/- per MT in last year.

PERFORMANCE OF SUBSIDIARIES

The performance of the subsidiary companies viz. Badarpur Energy Private Limited (BEPL), Meghalaya Minerals and Mines Limited (MMML) and Cement International Limited (CIL) for the financial year 2009-10 as compared to the financial year 2008-09 is as under:

CEMENT INTERNATIONAL LIMITED

	FY 2009-10	FY 2008-09
Production (MT)	78,728	79,879
Dispatches (MT)	79,051	78,856
Turnover (Rs. in lakhs)	4,185.12	3,775.73
Profit after Tax (Rs. in lakhs)	349.26	347.38

BADARPUR ENERGY PRIVATE LIMITED

	FY 2009-10	FY 2008-09
Units Generated (In Lakhs)	247.55	183.11
Net Units Sold (In lakhs)	199.10	140.95
Turnover (Rs. in Lakhs)	1194.61	845.69
Profit after Tax (Rs. In lakhs)	(560.14)	(671.47)

MEGHALAYA MINERALS AND MINES LIMITED

	FY 2009-10	FY 2008-09
Limestone Extracted (MT)	1,82,445	1,74,091
Limestone Dispatched (MT)	1,83,184	1,81,270
Turnover (Rs. In lakhs)	879.68	880.38
Profit after Tax (Rs. In lakhs)	57.07	95.58

SALES & MARKETING

Your Company's well articulated marketing strategy of consolidating market share with innovative brand management helped improve its market share. Your Company's brand "Valley Strong" Cement is readily available in the areas of Tripura, Mizoram, Assam with diversified customer base consisting of individuals, contractors, builders, institutions and Government Agencies. In the year 2008-09, your company has also successfully launched its brand in Guwahati and is now available all around the city. The entire production of the Company is sold in North east region due to the huge demand-supply gap.

Gross Sales has gone up to Rs.11,555 lakhs as compared to Rs. 9,057 lakhs in the corresponding previous year. Due to aggressive marketing and overall efforts, we are able to dispatch 2,06,823 MT of cement, which is 25% more than the corresponding previous year. Gross sales price realization has gone up to Rs.5,565/- per MT of Cement as compared to Rs. 4,980/- per MT in the corresponding previous year. Net sales realization has been Rs.4,496/- per MT of Cement as compared to Rs. 4,090/- per MT in the corresponding previous year. During the current year, your company has incurred Rs. 125.04 lakhs on Sales promotion and advertisement expenses as compared to 132.44 lakhs in the last year.

COSTS**(a) Raw Material****(i) Lime Stone :**

During the year, the company has consumed 1,81,148 MT of Lime stone as compared to 1,98,176 MT of Limestone during last year. The main source of Limestone is from Meghalaya Minerals & Mines Ltd., which is a wholly owned subsidiary of your company. The per tonne limestone cost for producing cement comes out to Rs. 439/- which was Rs.535/- during last year.

(ii) Fly Ash:

During the year, the company has consumed 33,879 MT of Fly ash against 18,996 MT during last year. The average acquisition cost per MT of Fly ash has increased substantially by 18% i.e. from Rs. 2,085/- per MT to Rs.2,450/- per MT in current year. In current financial year 2009-10, overall Fly ash cost constitutes 30% of overall Raw material cost as compared to 24% of raw material cost in the earlier year. The per tonne fly ash cost comes out to Rs. 396/- per tonne as compared to Rs. 234/- per MT of producing cement during last year.

The company has also produced 1,13,846 MT of PPC cement as compared to 75,603 MT of cement in the last year, achieving a growth of over 50%.

(iii) Gypsum:

Gypsum consumption has decreased from 1140 MT to 854 MT in current year 2009-10. The overall gypsum consumption cost comes to 0.97 % of overall raw material cost as compared to 2.11% in the last year. The average cost of Gypsum has also increased to Rs.3,098/- per MT against Rs.3,000 /- in the last year.

(b) Fuel and Power**(i) Coal:**

During the year, the company has consumed 27,115 MT of coal, which constitutes 18% of per MT clinker production as compared to 29,258 MT during last year (18.% of per MT clinker production),which is almost same as per last year.

In current year, the company has incurred Rs. 1,060.68 lakhs on coal as compared to Rs.1,188.69 lakhs in previous year. In 2009-10; average coal costing comes out to Rs. 3,912/- per MT as compared to Rs. 4,062/- per MT in 2008-09.

(ii) Power:

In current year, the company has purchased 59.82 lakhs units from ASEB and 179.22 lakhs unit from Badarpur Energy Private Limited (BEPL), a wholly owned subsidiary company as compared to 89.58 lakhs unit from ASEB and 129.59 lakhs unit from BEPL in the last year. During the year, the company has incurred Rs.1,376.37 lakhs on power cost with an average of Rs. 5.72 per unit as compared to Rs.1,234.45 lakhs (Rs.5.43 per unit) in last year.

In current year, due to initial teething problems and some other technical difficulties, 6.00 MW biomass based power plant in BEPL is not able to generate power to its normal capacity. However, we are fully hopeful to overcome all these problems and able to reduce the power cost in the current year.

(c) Wages and Labor Cost

In current year 2009-10, the company has incurred Rs. 569.38 lakhs on wages and labor cost as against Rs. 485.33 lakhs in 2008-09. In current year, wages cost has been increased, due to enhanced man power and wages rate. But in overall terms in current year, wages cost comes out to Rs. 273/- per MT of Cement cost as compared to Rs. 270/- per MT in the last year.

(d) Transportation Cost

The Company has dispatched 2,06,823 MT of cement as compared to 1,64,753 MT of cement in the previous financial year and achieved a growth of 25%. However, due to higher fuel price and freight cost the overall transportation cost has increased substantially. The overall transportation cost comes out to Rs.1,623.60 lakhs as compared to Rs.974.59 lakhs in the last year. The increase in transportation cost is due to steep hike in fuel price and freight expenses and for longer distances covered by the transporters during the year.

RISKS AND AREAS OF CONCERN**Coal**

The increase in coal prices is directly co-related with economic scenario of the country. If the economy and growth rate boom, coal prices will also tends to increase and vice-versa. Further, cost of coal is a major concern due to crude oil price hike and other global factors.

Transport

The increased cost of transportation due to rise in fuel and freight cost has become a matter of concern as it has the effect of increasing the overall cost of the cement, which would have the impact on the overall profitability of our Company. However, due to better realization of finished product, we would be able to offset the same against the increased cost.

Market and Competition Risk

The Company may face growing/new competition from existing players and new entrants. The Cement business is highly competitive within geographical regions. The competition is further enhanced by the fact that there are virtually no product differentiating factors. Growing competition may force us to reduce the prices of our products, which may reduce revenues and margins and/or decrease market share.

Changes in Government Policies

Growth prospects in the Cement Industry are highly dependent on Government Policies especially those relating to investment in infrastructure and industrial sectors. Any change in the same may have an adverse impact on the demand for the cement and consequently will have a negative impact on the sales and profitability of the Company.

Law and Order in NE Region

Deterioration in the law and order situation in the North East Region in general may have an affect on the operations of your Company. NE Region is more prone to terrorist attacks and other acts of violence or war which could have an adverse effect on the business, results of operation and financial condition.

ENVIRONMENT AND CORPORATE SOCIAL RESPONSIBILITY**Environment Activities**

Under environment activities your Company, has planted various types of trees in the various locations of Cachar, Karimganj and Hailakandi District and maintenance of these trees are regular followed by the company by engaging contractors and employees. Under Mass Tree Plantation motto various unused/waste lands lying in the area were taken up by the Company through mutual understanding with landlords and planting various types of trees were undertaken of which environmental impact will be significant. In this process, your Company developed the lands and planted various types of special Green Belt cultivation which ultimately created a Green covering over the surrounding area of the three districts. Lots of plants like Gamari, Krishnachura, Rain Tree, Maha Neem, Nos of trees approx. area covering more than 3,000 Bighas.

Your Company is also participating in the programme of plantation every year on World Environmental Day to the various organization and Forest Department for which company planted trees in collaboration with Forest Department.

Your Company is also engage in maintenance of a Ever Green Hill by engaging contractors and employees to get best result of the planted trees and enhance the bio-diversity around the plant site covering North-East to East-South corner and other sites too. And also doing maintenance work on Badarpur - Adarkona PMGSY road from Cement Internal Limited (Main Gate) to Junction Point (National Highway) by planting of ornamental, medicinal trees etc. Environmental and resources conservation has been taken with utmost care along-with our association with the regulatory bodies.

Corporate Social Activities

- For getting Health Treatment benefit by local community, your Company has set up Free Health Care Center at Devendra Nagar, which is dedicated to providing excellent primary health care at no charge to those who are unable to afford adequate health care or are otherwise in need, regardless of race, gender or religion from where local people availing free medical service/ checkup. In this health centre, from time to time we have organized different Health Care activities like "Pulse Polio Immunization Programme", "Family Planning Programme", "Vaccination for Child" as a result of which local inhabitant were benefited a lot.
- Health has been identified as a primary objective in the community development process. As part of the healthcare initiatives, your Company in association with Lions Club, Badarpur, organized "Free Dental Check up Camp" at its Free Health Care Centre (BVCL), Debendra Nagar on 15th November 2009. Under this camp more than 150 Nos. of patients were checked and given treatment. Your Company has also distributed free medicine among them. On 6th February 2009 and on dated 22nd December 2009, your Company has organized "Free Eye Check up Camps" for detection of Cataract with Micro Surgery (IOL) in association with Lions Club, Badarpur at its Free Health Care Centre (BVCL), Debendra Nagar, Badarpurghat. In this camp more than 134 Nos. & 200 Nos. of patients got treatment by check up out of which 36 Nos. & 43 Nos. of patient respectively has detected having cataract and accordingly they were sent for micro surgery (IOL) at free of cost.
- In continuation of Free Eye Check up camp having proposal to campaign more in the coming days for Free Eye Check up camp during the month of February, March and April-2010.
- Your Company has sponsored to build a school namely "Vivekananda Kendra Vidyalaya" for the benefit of local students to provide modern day schooling to them in continuance to discharge its social and moral responsibility to the society in general and the local community as particular and the School was inaugurated by Chairman of the Company, Shri Bijay Kumar Garodia on 23rd May 2009.

Legal Awareness Camp

To answer the call of the judiciary and to give legal awareness to the people of this area and for its employees/workers, your Company arranged a legal awareness camp at the premises of the Company's factory at Debendranagar on 4th May 2009 and the camp was attended by Shri Bishnu Debnath, learned Additional District & Session Judge, Shri J. Pramanik, learned Asst. District & Session Judge along with some topmost executive of the Company.

Productivity Council Programme

Your Company has organized, various Training Programme for Effective Team Performance conducted by Assam Productivity Council, Tinsukia (Assam), for its employees.

The Company's Management arranged and sent Company employees for taking training at Meghalaya which was jointly organised by Barak Valley Cements Ltd. & Meghalaya Cements Limited, Lumshnong.

Community Development

Badarpurghat Historical Fort, which is an old heritage place as it was the fort of the last king of Cachari Kingdom. The Government of Assam has decided to renovate the said Historical heritage and also to use it as a "Childrens Park". Under the community development programme, your Company has taken up the responsibility to develop the said Historical place as a Children Park which is situated just 1/4 Km from the Company's factory site.

Moreover, your Company has been maintaining a "Valley Strong Island" Park at Badarpurghat tri-junction point on NH-44.

Community Welfare

Under the community welfare activities your Company has actively participated in distributing free Medicine and Snacks to the Kawadiyas (Orphans) at Silchar which was organised by Sahitya Mitra Social Organisation.

Apart from this, your Company has also provided drinking water to the locality as and when required. The Company also sponsored the various sports tournaments/cultural activities/Mass Marriages etc. in the locality as a part of continuous efforts in order to promote the community activities regularly.

Your Company along with Lions Club of Badarpur Greater jointly distributed Clothes to the Fire Victims whose property got damaged by fire at Horizon Basti, Badarpur, Dist.- Karimganj (Assam).

Your Company along with Vhakti Bikash Kendra jointly distributed Fruits and Clothes to the local peoples of Debendranagar, Joombasti, Badarpurghat, Dist - Karimganj (Assam).

Corporate Governance Report

I. PHILOSOPHY OF COMPANY ON CORPORATE GOVERNANCE

Your Company belongs to the school of thoughts who believe in not only in persistent but also holistic and sustainable growth and development. To achieve business goals Company aims at the overall well being and welfare of all the constituents of the business. Your Company has endeavored to make Corporate Governance a way of life by constituting a Board with balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the organization and putting in place best systems, process and technology.

In conformity with contemporary national and international standards of Corporate Governance, your Company contemplates to set high targets for the growth, profitability, customer satisfaction, safety and environmental performance and continues its commitment to achieve high standards of Corporate Governance practices by implementing statutory requirements not only in word but also in its spirit.

II. BOARD OF DIRECTORS OF THE COMPANY AND THEIR COMMITTEES

The Board of Directors of the Company comprises of eleven learned and competent Directors headed by Mr. Bijay Kumar Garodia (Chairman and Whole Time Director) who along with Mr. Kamakhya Chamaria (Vice-Chairman and Managing Director), Mr. Mahendra Kumar Agarwal (Vice Chairman) and Mr. Santosh Kumar Bajaj (Whole Time Director) and other Members of Board is taking day to day business and long term strategic and tactical decisions for ensuring persistent growth and overall development of the Company.

Company has Three Executive and Eight Non-Executive Directors. Being Chairman an Executive Director of Board the Company is required to have at least fifty percent of Independent Directors. At present out of Eleven Directors Six are Independent Directors.

a. BOARD OF DIRECTORS

1. Composition

S. No.	Name of Director and Designation	Category	No. of Committee in which Director ¹		No. of other Companies in which Director is a Director ²
			Member	Chairperson	
1	Mr. Bijay Kumar Garodia, Chairman and Whole Time Director	Promoter, Executive and Non-Independent Director	Nil	Nil	6
2	Mr. Kamakhya Chamaria, Vice Chairman and Managing Director	Executive and Non-Independent Director	2	Nil	4
3	Mr. Mahendra Kumar Agarwal Vice-Chairman	Promoter, Non-Executive and Non-Independent Director	2	Nil	21
4	Mr. Santosh Kumar Bajaj, Whole Time Director	Promoter, Executive and Non-Independent Director	Nil	Nil	3
5	Mr. Prahlad Rai Chamaria, Director	Promoter, Non-Executive and Non-Independent Director	Nil	Nil	6
6	Mr. Brahm Prakash Bakshi, Director	Non-Executive and Independent Director	2	1	2
7	Dr. Dhanpat Ram Agarwal, Director	Non-Executive and Independent Director	1	Nil	4
8	Mr. Ramesh Chandra Bajaj, Director	Non-Executive and Independent Director	1	Nil	Nil
9	Mr. Vishal More, Director	Non-Executive and Independent Director	1	1	1
10	Mr. Dinesh Chandra Agarwal, Director	Non-Executive and Independent Director	Nil	Nil	Nil
11	Mr. E. E. Fernandes, ³ Director	Non-Executive and Nominee Director	Nil	Nil	Nil

- For the purpose of considering Membership/ Chairmanship of the Committees on which a director is serving, all Public Limited Companies, whether listed or not, have been included and all other Companies including Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956 have been excluded. Further only Chairmanship/Membership of the Audit Committee and the Shareholders' Grievance Committee alone have been considered.
- For the purpose of computing the number of Directorship/ Membership in other companies, Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956 have also been included.
- Mr. E. E. Fernandes is a Nominee Director of IDBI Bank Limited.

Note : No Director of the Company is a member in more than 10 Committees or acting as Chairman of more than 5 Committees across all companies in which they are directors.

2. Meetings and Attendance

The Board of Directors of the Company meets to transact and undertake various business activities as per the requirement. During the Financial Year 2009-10, the Board has met for five times, on 15th May 2009, 30th June 2009, 31st July 2009, 31st October 2009 and 30th January 2010 respectively. The details of the number of Meetings attended by the Board Members are as under:

S. No.	Name of Director and Designation	Attendance		Inter-se relationship between Directors
		Board Meeting	Annual General Meeting	
1	Mr. Bijay Kumar Garodia, Chairman and Whole Time Director	02	No	Brother of Mr. Mahendra Kumar Agarwal's wife.
2	Mr. Kamakhy Chamaria, Vice Chairman and Managing Director	05	Yes	Brother of Mr. Prahlad Rai Chamaria
3	Mr. Mahendra Kumar Agarwal, Vice-Chairman	02	Yes	Brother in Law of Mr. Bijay Kumar Garodia
4	Mr. Santosh Kumar Bajaj, Whole Time Director	01	Yes	N.A
5	Mr. Prahlad Rai Chamaria, Director	03	Yes	Brother of Mr. Kamakhy Chamaria
6	Mr. Brahm Prakash Bakshi, Director	01	No	N.A
7	Dr. Dhanpat Ram Agarwal, Director	01	No	N.A
8	Mr. Ramesh Chandra Bajaj, Director	02	Yes	N.A
9	Mr. Vishal More, Director	03	Yes	N.A
10	Mr. Dinesh Chandra Agarwal, Director	Nil	No	N.A
11	Mr. E. E. Fernandes, Director	04	No	N.A

Note : During the year, the maximum time gap between two meetings does not exceed more than four months.

3. Information to be placed before Board of Directors

The detailed agenda for the Board and Committee Meetings was circulated in advance of the Meeting along with the appropriate supporting documents. The agendas circulated contain following information:

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the Company and its operating divisions or business segments.
4. Minutes of meetings of Audit Committee and other committees of the Board.
5. The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
7. Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
8. Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
9. Any information which could potentially impact/ alter the business seriously or which could negatively impact the Company's image in general.
10. Any other information as may be required by the Directors to take prudent business decision.

4. Compensation to Directors

1. Executive Directors are paid remuneration as per agreement executed with the Company, subject to the compliance with the provisions of Companies Act, 1956 and rules made thereunder.
2. The Non-Executive Directors are entitled to sitting fees in compliance with the provisions of Companies Act, 1956 and rules made thereunder.

5. **Code of Conduct**

The company has a well articulated Code of Conduct to adhere the conduct of Members of Board of Directors and Senior Management Personnel according to the Law, Ethics and high Business Standards. The Code of Conduct of the Company has been designed to ensure and encourage the ethical and honest personal conduct, fair competition, transparency and social responsibility.

The Code of Conduct of the Company is posted on the website of the Company, further the declaration of CEO regarding affirmation of compliance with the code has been annexed to this report.

6. **Other Provisions**

While appointing Independent Directors, the Company has ensured that the person who is being appointed as an Independent Director is a qualified, experienced and competent person, whose qualification and experience would be of use to the Company and which in opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an Independent Director.

The Board has periodically reviewed compliance report of all laws applicable to the Company and also to ensure that effective and robust mechanism have been established and followed by the Company for adequate discharge of all statutory and other compliances.

b. COMMITTEES

1. **Audit Committee**

In terms of Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement, the Board has constituted Audit Committee to discharge such duties and to exercise such rights as may be assigned to and devolved on the Committee.

Composition, Meetings and Attendance

The Audit Committee comprises of four directors out of which three directors are Independent and Non-Executive. Further the Committee is headed by Mr. Vishal More an Independent Director.

During the Financial Year 2009-10, the Committee met for five times, on 12th May 2009, 26th June 2009, 31st July 2009, 31st October 2009, 29th January 2010 respectively and the gap between two meeting does not exceed four months.

S. No.	Name of Director and Designation in Committee	Category	Attendance
1	Mr. Vishal More Chairman	Non-Executive and Independent Director	5
2	Mr. Brahm Prakash Bakshi Member	Non-Executive and Independent Director	Nil
3	Mr. Ramesh Chandra Bajaj Member	Non-Executive and Independent Director	5
4	Mr. Kamakhya Chamaria Member	Executive and Non-Independent Director	5

Note:

- All the Members of the Audit Committee are financially literate and Mr. Vishal More, Chairman of the Committee being Chartered Financial Analyst and having Masters Degree in Economics, have expertise in the accounting and other related financial matters.
- The Chairman of the Audit Committee was present in the Annual General Meeting to answer shareholder queries.
- The Company Secretary of the Company is acting as the Secretary to the Committee.

Terms of reference

The terms of reference of the Audit Committee is in consistency with the Listing Agreement and other statutory requirements, the gist of terms of reference is as follows:

- The Audit Committee has power, to investigate any activity, seek information from any employee and to obtain outside legal or other professional advice when ever consider fit and proper by the Committee.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the Board, regarding the appointment, re-appointment, replacement and removal of the statutory auditor, along with fixation of audit fees and other payments payable to Auditor for other services rendered by him.
- Reviewing, with the management, the quarterly & annual financial statements before submission to the Board for approval.
- Reviewing, with the management and performance of statutory and internal auditors, and adequacy of the internal control systems including staffing and seniority of the official heading the department, reporting structure coverage.

6. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
7. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
8. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
9. The Audit Committee is empowered to review the Management Discussion and Analysis of financial condition and results of operations, statement of significant related party transactions, submitted by management, internal audit reports relating to internal control weaknesses etc.

2. **Remuneration Committee**

The Board has in terms of Companies Act, 1956 and Listing Agreement, constituted a Remuneration Committee to determine remuneration and to establish Company's policy on remuneration packages including pension rights and any compensation payment, for Executive Directors.

The remuneration is decided as per industrial standards, job responsibilities, company's financial performance and contribution given by director in growth of the Company.

Composition, Meetings and Attendance

The Remuneration Committee comprises of four directors out of which three directors are Independent and Non-Executive. The Committee is headed by Mr. Brahm Prakash Bakshi, an Independent Director.

During the Financial Year 2009-10, the committee met for one time, on 29th July 2009:

S. No.	Name of Director and Designation in Committee	Attendance
1	Mr. Brahm Prakash Bakshi Chairman	1
2	Dr. Dhanpat Ram Agarwal Member	1
3	Mr. Ramesh Chandra Bajaj Member	1
4	Mr. Bijay Kumar Garodia Member	1

Note :

1. All the Members of the Remuneration Committee were present at the Meeting.
2. Company Secretary of the Company is a Secretary of the Meeting.

Details of remuneration to the Directors for the year ended on 31st March 2010 is as follows

S. No.	Name of Director	Managerial Remuneration	Sitting Fees (Amount in Rs.)	No. of Shares held in the Company
1.	Mr. Bijay Kumar Garodia	22,00,000	Nil	21,62,500
2.	Mr. Kamalchandra Chamaria	19,50,000	Nil	3,40,000
3.	Mr. Mahendra Kumar Agarwal	6,00,000	Nil	18,42,850
4.	Mr. Santosh Kumar Bajaj	19,50,000	Nil	20,84,500
5.	Mr. Prahlad Rai Chamaria	Nil	Nil	19,84,800
6.	Mr. Brahm Prakash Bakshi	Nil	15,000	Nil
7.	Dr. Dhanpat Ram Agarwal	Nil	15,000	Nil
8.	Mr. Ramesh Chandra Bajaj	Nil	30,000	Nil
9.	Mr. Vishal More	Nil	30,000	Nil
10.	Mr. Dinesh Chandra Agarwal	Nil	Nil	Nil
11.	Mr. E. E. Fernandes	Nil	Nil	Nil

Note :

1. The Managerial Remuneration has been paid in accordance with Companies Act, 1956. The company has entered into service contract with the Managerial Personnel.
2. The Non Executive Directors are entitled to sitting fees which is paid in confirmation with Companies Act, 1956 and non-executive directors have no other pecuniary relationship with the Company.
3. Company has not issued any convertible instruments.

3. Share Transfer Committee

In order to expedite the process of Share Transfer, the Board has constituted the Share Transfer Committee.

The terms of reference of Share Transfer Committee includes approval of transfer of shares, issue of duplicate/ re-materialized shares, transmission of shares, consolidation and splitting of share certificates.

Composition

The Committee consists of three members headed by Mr. Prahlad Rai Chamaria, Chairman. During the Financial Year 2009-10, no meeting of the Committee was held.

S. No	Name of Director and Designation in Committee
1	Mr. Prahlad Rai Chamaria, Chairman
2	Mr. Santosh Kumar Bajaj, Member
3	Ms. Dimpy Choudhary, Member #
4	Mr. Hitesh Wadhera, Member #

The Share Transfer Committee was reconstituted on 30th January 2010, wherein Mr. Hitesh Wadhera was co-opted as the Member due to resignation of Ms. Dimpy Choudhary.

4. IPO Committee

The IPO Committee was constituted to review and take decisions on all matters in connection with the issue of shares to the public including signing any documents, deeds and declaration, to be filed before any authorities including SEBI, NSE, BSE etc.

Since IPO Committee was constituted to deal with the matters pertaining to Public Issue of the Company, which had been successfully accomplished, hence the Board in their Meeting held on 30th January 2010 resolved to dissolve the Committee with immediate effect.

No Meeting of the Committee was held during the Financial Year 2009-10.

5. Shareholder's/Investor's grievance Committee

The Board in terms of Listing Agreement has constituted Shareholder's/ Investor's Grievance Committee for redressal of shareholders and investors complaint like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend.

Composition, Meetings and Attendance

During the Financial Year 2009-10, the Committee met for 5 times, on 15th May 2009, 30th June 2009, 31st July 2009, 31st October 2009 and 30th January 2010 respectively.

S. No.	Name of Director and Designation in Committee	Category	Attendance
1	Mr. Brahm Prakash Bakshi Chairman	Non-Executive and Independent Director	5
2	Mr. Kamakhya Chamaria Member	Executive and Non-Independent Director	5
3	Dr. Dhanpat Ram Agarwal Member	Non-Executive and Independent Director	Nil

Details of Complaints

During the Financial Year ended on 31st March 2010:

1. No. of Complaints received: 04
2. No. of Complaints resolved: 04
3. No. of Pending Complaints: Nil

6. Sub-Audit Committee

The Sub-Audit Committee has been constituted in order to review and ensure the expedient implementation of the directions, suggestions and observations made by the internal auditor and to maintain coordination between the various departments of the Company.

Composition and Meetings

During the Financial Year ended on 31st March 2010, the Committee met for Five times on 12th May 2009, 26th June 2009, 31st July 2009, 31st October 2009 and 29th January 2010.

S. No	Name of Director and Designation in Committee
1	Mr. R. G. Keyal
2	Mr. S. K. P. Dalmia
3	Mr. Shishir Bajaj
4	Mr. Ramesh Chand Pareek
5	Mr. Rajesh Agarwal

7. General Purpose Committee

The Board in their Meeting held on 30th January 2010, resolved to constitute a Committee of Board of Directors of the Company to take decisions, pertaining to day to day business activities of the Company, more promptly, expeditiously and effectively, initially the Committee was empowered to take decisions regarding the opening and operating of Bank account(s) of the Company, borrowing of secured or unsecured loan:

Composition, Meetings and Attendance

The Committee consists of Five Directors headed by Mr. Kamakhya Chamaria, Vice Chairman and Managing Director of the Company.

During the Financial Year 2009-10, the Committee met for Two times on 11th February 2010 and 31st March 2010.

S. No.	Name of Director and Designation in Committee	Attendance
1	Mr. Kamakhya Chamaria, Chairman	2
2	Mr. Bijay Kumar Garodia, Member	1
3	Mr. Mahendra Kumar Agarwal, Member	1
4	Mr. Santosh Kumar Bajaj, Member	1
5	Mr. Prahlad Rai Chamaria, Member	1

III. SUBSIDIARY COMPANIES

The Company has six subsidiaries out of which three companies are subsidiaries of Badarpur Energy Private Limited:

S. No.	Name of the Subsidiary of Barak Valley Cements Limited	Percentage of Shareholding
1	Cement International Limited	100%
2	Badarpur Energy Private Limited	100%
3	Meghalaya Minerals and Mines Limited	100%

S. No.	Name of the Subsidiary of Badarpur Energy Private Limited	Percentage of Shareholding
1	Singlacherra Tea Company Private Limited	100%
2	Goombira Tea Company Private Limited	100%
3	Chargola Tea Company Private Limited	100%

IV. DISCLOSURES**A. Related Party Transaction(s)**

In compliance with the Companies Act, 1956 the Directors of the Company have from time to time disclosed their concern and interests in contracts or arrangements made by or on behalf of the Company. The details thereof has been placed before the Audit Committee. There is no materially significant related party transaction that may have potential conflict with the interest of the Company at large.

Related party transactions are more fully mentioned in Schedule 20 of Notes on Accounts. None of the transactions with any related parties are in prejudice to the interest of the Company.

Further senior management has no personal interest in material financial or commercial transactions which may have potential conflict with the interest of the Company.

B. Disclosure of Accounting Treatment

The Company has followed the Accounting Standards issued by ICAI in the preparation of Financial Statements. The significant accounting policies have been set out in the Notes on Accounts and there is no material change in the Accounting Policies.

C. Risk Management

The Company has established a procedure to enable Board Members to assess the prospective risk and to take proactive steps to mitigate the same. The established procedures are being evaluated from time to time to determine their relevance and reliability.

D. CEO/ CFO Certification

The certificate from Chief Executive Officer and Chief Financial Officer to the Board is annexed herewith and the same forms integral part of this report.

E. General Body Meetings

Year	Day, Date and Time	Venue	Details of Special Resolution passed
2006-07	8th AGM held on Monday, 06/08/2007 at 11.30 A.M	265, Sreemanta Market, A.T.Road, Guwahati, Assam-781001	Nil
2007-08	9th AGM held on Friday, 25/07/2008 at 01.00 PM	Hotel Nandan, G.S. Road, Guwahati, Assam 781001	Resolution for appointment of Mr. Mahendra Kumar Agarwal as Technical Advisor to Company U/s 314(1B) was passed.
2008-09	10th AGM held on Wednesday, 30/09/2009 at 02.00 PM	202, Royal View, B. K. Kakoti Road, Ulubari, Guwahati, Assam-781007	Nil

Notes:

- a. During the Financial Year ended on 31st March 2010, no Extra-Ordinary General Meeting was convened.
- b. During the Financial Year ended on 31st March 2010, no postal ballot was conducted.

F. Disclosures

- a. No penalties, strictures are imposed on the Company by Stock Exchanges, SEBI or any other statutory authority for non-compliance during the last three years.
- b. Under the Whistle Blower Policy, the employees of the Company can report to Management and have direct access to the Chairman of Audit Committee regarding any unethical behaviour, actual or suspected fraud or violation of the Companies code of conduct or ethics policy and no personnel has been denied access to the Audit Committee.
- c. Non-Mandatory Requirements:
 - (i) Audit Qualification: The Company has moved towards a regime of unqualified Financial Statements.
 - (ii) Whistle Blowers Policy: The Company has established a mechanism for employees to report to the Management

G. Means of Communication

The Quarterly and Annual financial results and notices of the Company are published in:

- Business Standard (Hindi and English Language) and
- Jansadharan (Assamese Language-Vernacular Language).

Results and other information are also displayed on the web site of Company www.barakcement.com

H. General Shareholders Information

1. 11th Annual General Meeting:
Date: Saturday, the 7th day of August 2010.
Time: 2.00 P.M.
Venue: 202, Royal View, B. K. Kakoti Road, Ulubari, Guwahati, Assam-781007.
2. Financial Year: From 1st April 2009 To 31st March 2010 (Period of 12 Months).
3. Date of Book Closure: From 2nd August 2010 To 7th August 2010 (both days inclusive).
4. Dividend Payment Date: Will be paid within 30 days of declaration of dividend pursuant to Companies Act, 1956 and Listing Agreement.

5. Details of Unclaimed Dividend:

S. No	Financial Year for which Dividend was declared	*Amount of Dividend laying in the unclaimed Dividend Account of the Company
1	2007-08	Rs. 1,16,850.00
2	2008-09	Rs. 79,685.00

* Pursuant to Section 205A(5) of the Companies Act, 1956, any money transferred to the unpaid dividend account of the Company, will be transferred to Investors Education and Protection Fund, if it remains unclaimed for a period of seven years from the date of such transfer. Henceforth members are requested to take necessary steps for claiming their dividend.

6. Stock Exchanges and Code:

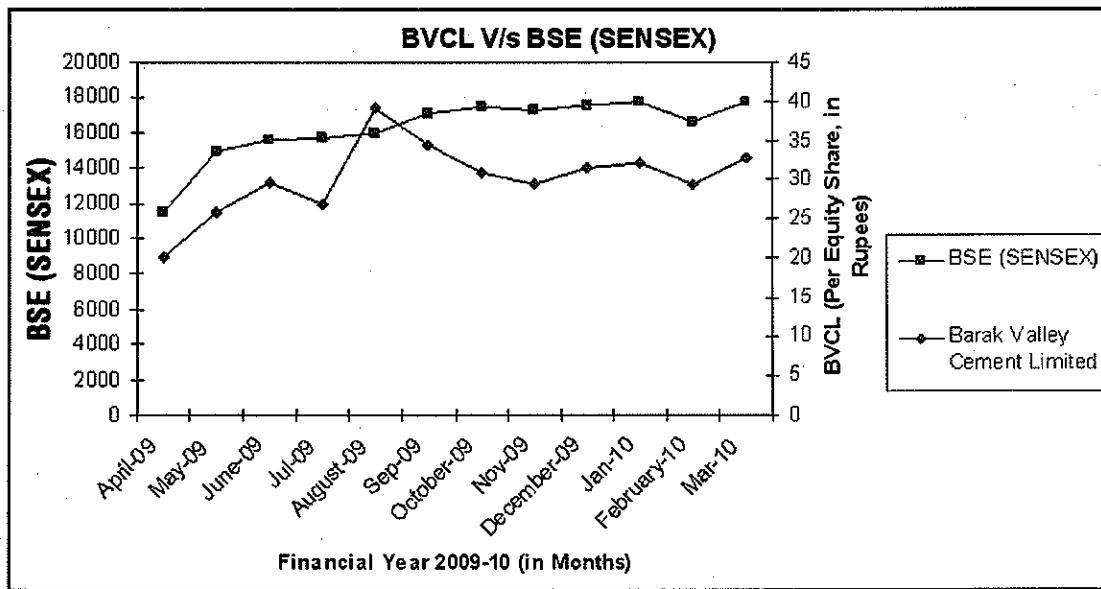
- a. Bombay Stock Exchange Limited: 532916
- b. National Stock Exchange of India Limited: BVCL

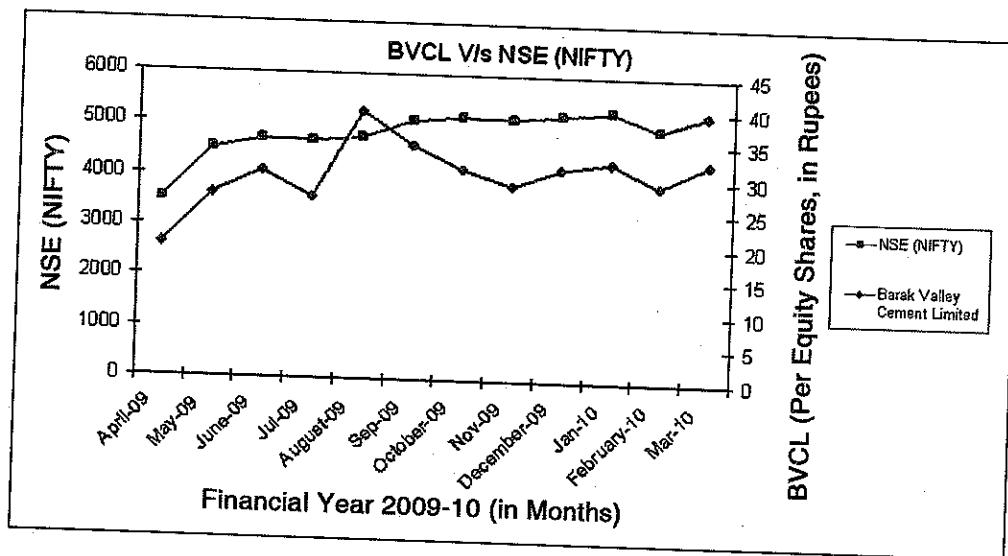
7. Market Price Data per Equity Shares

Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2009	20.25	13.45	19.8	13.7
May 2009	25.95	17.15	27.1	17
June 2009	29.7	22.35	30.6	22.85
July 2009	26.9	21	26.7	19
August 2009	39.2	24.75	39.4	24.55
September 2009	34.55	27.6	34.55	28
October 2009	30.9	27.35	31.3	27.25
November 2009	29.35	25.75	28.8	26
December 2009	31.45	26.1	31.4	26.1
January 2010	32.1	26.55	32.45	26.8
February 2010	29.4	24.7	29	24.5
March 2010	32.8	26.5	32.5	26.2

Source: www.bseindia.com and www.nseindia.com

8. Performance Comparison



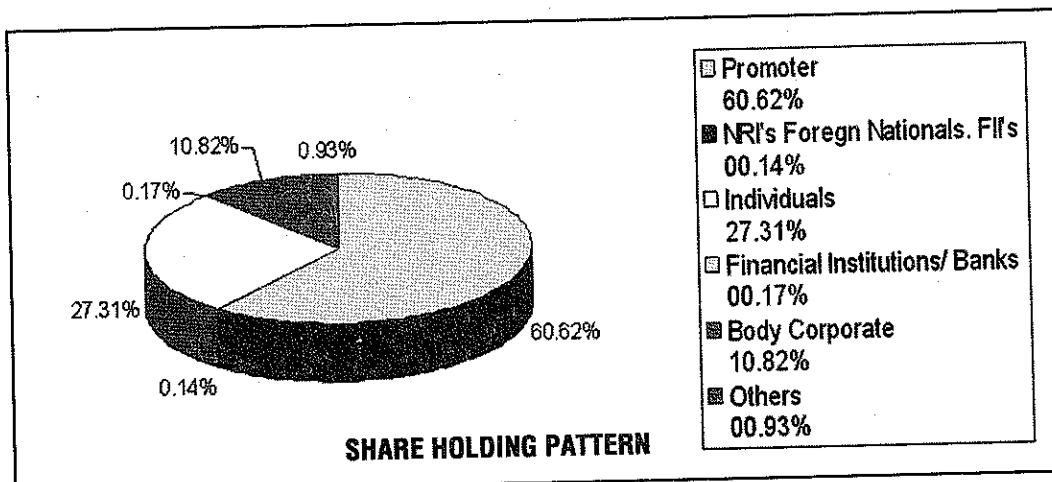


9. Distribution of Shareholding

Shares holding of Nominal Value	Shareholders		Amount (in Rupees)	
	Number	% of Total	Number	% of Total
Upto - 2,500	6163	76.06	7738950	03.50
2,501 - 5,000	871	10.75	3601820	01.63
5,001 - 10,000	496	06.12	4265900	01.92
10,001 - 20,000	231	02.85	3597870	01.62
20,001 - 30,000	79	00.97	2028420	00.92
30,001 - 40,000	37	00.46	1298940	00.58
40,001 - 50,000	56	00.70	2657170	01.20
50,001 - 1,00,000	54	00.66	3900520	01.76
1,00,001 - Above	116	01.43	192510410	86.87
Total :	8103	100.00	221600000	100.00

Brief Share Holding Pattern

Particulars	No. of Shares	% of Holding
Promoter:		
Individual	12398640	55.95%
Body Corporate	1035000	4.67%
Sub Total (A):	13433640	60.62%
Public:		
Individual	6052138	27.31%
Body Corporate	2397232	10.82%
Financial Institutions/ Bank	37884	0.17%
NRI's, Foreign Nationals, FIL's	32040	0.14%
Others	207066	0.93%
Sub Total (B):	8726360	39.38%
Total (A+B):	22160000	100.00%



10. Registrar and Transfer Agent:

Link Intime (India) Private Limited
 (Formerly known as Intime Spectrum Registry Limited)
 A-40, 2nd Floor, Naraina Industrial Area
 Phase II, Near Batra Banquet Hall, Naraina New Delhi-110028
 Phone: 011-41410592-94, Fax No.: 011-41410591
 E-mail: delhi@linktime.co.in

11. Share Transfer System:

Transfer of shares in Dematerialized Form is done through Depository Participant, but as regards transfer of shares in Physical Form, the transfer document can be lodged with Link Intime (India) Private Limited, Registrar and Share Transfer Agent or with the Company.

The Physical Shares along with valid and duly executed transfer instrument as and when received are duly processed and shares in respect of valid transfer instruments are transferred in the name of transferee complying with the rules in force. The shares are transferred after obtaining the approval from Share Transfer Committee. Duly transfer share certificates are returned within a period of 30 days from the date of receipt subject to the documents being valid and complete in all respects.

12. Dematerialization of shares and liquidity

Particular	Number of Shares	Percentage (%)
Dematerialization:		
NSDL	1,48,55,145	67.03
CDSL	43,81,850	19.78
Sub-Total:	1,92,36,995	86.81
Physical:	29,23,005	13.19
Total:	2,21,60,000	100.00

13. (a) International Securities Identification Number (ISIN) Code: INE139I01011

(b) Company Identification Number (CIN): L26942AS1999PLC005741

14. Listing Fees: The Company has duly paid the Annual Listing Fees for the Financial Year 2010-11 to the Bombay Stock Exchange of India Limited and National Stock Exchange of India Limited.

15. Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

16. *Financial Calendar:

Quarter ended on 30th June 2010: Quarter ended on 30th September 2010: Quarter ended on 31st December 2010: Quarter ended on 31st March 2011:	on or before 14th August 2010 on or before 14th November 2010 on or before 14th February 2011 on or before 15th May 2011
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*Financial Calendar is tentative in nature and is subject to change.

17. **Plant Locations:**

Debendra Nagar, Jhoom Basti, P.O. Badarpurghat,
Distt. Karimganj, Assam-788803
Ph. No.: 03845-269435/881
Fax No.: 03845-268965

18. **Address for Correspondences:**

- A. **Registered Office**
202, Royal View, B. K. Kakoti Road, Ulubari, Guwahati, Assam-781007
Ph. No.: 0361-2464670-71, Fax No.: 0361-2464672.
E. Mail: guwahati@barakcement.com
- B. **Corporate Office and Address of Correspondence:**
281, Deepali, Pitam Pura, Delhi-110034
Ph. No.: 011-27033827-29.
E. Mail: delhi@barakcement.com
- C. **Branch Office:**
CF-361, Salt Lake City, Sector-1, Kolkata-700064
Ph. No.: 033-40046161-63, Fax No.: 033-40046164
E. Mail: kolkata@barakcement.com
- D. **Compliance Officer:**
Hitesh Wadhwa, Company Secretary
Ph. No.: 011-27033827-29
Fax No.: 011-27033830
E. Mail: cs@barakcement.com

CERTIFICATES :**DECLARATION**

I, Kamakhya Chamaria, Vice Chairman & Managing Director of the Company do hereby declare that during the Financial Year ended on 2009-10, all the Board Members and senior management personnel have affirm compliance with the Code of Conduct of the Company.

For Barak Valley Cements Limited

Kolkata
26/05/2010

Sd/-
Kamakhya Chamaria
Vice Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Barak Valley Cements Limited

1. We have examined the compliance of conditions of Corporate Governance by Barak Valley Cements Limited for the year ended on March 31, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Kumar Vijay Gupta & Co.
Chartered Accountants

Sd/-
(CA. Mahesh Goel)
Partner
Membership No. 88958

Kolkata
26/05/2010

CEO/CFO CERTIFICATION

The Board of Directors
Barak Valley Cements Limited

We, Chief Executive Officer and Chief Financial Officer do hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Barak Valley Cements Limited

Kolkata
26/05/2010

Sd/-
J. L. Anchalia
(Chief Financial Officer)

Sd/-
Kamakhya Chamaria
(Chief Executive Officer)

Auditor's Report

To

The Members,

**BARAK VALLEY CEMENTS LTD.,
Guwahati, Assam.**

1. We have audited the attached Balance Sheet of M/S. BARAK VALLEY CEMENTS LIMITED as at 31st March'2010, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our Audit.
2. We have conducted our audit in accordance with Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement marked as Annexure 'A' on the matters specified in Paragraph 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of accounts, as required by law, have been kept by the Company so far as appears from our examination of the books ;
 - (iii) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow statement dealt with by this report comply with the Accounting Standards as referred to in Section 211(3C) of the Companies Act, 1956 ;
 - (v) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of section 274(1)(g) of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Notes on Accounts and Accounting Policies, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (b) In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date and
 - (c) In the case of Cash Flow Statement, of the Cash flows of the company for the year ended on that date.

For Kumar Vijay Gupta & Co.
Chartered Accountants

Sd/-
(CA. Mahesh Goel)
Partner
M. No. 88958
Firm Regn. No. : 007814-N

Kolkata, 26th May, 2010

Annexure "A" to the Auditors' Report

Re: Barak Valley Cements Ltd.

Annexure 'A' referred to in paragraph 3 of our report of even date:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year, but there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, no substantial part of fixed assets was disposed off.
- (ii) (a) The inventories have been physically verified during the year by the management. 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 the nature of its business.
- (c) In our opinion and according to information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and has been properly dealt with in the books of account.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly sub clause (b), (c) and (d) are not applicable.
- (b) As informed, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly sub clause (f) and (g) are not applicable.
- (iv) In our opinion and according to 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 purchase of inventory, fixed assets and sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees Five Lakhs in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) The Company has not accepted any deposits from the public to which the directions issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Act and the rules framed there under apply.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the company and nature of its business.
- (viii) We have broadly reviewed the accounts and records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (ix) (a) According to the records of the Company, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, income tax, service tax, excise duty/ cess and any other material statutory dues applicable to it, with the appropriate authorities. There were no arrears of statutory dues as at 31st March, 2010 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, details of disputed statutory dues, which have not been fully deposited with the appropriate authorities, are as under:

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income-Tax Demand	282.55	Assesment Year 2005-06	ITAT, Guwahati Bench
Income Tax Act, 1961	Income-Tax Demand	274.32	Assesment Year 2006-07	ITAT, Guwahati Bench

- (x) The Company does not have any accumulated losses as at the end of the financial year under report. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) 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.
- (xv) In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.
- (xvi) According to information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) According to information and explanations given to us, the company has not issued Debentures during the period covered by our report. As such, no securities or charge has been created in respect of such issue.
- (xx) According to the information and explanations given to us, the company has not raised money by public issues during the year. As such, reporting on this clause does not arise.
- (xxi) According to information and explanations given to us, and based upon the audit procedures performed during the year, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Kumar Vijay Gupta & Co.
Chartered Accountants

Kolkata, 26th May, 2010

Sd/-
(CA. Mahesh Goel)
Partner
M. No. 88958
Firm Regn. No. : 007814-N

Balance Sheet As At 31st March, 2010

Particulars	Schedule No.	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
I. SOURCES OF FUND :			
1. Shareholders' Fund :			
i) Share Capital	1	221,600,000	221,600,000
ii) Reserves & Surplus	2	671,977,288	566,103,016
		893,577,288	787,703,016
2. Loan Funds :			
i) Secured Loans	3	372,036,090	304,779,306
3. Deferred Tax Liability		11,445,869	12,071,855
	TOTAL :	1,277,059,247	1,104,554,176
II. APPLICATION OF FUNDS :			
1. Fixed Assets :	4		
i) Gross Block		856,555,555	828,004,448
Less :- Depreciation		396,488,471	334,821,593
		460,067,084	493,182,855
Capital Work-in-Progress		48,312,048	-
		508,379,132	493,182,855
2. Investments	5	405,612,423	263,970,423
3. Current Assets, Loans & Advances			
i) Inventories	6	86,529,114	65,364,098
ii) Sundry Debtors	7	52,333,959	59,955,616
iii) Cash & Bank Balance	8	54,103,362	34,101,365
iv) Loans & Advances	9	324,763,194	308,337,487
		517,729,629	467,758,565
Less : Current Liabilities & Provisions :	10		
i) Liabilities		110,896,727	89,600,890
ii) Provisions		44,678,739	32,583,834
Net Current Assets		362,154,163	345,573,842
4. Miscellaneous Expenditure :	11	913,528	1,827,056
(to the extent not written off or adjusted)			
	TOTAL :	1,277,059,247	1,104,554,176

Significant Accounting Policies & Notes on Accounts

20

Schedule "1" to "11" and "20" annexed hereto form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For Kumar Vijay Gupta & Co.
Chartered Accountants

For & on behalf of the Board

Sd/-
CA. Mahesh Goel
(Partner)
M.No. 88958

Sd/-
Kamakhya Chamaria
(Vice Chairman & Managing Director)
DIN: 00612581

Sd/-
Bijay Kumar Garodia
(Chairman)
DIN: 00044379

Sd/-
Santosh Kumar Bajaj
(Whole Time Director)
DIN: 00045759

Sd/-
J.L. Anchalia
(Chief Financial Officer)

Sd/-
Hitesh Wadhera
(Company Secretary)

Kolkata, 26th May' 2010

Profit & Loss Account for the Year Ended 31st March, 2010

Particulars	Schedule No.	Year Ended 31.03.2010 (Amt. in Rs.)	Year Ended 31.03.2009 (Amt. in Rs.)
INCOME			
Gross Sales	12	1,155,546,826	905,707,782
Less : Excise Duty paid (Net)		26,137,628	14,275,264
		1,129,409,198	891,432,518
Other Income	13	126,761	4,813,185
Increase/(Decrease) in Stock	14	2,680,129	(17,877,451)
	TOTAL :	1,132,216,089	878,368,252
EXPENDITURE			
Cost of Materials	15	326,508,477	207,418,565
Manufacturing and Operating Expenses	16	332,839,997	323,587,260
Administrative & Other Expenses	17	52,538,772	40,903,402
Selling & Distribution Expenses	18	194,870,960	132,047,881
Interest & Financial Charges	19	29,316,908	29,245,851
Depreciation	4	62,620,112	60,781,542
	TOTAL :	998,695,226	793,984,501
PROFIT BEFORE TAXATION			
Less : Prior Period Adjustments (Net)		133,520,863	84,383,751
		(2,346,484)	(152,376)
		131,174,379	84,231,375
LESS : PROVISION FOR TAXATION			
- Current Income Tax		22,293,086	9,480,158
Less : MAT Credit entitlement		(22,293,086)	(9,480,158)
Net Current Tax		—	—
- Deferred Tax Liability/(Assets)		(625,986)	1,853,899
- Fringe Benefit Tax		—	710,691
PROFIT AFTER TAXATION			
Add : Balance Brought Forward from last year		131,800,365	81,666,785
		371,155,908	315,415,215
Profit Available for Appropriation:			
Less : Equity Dividend		502,956,272	397,082,000
Tax on Dividend		22,160,000	22,160,000
Transfer to General Reserve		3,766,092	3,766,092
		—	—
Balance Carried to Balance Sheet		477,030,180	371,155,908
Earning Per Share (Face Value of Rs. 10/- each)			
: Basic & Diluted (Refer to Note 11 of Schedule "20")		5.95	3.69

Significant Accounting Policies & Notes on Accounts

20

Schedule "4", "12" to "20" annexed hereto form an integral part of the Profit & Loss Account
 This is the Profit & Loss Account referred to in our report of even date.

For Kumar Vijay Gupta & Co.
 Chartered Accountants

For & on behalf of the Board

Sd/-
CA. Mahesh Goel
 (Partner)
 M.No. 88958

Sd/-
Kamakhye Chamaria
 (Vice Chairman & Managing Director)
 DIN: 00612581

Sd/-
Bijay Kumar Garodia
 (Chairman)
 DIN: 00044379

Sd/-
Santosh Kumar Bajaj
 (Whole Time Director)
 DIN: 00045759

Sd/-
J.L. Anchalia
 (Chief Financial Officer)

Sd/-
Hitesh Wadhera
 (Company Secretary)

Kolkata, 26th May' 2010

Schedules Forming Part of Balance Sheet As On 31.03.2010

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
<u>SCHEDULE - 1</u>		
<u>SHARE CAPITAL :</u>		
Authorised Capital		
{2,50,00,000 Equity Shares (2,50,00,000 as at 31.03.09) of Rs. 10/- each}	250,000,000	250,000,000
Issued, Subscribed, Called-up & Paid-up Capital		
{2,21,60,000 Equity Shares (2,21,60,000 as at 31.03.09) of Rs. 10/- each, fully paid up}	221,600,000	221,600,000
	221,600,000	221,600,000
<u>SCHEDULE - 2</u>		
<u>RESERVES & SURPLUS :</u>		
(i). General Reserve		
Balance Brought forward	43,507,527	43,507,527
	43,507,527	43,507,527
(ii). Profit & Loss Account	477,030,180	371,155,908
(iii). Securities Premium Account		
Balance Brought Forward	151,439,581	151,439,581
	151,439,581	151,439,581
Total (i+ii+iii)	671,977,288	566,103,016
<u>SCHEDULE - 3</u>		
<u>SECURED LOANS :</u>		
1. Rupee Term Loan from Banks/Financial Institutions	17,650,000	56,450,000
(Secured against first charge on all the movable (save and except current assets) and immovable assets of the company, second charge on the current assets of the company and personal guarantees of promoter directors of the company.)		
2. (a) Equipment finance from Banks	729,408	-
(b) Equipment & Vehicle finance from others/private parties (Secured against hypothecation of respective assets)	2,659,599	5,135,157
3. (a) Short Term Working Capital Loan, from IDBI Bank Ltd. Guwahati	100,000,000	-
(b) Working Capital Limit, from IDBI Bank Ltd., Guwahati (Secured against first charge on current assets, second charge on the fixed assets and personal guarantee of promoter directors of the company)	250,997,083	243,194,149
	372,036,090	304,779,306

Note : Out of 1 and 2 above a sum of Rs. 198.73 Lakhs (Previous Year : Rs. 371.50 Lakhs) would become due for payment within a year.

SCHEDULE - 4
FIXED ASSETS AND DEPRECIATION THEREON FOR THE YEAR ENDED ON 31ST MARCH' 2010
(AS PER W.D.V. METHOD OF THE COMPANIES ACT, 1956)

(Amt. in Rs.)

NAME OF THE ASSET	GROSS BLOCK		DEPRECIATION			NET BLOCK	
	As On 01.04.2009	Additions during the Year	As On 31.03.2010	As On 01.04.2009	For the Year Adjustment	As On 31.03.2010	As On 31.03.2010
(A) Tangible Assets:							
Land and Site Devel.	85,352,564	18,939,279	-	104,291,843	-	-	-
Factory Building	102,299,250	-	-	102,299,250	39,547,038	6,275,221	-
Office Building	2,177,902	-	-	2,177,902	21,343	108,016	-
Furniture & Fixtures	5,245,148	506,773	-	5,751,921	3,455,563	447,495	-
Computer	5,346,501	461,570	-	5,808,071	4,149,127	547,475	-
Motor Vehicles	10,466,502	4,508,556	524,130	14,450,928	3,645,496	3,128,382	415,385
Office Equipment	5,292,754	554,498	24,975	5,822,277	2,507,782	503,221	9,661
Plant, Machinery & Installations	609,897,399	5,323,190	1,639,527	613,580,762	279,763,665	51,300,887	528,187
Total (A)	826,078,020	30,293,866	2,188,932	854,182,954	333,090,014	62,310,697	953,233
(B) Intangible Assets:							
Computer Software	1,926,427	446,174	-	2,372,601	1,731,579	309,414	-
Total (B)	1,926,427	446,174	-	2,372,601	1,731,579	309,414	-
Total (A+B)	828,004,448	30,740,040	2,188,932	856,555,555	334,821,593	62,620,112	953,233
Capital Work in Progress	-	48,312,048	-	48,312,048	-	-	-
Previous year	755,583,708	73,355,613	934,872	828,004,448	274,654,261	60,781,542	614,209
							334,821,593
							493,182,855

Schedules Forming Part of Balance Sheet As On 31.03.2010

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
SCHEDULE - 5		
INVESTMENTS :		
Long Term Investments (at Cost) :		
i) In Subsidiaries (Other than trade, Unquoted, fully paid up equity shares)		
Name of Subsidiary Company	No. of Shares (Current Year)	No. of Shares (Previous Year)
1. Badarpur Energy (P) Ltd.	4,963,340	3,563,340
2. Cement International Ltd.	992,700	992,700
3. Meghalaya Minerals & Mines Ltd.	1,490,000	1,490,000
		317,767,000
		45,607,000
		40,592,000
		177,767,000
		45,607,000
		40,592,000
		263,966,000
(ii) In Others : Other than trade, Un-quoted, fully paid up equity shares {1,642,000 Equity Shares (Nil as at 31.03.2009) of North East Power & Infra Limited of Rs. 10/- each, fully paid up.}	1,642,000	-
(iii) In Others : Other than trade, Quoted, fully paid up equity shares {50 Shares (50 shares as at 31.03.2009) of Ambuja Cements Ltd., Market Value Rs. 5,982.00 (Previous Year: 3,530.00)}	4,423	4,423
	405,612,423	263,970,423
SCHEDULE - 6		
INVENTORIES :		
(At lower of cost or net realisable value)		
Store, Spares and Fuel	56,898,651	40,632,395
Raw Material	9,902,019	6,376,182
Packing Material	2,910,435	4,217,641
Semi Finished Goods	4,379,490	6,562,931
Finished Goods	12,438,520	7,574,949
	86,529,114	65,364,098
SCHEDULE - 7		
SUNDRY DEBTORS		
(i) (Secured and considered good) – Debts outstanding for a period exceeding six months	50,000	22,731
– Other Debts	2,172,506	2,200,099
	2,222,506	2,222,830
(ii) (Unsecured and considered good) – Debts outstanding for a period exceeding six months	2,413,266	713,520
– Other Debts	47,698,188	57,019,266
	50,111,453	57,732,786
Total (i + ii)	52,333,959	59,955,616
SCHEDULE - 8		
CASH & BANK BALANCE		
Cash in Hand	2,635,104	6,951,701
Balances with Scheduled Banks :		
– In Current Account	39,171,989	15,922,489
– In Fixed Deposits	2,213,615	3,692,481
Cheques/Demand Drafts in Hand	10,082,654	7,534,694
	54,103,362	34,101,365

Schedules Forming Part of Balance Sheet As On 31.03.2010

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
SCHEDULE - 9		
LOANS & ADVANCES		
(Unsecured and considered good for recovery by the Management)		
1) Subsidy Receivable from Central/State Govt.	100,439,003	91,681,069
2) Balances with Central Excise	22,821,258	21,081,586
3) Advance to Suppliers/Contractors	122,840,548	160,283,401
4) Security Deposits	13,311,572	9,219,712
5) Other advances - Recoverable in cash or in kind or for value to be received	65,350,814	26,071,719
	324,763,194	308,337,487

SCHEDULE - 10

CURRENT LIABILITIES & PROVISIONS

Current Liabilities

1) Sundry Creditors for Capital Expenditure	4,963,448	5,080,190
2) Sundry Creditors (Trade)	48,102,994	26,302,700
3) Statutory Liabilities	4,932,055	4,545,600
4) Advance from Customers	16,651,629	38,205,203
5) Security Money received from customers	7,800,132	6,376,283
6) Other Liabilities	28,446,469	9,090,914
	110,896,727	89,600,890

Provisions

1) Provision for Income-Tax	22,293,086	9,480,158
2) Provision for Fringe Benefit Tax	-	710,691
	22,293,086	10,190,849
Less : Advance Income Tax and Tax Deducted at Source	(7,666,142)	(5,699,105)
Less : Advance Fringe Benefit Tax	-	(775,000)
	14,626,944	3,716,744
3) Provision for Gratuity	1,866,927	1,446,263
4) Provision for Leave Encashment	2,258,776	1,494,735
5) Proposed Dividend	22,160,000	22,160,000
6) Corporate Dividend Tax	3,766,092	3,766,092
	44,678,739	32,583,834

SCHEDULE - 11

MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted)

1) Mines Development	856,028	1,712,056
2) Lease Rights	57,500	115,000
	913,528	1,827,056

**Schedules Forming Part of the Profit & Loss Account
for the Year Ended 31.03.2010**

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
SCHEDULE - 12		
SALES		
Gross Sales	1,154,876,289	905,134,275
Add : Captive Consumption of Cement	1,321,544	771,711
	<hr/>	<hr/>
	1,156,197,834	905,905,986
Less : Cement Damaged	651,007	198,204
	<hr/>	<hr/>
	1,155,546,826	905,707,782
SCHEDULE - 13		
OTHER INCOME		
Equipment Hire charges	-	3,020,470
Sale of Scrap	-	1,162,652
Misc. Income	148,977	468,240
Insurance Claim Received	634,983	132,486
Profit/(Loss)on sales of assets	(657,199)	29,337
	<hr/>	<hr/>
	126,761	4,813,185
SCHEDULE - 14		
INCREASE/(DECREASE) IN STOCK		
Semi Finished Goods		
Opening Stock	6,562,931	29,646,459
Closing Stock	4,379,490	6,562,931
	<hr/>	<hr/>
	(2,183,441)	(23,083,528)
Finished Goods		
Opening Stock	7,574,949	2,368,872
Closing Stock	12,438,520	7,574,949
	<hr/>	<hr/>
	4,863,571	5,206,077
Increase/(Decrease) in Stock	<hr/>	<hr/>
	2,680,129	(17,877,451)
SCHEDULE - 15		
COST OF MATERIALS		
Raw Material Consumed	270,093,312	160,749,017
Stores and Spares consumed	29,466,469	24,788,282
Packing Material consumed	26,948,696	21,881,266
	<hr/>	<hr/>
	326,508,477	207,418,565
SCHEDULE - 16		
MANUFACTURING AND OPERATING EXPENSES		
Power & Fuel Expenses	243,705,046	242,313,787
Material Handling & Freight Charges	10,174,082	7,384,599
Repair and Maintenance		
- Plant & Machinery	9,460,958	11,849,795
- Building	1,741,925	958,672
Salaries, Wages & Bonus	55,731,675	47,489,434
Contribution to Provident Fund	1,206,375	1,043,664
Staff Welfare Expenses	2,045,975	1,806,153
Research and Development Expenditure	3,069,527	275,000
Other Production Overheads	5,704,434	10,466,156
	<hr/>	<hr/>
	332,839,997	323,587,260

**Schedules Forming Part of the Profit & Loss Account
for the Year Ended 31.03.2010**

Particulars

	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
SCHEDULE - 17		
ADMINISTRATIVE & OTHER EXPENSES		
Auditor's Remuneration	150,000	150,000
Bank Charges	385,467	407,069
Books & Periodicals	333,098	292,114
Charity & Donation	6,369,504	3,607,324
Bad Debts	2,193,811	15,859
Director's Remuneration	6,700,000	4,700,000
Staff Recruitment Expenses	287,969	70,862
Electricity Expenses	664,815	952,971
Fees & Subscription	917,944	1,310,902
ROC Filing Fees & Legal Expenses	56,904	460,643
House/Office Rent & Maint. Expenses	1,304,783	1,270,077
Insurance	591,633	659,381
Misc. Exps. Written off	913,528	913,528
Motor Car Running, Maint. & Hire Charges	2,748,155	2,312,350
Office and Other Miscellaneous Expenses	2,162,350	2,366,809
Postage & Telegraph Exps.	336,979	412,666
Printing, Stationery and Computer Expenses	1,932,372	2,006,134
Provision for Gratuity	712,953	647,230
Rates & Taxes	352,763	130,089
Repair & Maintenance	2,890,866	786,842
Salary and other benefits to staff	10,287,866	8,229,015
Professional & consultancy service charges	418,027	163,990
Staff Fooding & Welfare Expenses	2,692,356	1,825,221
Sundry Balances written - off	290,805	(100,642)
Telephone Expenses	2,135,186	2,360,022
Travelling & Conveyance Expenses	4,708,639	4,951,448
Processing Charges	-	1,500
	52,538,772	40,903,402
SCHEDULE - 18		
SELLING & DISTRIBUTION EXPENSES		
Transportation Cost	162,360,132	97,459,086
Sales Promotion Expenses	6,230,297	7,704,465
Advertisement & Publicity	6,273,628	5,539,465
VAT/Sales Tax	16,067,675	19,109,121
Market Survey, Consultancy & Other Charges	1,161,441	783,766
Shop/Godown Rent	2,777,786	1,451,978
	194,870,960	132,047,881
SCHEDULE - 19		
INTEREST & FINANCIAL CHARGES		
Term Loan	4,373,018	10,352,785
Working Capital facility (Net)	23,463,611	18,072,306
Others	2,027,756	1,441,919
Less : Interest Received, including TDS of Rs. Nil (Previous Year TDS Rs. Nil)	(547,477)	(621,159)
	29,316,908	29,245,851

SCHEDULE - 20 : SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

(1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared on the historical cost convention basis. The generally accepted accounting principles and the Accounting Standards referred under section 211(3C) of the Companies Act, 1956 have been adopted by the company and disclosures made in accordance with the requirements of Schedule VI of the Companies Act, 1956 and the Indian Accounting Standards.

(2) FIXED ASSETS:

(a) Fixed Assets are stated at their original cost of acquisition, installation or construction (net of Modvat / Cenvat credit, if any) less accumulated depreciation, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the assets to its working condition for its intended use, less specific grants received.

(b) CAPITAL WORK IN PROGRESS:

Capital work in progress is carried at cost comprising direct cost and preoperative expenses during construction period to be allocated to the fixed assets on the completion of construction.

(3) DEPRECIATION:

Depreciation has been provided on fixed assets on Written down Value (WDV) Method at the rates and in the manner prescribed under schedule XIV to the Companies Act, 1956. Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of put to use. Depreciation on assets sold, discarded or scrapped, is provided up to the date on which the said asset is sold, discarded or scrapped.

(4) INVENTORIES:

Inventories are carried at the lower of cost and net realisable value. Cost for the purpose is worked out on weighted average basis and comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In case of finished goods, semi-finished goods and work in progress, an appropriate overhead are allocated on full absorption costing basis and includes excise duty wherever applicable.

(5) INVESTMENTS:

Long term Investments are stated at cost after deducting provisions for permanent diminution in the value, if any. Current investments are stated at lower of cost and market / fair value.

(6) REVENUE:

Sales are accounted for on dispatch and are stated inclusive of excise duty, VAT/ Sales Tax and are net of trade discounts, sales commission and sales return. Other items of revenue are recognised in Accordance with the Accounting Standard (AS – 9). Interest income is recognized on time proportion basis.

(7) GOVERNMENT GRANTS/ SUBSIDIES:

Government grants /subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants are recognized in the financial statements either as income or deducted from related expenses. Capital grants/ subsidies are credited to respective fixed assets where it relates to specific fixed assets.

(8) RETIREMENT BENEFITS:

(i) Defined Contribution Plan

Employees benefits in the form of provident fund and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

(iii) Other Long-term benefits

Long-term compensated absences are provided for on the actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses, if any, are immediately recognized in the Profit & Loss Account.

(9) MISCELLANEOUS EXPENDITURE:

Miscellaneous expenditure having endurable benefit is amortized over a period of five to ten years.

(10) IMPAIRMENT OF ASSETS:

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

(11) TAXES ON INCOME:

a) Current Tax:

Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

b) Deferred Tax:

Deferred Tax Assets and Liabilities are accounted for in accordance with AS – 22.

(12) RESEARCH AND DEVELOPMENT EXPENDITURE:

Revenue expenditure on Research and Development is charged out in the year in which it is incurred and are included under the related head of expenditure.

(13) EXPENDITURE DURING CONSTRUCTION:

In respect of substantial capacity enhancement at existing location direct costs along with part of indirect expenses are capitalized together with interest on the funds related to them up to the date of commercial production.

(14) BORROWING COSTS:

Borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(15) CONTINGENT LIABILITY:

Contingent Liability not acknowledged as debt are disclosed by way of note.

(16) INTANGIBLE ASSET:

Intangible asset is recognized when it is probable that the future economic benefit that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life.

(17) PROVISIONS AND CONTINGENCIES:

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimates of the amount required to settle the obligation at the Balance Sheet date. A contingent liability of an outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

B. NOTES ON ACCOUNTS:

(1) Capital Commitments

The estimated amount of Contracts remaining to be executed on Capital Account and not provided for amounts to Rs. 101.19 Lakhs (Previous year: Rs. 51.53 Lakhs)

(2) Contingent liabilities not provided for:

- (a) Bank Guarantee issued by Banks Nil (Previous Year – Rs. 2,25,000)
- (b) Corporate Guarantee's given to Financial Institutions/ Banks on behalf of wholly owned subsidiaries: Rs. 3,800 Lakhs (Previous year – 3,100 Lakhs)
- (c) Claims against the company not acknowledged as debts: Disputed demands of Income –Tax; pending before the Appellate Tribunal : Rs.556.87 lakhs for Assessment Year 2005-06 and 2006-07 (Previous year – Rs. 282.55 lakhs)

(3) Additional information in pursuant to the provision or paragraphs 3 & 4 of part II of schedule VI to the Companies Act, 1956 to the extent applicable to the company:

(a) Licensed Capacity, Installed Capacity and Production (Cement)

Particulars	2009-2010		2008-2009	
	(M.T.)		(M.T.)	
(1) Licensed Capacity		N.A.		N.A.
(2) Installed Capacity (M.T.)		2,47,500		2,47,500
(3) Production – Cement (M.T.)		2,07,923		1,66,142

(b) Sales :

	Qty. (MT)	Value (Rs.)	Qty.(MT)	Value (Rs.)
(1) Cement	2,06,822.80**	112,47,13,322	1,64,753.45**	80,59,54,679
(2) Clinker	1,339.65	46,95,876	24,422.32	8,54,77,839
Total	2,08,162.45	112,94,09,198	1,89,175.77	89,14,32,518

** Including damage/ shortage 202.75 MT (Previous Year 34.70 MT)

(c) Stock of Finished and Semi Finished Goods :

	Qty. (MT)	Value (Rs.)	Qty.(MT)	Value (Rs.)
(i) Cement				
Opening Stock	2,046.30	75,74,949	657.75	23,68,872
Closing Stock	3,146.50	1,24,38,520	2,046.30	75,74,949
(ii) Clinker				
Opening Stock	1,793.98	63,10,973	9,238.70	2,94,62,217
Closing Stock	1,044.61	40,97,880	1,793.98	63,10,973
(iii) Raw-Mix				
Opening Stock	419.93	2,51,958	307.07	1,84,242
Closing Stock	469.35	2,81,610	419.93	2,51,958

(d) Raw Materials Consumed:

Particulars	2009-2010		2008-2009	
	Qty. (MT)	Value (Rs.)	Qty.(MT)	Value (Rs.)
(i) Lime Stone	1,81,148.35	9,15,68,665	1,98,175.79	9,81,43,411
(ii) Gypsum	854.21	26,28,924	1,139.88	33,99,071
(iii) Fly Ash	33,879.40	8,24,06,558	18,996.14	3,88,73,502
(iv) Clinker	23,437.02	7,94,65,345	1,962.79	53,30,941
(v) Other Materials	49,490.47	1,40,23,820	49,190.64	1,50,02,092
Total		27,00,93,312		16,07,49,017

(e) Value of Imported and Indigenous Raw Materials, Stores & Spares Consumed & Percentage thereof:

	2009-2010		2008-2009	
	Value (Rs.)	%	Value (Rs.)	%
(1) Raw Materials/Packing Material :				
Limestone Gypsum, Fly ash, Clinker, Clay, HDPE Bags.				
: Imported	Nil	Nil	Nil	Nil
: Indigenous	29,70,42,008	100%	18,26,30,283	100%
(2) Stores & Spares :				
: Imported	Nil	Nil	Nil	Nil
: Indigenous	2,94,66,469	100%	2,47,88,282	100%
(f) C.I.F. Value of Import :			Nil (Previous Year - Nil)	
(g) Earning in Foreign Exchange :			Nil (Previous Year - Nil)	
(h) Expenditure in Foreign Currency :			Rs. 1,47,378 (Previous Year - Nil)	
(Foreign Travelling expenses)				
(4) During the year an amount of Rs. 16,98,910/- was paid to selling agents of the company as Sales Commission. (Previous Year Rs. 18,22,958/-)				
(5) Payment made to Auditor's during the year ended is as under :-				
	Current Year		Previous Year	
a. Statutory audit fees	Rs. 95,000		Rs. 93,755	
b. Tax Audit fees	Rs. 35,000		Rs. 35,000	
c. Company Law and other matters	Rs. 20,000		Rs. 30,000	
d. Reimbursement of expenses (including service tax)	Rs. -		Rs. 6,695	
Total	Rs. 1,50,000		Rs. 1,65,450	
(6) Remuneration paid to Director's during the year: Rs. 67,00,000/- (Previous Year: Rs. 47,00,000/-)				
(7) GOVT. SUBSIDIES				
Insurance and interest subsidy amounting to Rs. 12,96,688/- (as at 31.03.2009 Rs. 15,13,845/-) and 85,70,808/- (as at 31.03.2009 Rs. 59,26,031/-) respectively has been adjusted from related overheads and shown as receivable forming part of loans and advances. During the year Excise Duty amounting to Rs. 5,31,96,366/- (previous year : 5,58,10,177/-) has been refunded back by Govt. of India.				
(8) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and, hence disclosure relating to amounts unpaid at the year end, interest paid/ payable under this Act has not been given.				
(9) Employee Defined Benefits:				
(a) Defined Contribution Plans				
The Company has recognized an expense of Rs.12,06,375/- (Previous year Rs 10,43,664/-) towards the defined contribution plans.				

(b) **Defined Benefit Plans** -As per Actuarial Valuation as at 31st March, 2010

Particulars	2009-10		2008-09	
	Gratuity Others	Leave Encashment	Gratuity Others	Leave Encashment
I. Expenses recognized in the Statement of Profit and Loss Account for the year ended 31st March, 2010				
1. Current Service Cost	326,540	757,256	311,948	248,584
2. Interest Cost	102,115	106,250	90,591	98,843
3. Expected Return on Plan Assets				
4. Curtailment cost (Credit)	-	-	-	-
5. Settlement cost (Credit)	-	-	-	-
6. Past Service Cost	-	-	-	-
7. Actuarial Losses/(gains) on defined benefit obligation	-	-	-	-
8. Losses/(gains) on plan assets	284,298	219,236	244,691	635,066
9. Total Expenses	-	-	-	-
II. Net Asset/(Liability) recognized in the Balance Sheet as at 31st March, 2010	712,953	10,82,742	647,230	982,493
1. Present Value of Defined Benefit obligations	18,66,927	22,58,776	1,446,263	1,494,735
2. Fair Value of Plan Assets	-	-	-	-
3. Funded Status [Surplus/(Deficit)]	(18,66,927)	(22,58,776)	(1,446,263)	(1,494,735)
4. Net Asset/(Liability) as on 31st March, 2010	(18,66,927)	(22,58,776)	(1,446,263)	(1,494,735)
III. Change in Obligation during the Year ended 31st March, 2010				
1. Present value of Defined Benefit obligation at the beginning of the year	14,46,263	14,94,735	818,521	976,329
2. Current Service Cost	326,540	757,256	311,948	248,584
3. Interest Cost	102,115	106,250	90,591	98,843
4. Curtailment cost/(Credit)	-	-	-	-
5. Settlement cost/(Credit)	-	-	-	-
6. Employee Contribution	-	-	-	-
7. Plan amendments	-	-	-	-
8. Acquisitions	-	-	-	-
9. Actual (Gains)/Losses	-	-	-	-
10. Benefits paid	284,298	219,236	244,691	635,066
11. Present Value at the end of the year	(292,289)	(318,701)	(19,488)	(464,087)
IV. Change in Fair Value of Assets during the year ended 31st March, 2010	18,66,927	22,58,776	1,446,263	1,494,735
1. Plan Assets at the beginning of the year	-	-	-	-
2. Expected Return on plan Assets	-	-	-	-
3. Actual Company Contributions	292,289	318,701	19,488	464,087
4. Employee Contributions	-	-	-	-
5. Actuarial Gain/(Loss) on plan assets	-	-	-	-
6. Benefits paid	-	-	-	-
7. Plan Assets at the Closing of the year	(292,289)	(318,701)	(19,488)	(464,087)

(10) **Disclosure in respect of Related Parties:**

Pursuant to Accounting Standard – 18 "Related Party Disclosures" issued by ICAI, following are the related parties, description of their relationships and transactions carried out with them during the year in the ordinary course of business:

**Subsidiary Companies
(with effect from 31.03.2006)**

Meghalaya Minerals & Mines Ltd.
Badarpur Energy Pvt. Ltd.
Cement International Ltd.
Goombira Tea Co. Pvt. Ltd.
Chargola Tea Co. Pvt. Ltd.
Singlacherra Tea Co. Pvt. Ltd.

Associates

M/s. Nefu Udyog
M/s. Meghalaya Cements Ltd.
M/s. Balaji Udyog Ltd.
North East Power & Infra Ltd.
Valley Strong Cements Ltd.
Valley Strong Cements (Assam) Ltd.

**Key Management Personnel
and their relatives**

Kamakhye Chamaria (Vice Chairman & Managing Director)
Bijay Kumar Garodia (Chairman & Whole Time Director)
Santosh Kumar Bajaj (Whole Time Director)
J.L. Anchalia (Chief Financial Officer)
Prahlad Rai Chamaria (Non-Ex. Director)
Mahendra Kumar Agarwal (Vice Chairman)

BARAK VALLEY CEMENTS LIMITED Annual Report 2009-2010

Details of transactions between the company and related parties for the year ended on 31.03.2010 are given as under:
 (Rs. in Lakhs)

S. No.	Type of transaction	Subsidiary Companies		Associates		Key Management Personnel/Relatives	
		31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09
1	Sale of Finished / Semi finished goods						
	: Meghalaya Minerals & Mines Ltd.	0.86	0.85	-	-	-	-
	: Cement International Ltd.	46.96	854.88	-	-	-	-
	: Badarpur Energy Pvt. Ltd.	-	8.14	-	-	-	-
	: Goombira Tea Co. Pvt. Ltd.	1.18	-	0.18	-	-	-
	: Balaji Udyog Ltd.	-	-	34.63	-	-	-
	: North East Power & Infra Ltd.	-	-	-	-	-	-
2	Sale of Stores and other services, goods						
	: Meghalaya Minerals & Mines Ltd.	2.06	5.60	-	-	-	-
	: Cement International Ltd.	31.51	31.27	-	-	-	-
	: Badarpur Energy Pvt. Ltd.	39.19	47.10	-	-	-	-
	: Goombira Tea Co. Pvt. Ltd.	3.27	-	-	-	-	-
	: Chargola Tea Co. Pvt. Ltd.	0.27	-	-	-	-	-
	: Singlachera Tea Co. Pvt. Ltd.	0.18	-	-	-	-	-
	: Balaji Udyog Ltd.	-	-	0.18	-	-	-
	: Meghalaya Cements Ltd.	-	-	3.29	-	-	-
	: North East Power & Infra Ltd.	-	-	-	10.19	-	-
3	Purchase of Raw Material & goods						
	: Meghalaya Minerals & Mines Ltd.	896.45	879.64	-	-	-	-
	: Cement International Ltd.	-	-	-	-	-	-
	: Badarpur Energy Pvt. Ltd.	1075.32	777.54	-	-	-	-
	: Meghalaya Cements Ltd.	-	-	561.85	53.98	-	-
4	Purchase of Store, spares and other services						
	: Meghalaya Minerals & Mines Ltd.	1.73	1.04	-	-	-	-
	: Cement International Ltd.	5.95	2.39	-	-	-	-
	: Badarpur Energy Pvt. Ltd.	8.28	10.06	-	-	-	-
	: Meghalaya Cements Ltd.	-	-	1.47	-	-	-
	: North East Power & Infra Ltd.	-	-	64.72	-	-	-
5	Hire Charges received						
	: Cement International Ltd.	-	22.41	-	-	-	-
	: Badarpur Energy Pvt. Ltd.	-	10.81	-	-	-	-
	: Nefia Udyog	-	-	-	11.34	-	-
6	Investment in shares						
	: Meghalaya Minerals & Mines Ltd.	1400.00	-	-	-	-	-
	: Badarpur Energy Pvt. Ltd.	16.42	-	-	-	-	-
	: North East Power & Infra Ltd.	-	-	-	-	-	-
7	Remuneration paid	-	-	-	-	-	-
8	Sitting fee paid	-	-	-	-	67.00	49.62

(11) **Earnings Per Share:**

The following table reconciles the numerators and denominators used to calculate Basic and Diluted Earning per Share for the year ended 31st March 2010 and the year ended 31st March 2009.

	As on 31.03.2010	As on 31.03.2009
(a) Profit/(Loss) attributable to Equity Shareholders	13,18,00,365	8,16,66,785
(b) The weighted average number of Ordinary Share outstanding for Basic/Diluted EPS	2,21,60,000	2,21,60,000
(c) Face value per Ordinary Share (Rs.)	10	10
(d) Earnings Per Share – Basic & Diluted (Rs.)	5.95	3.69

(12) Balance of Sundry Debtors; Creditors and advances are subject to confirmation from respective parties.

(13) In the opinion of the management the current assets and loans and advances are having value, at least equal to the amount as they are stated in financial statements, if realised in the ordinary course of business.

(14) Expenditure on purchased software (ERP) and IT related expenses are written off over a period of three years.

- (15) Details of Balance Outstanding to / from companies under the same management are as under:

Name of the company	Status	Amount grouped in	Amount Due as at		Maximum Amount O/s. at any time during the year	
			31.03.2010	31.03.2009	31.03.2010	31.03.2009
Cement International Ltd.	Subsidiary	Other Liabilities	12,387,002	421,021	20,475,580	16,636,964
Cement International Ltd.	Subsidiary	Debtors	-	38,780	3,095,876	22,340,140
Meghalaya Minerals & Mines Ltd.	Subsidiary	Advance to suppliers	38,919,591	14,056,185	43,858,775	38,346,414
Badarpur Energy Pvt. Ltd.	Subsidiary	Loans & Advances	68,463,704	71,237,308	106,472,819	72,248,289
Badarpur Energy Pvt. Ltd.	Subsidiary	Creditors	-	-	32,279,801	-
Badarpur Energy Pvt. Ltd.	Subsidiary	Debtors	-	45,750	45,750	267,501
Meghalaya Cements Ltd.	Associate	Creditors	29,952,117	5,397,697	29,952,117	5,397,697
North East Power & Infra Ltd.	Associate	Loans & Advances	1,478,702	114,897	14,061,339	114,897
North East Power & Infra Ltd.	Associate	Creditors	-	-	660,800	-
North East Power & Infra Ltd.	Associate	Debtors	162,803	1,235	3,462,803	1,235
Valley Strong Cements Ltd.	Associate	Loans & Advances	1,056,270	-	1,056,270	-
Balaji Udyog Ltd	Associate	Loans & Advances	-	517,323	635,123	1,315,453
Balaji Udyog Ltd	Associate	Debtors	-	14,100	18,000	14,100
Nefo Udyog	Associate	-	-	-	-	179,727
Valley Strong Cements (Assam) Ltd.	Associate	Loans & Advances	3,752,188	1,919	3,752,188	1,919
Chargola Tea Co. Pvt. Ltd.	Subsidiary	Loans & Advances	26,782	-	26,782	-
Singlachera Tea Co. Pvt. Ltd.	Subsidiary	Loans & Advances	18,014	-	18,014	-
Goombira Tea Co. Pvt. Ltd.	Subsidiary	Loans & Advances	613,839	-	613,839	-

(16) In pursuance of AS -28 "Impairment of Assets" issued by ICAI, the company reviewed its carrying cost of assets with value in use on the basis of future earnings and on such review, management is of the view that in the current financial year impairment of assets is not considered necessary.

(17) **Taxation**

a) **Current Tax:**

The company is eligible for 100% income-tax exemption under section 80-IC. The current year's provision for income-tax has been calculated on the basis of the provisions of Minimum Alternative Tax (MAT) under section 115JB and entitlement of Tax credit of MAT has been taken as per section 115JAA of the Income-Tax Act, 1961.

b) **Deferred Tax:**

Deferred tax liability has been recognized in respect of only those timing differences which originate during the tax holidays and are not likely to reverse during the tax holiday period to the extent income is subject to deduction during the tax holiday period as per Income Tax Act, 1961. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. The tax liability has been calculated at enacted future tax rates.

Deferred Tax asset/ liability have been calculated as under:

(Amount in Rs.)

S. No.	Particulars	Balance As on 01.04.2009	Additions/ (deductions) during the year	Balance As on 31.03.2010
1. (a) Deferred Tax Liabilities				
	Tax impact of difference between carrying amount of fixed assets in the financial statements and income tax returns	1,30,71,500	(2,23,305)	1,28,48,195
2. (b) Deferred Tax Assets				
	Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax (provision for gratuity & Leave Encashment)	9,99,645	4,02,681	14,02,326
	Deferred Tax Liability/Assets (a - b)	1,20,71,855	(6,25,986)	1,14,45,869

The tax impact for the above purpose has been arrived at by applying the enacted future tax rate for Indian companies under the Income Tax Act, 1961.

c) Fringe Benefit Tax

Provision for Fringe Benefit tax has been separately shown in the profit & loss account in accordance with the guidance note issued by the ICAI.

- (18) The company deals in only one Segment i.e. cement manufacturing. There is no separate reportable segment as required by AS – 17 "Segment Reporting".
- (19) Previous year figures have been regrouped/ restated wherever necessary.
- (20) Figures have been rounded off to the nearest rupee.

For Kumar Vijay Gupta & Co.
Chartered Accountants

Sd/-
CA. Mahesh Goel
(Partner)
M.No. 88958

For & on behalf of the Board

Sd/-
Kamakhye Chamaria
(Vice Chairman & Managing Director)
DIN: 00612581

Sd/-
Bijay Kumar Garedia
(Chairman)
DIN: 00044379

Sd/-
Santosh Kumar Bajaj
(Whole Time Director)
DIN: 00045759

Sd/-
J.L. Anchalia
(Chief Financial Officer)

Sd/-
Hitesh Wadhera
(Company Secretary)

Kolkata, 26th May' 2010

Balance Sheet Abstract and Company's General Business Profile

I. REGISTRATION DETAILS

Registration No.	05741 of 1999-2000	State Code	
Date of Balance Sheet	31.03.2010		02

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities	1,277,059	Total Assets	1,277,059
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SOURCES OF FUNDS

Paid-up Capital	221,600	Reserves & Surplus	671,977
Secured Loans	372,036	Deferred Tax Liability	11,446
Un-Secured Loans	-		

APPLICATIONS OF FUNDS

Net Fixed Assets	508,379	Investments	405,612
Net Current Assets	362,154	Misc. Expenditure	914
Accumulated Losses	NIL		

IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousands)

Turnover & other income	1,132,216	Total Expenditure	1,001,042
Profit/Loss Before Tax	131,174	Profit /Loss After Tax	131,800
Basic & Diluted Earning Per Share (in Rs.)	5.95	Dividend @ %	10%

V. GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (As Per Monitory Terms)

Item Code No. (ITC Code)	252300
Product Description	Various type of Cements
Item Code No. (ITC Code)	252310
Product Description	Cement, Clinker

For Kurnar Vijay Gupta & Co.
Chartered Accountants

Sd/-
CA. Mahesh Goel
(Partner)
M.No. 88958

For & on behalf of the Board

Sd/-
Kamakhya Chamaria
(Vice Chairman & Managing Director)
DIN: 00612581

Sd/-
Bijay Kumar Garodia
(Chairman)
DIN: 00044379

Sd/-
Santosh Kumar Bajaj
(Whole Time Director)
DIN: 00045759

Sd/-
J.L. Anchalia
(Chief Financial Officer)

Sd/-
Hitesh Wadhera
(Company Secretary)

Kolkata, 26th May' 2010

Cash Flow Statement for the Year Ended 31st March, 2010

S.N.	Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :			
	Net Profit before Tax	133,520,863	84,383,751
	Adjustment for :		
	Add : Depreciation & Misc. expenditure	62,580,406	61,080,860
	Interest & finance charges	29,316,908	29,245,851
	Operating Profit before working capital changes	225,418,177	174,710,462
	Adjustment for change in :		
	Trade & other receivables	(1,137,908)	(48,768,036)
	Inventories	(21,165,016)	29,284,923
	Trade and other payables	33,390,742	5,377,326
	Cash generated from Operations	236,505,994	160,604,675
	Direct Taxes Paid	(7,666,142)	(6,474,105)
	Prior period adjustments	(2,346,484)	(152,376)
	Net Cash Flow from Operating Activities	<u>226,493,368</u>	<u>153,978,194</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:			
	Acquisition of Fixed Assets	(76,863,155)	(72,420,740)
	Purchase of Investments	(141,642,000)	—
		<u>(218,505,155)</u>	<u>(72,420,740)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :			
	Net proceeds from issue of Equity Shares	67,256,784	(6,679,747)
	Increase in Bank borrowings	(25,926,092)	(25,926,092)
	Dividend (including CDT)	(29,316,908)	(29,245,851)
	Interest and finance charges paid	12,013,784	(61,851,690)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)			
		20,001,997	19,705,763
	Add:- Cash & Cash Equivalents at the beginning of the year	34,101,365	14,395,602
	Cash & Cash Equivalents at the Closing of the year	<u>54,103,362</u>	<u>34,101,365</u>

Note : Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date.

For Kumar Vijay Gupta & Co.
Chartered Accountants

Sd/-
CA. Mahesh Goel
(Partner)
M.No. 88958

For & on behalf of the Board

Sd/-
Kamakhy Chamaria
(Vice Chairman & Managing Director)
DIN: 00612581

Sd/-
Bijay Kumar Garodia
(Chairman)
DIN: 00044379

Sd/-
Santosh Kumar Bajaj
(Whole Time Director)
DIN: 00045759

Sd/-
J.L. Anchalia
(Chief Financial Officer)

Sd/-
Hitesh Wadhera
(Company Secretary)

Kolkata, 26th May' 2010

Auditors' Report on Consolidated Financial Statements

To
The Members,
BARAK VALLEY CEMENTS LTD.,
Guwahati, Assam.

We have examined the attached Consolidated Balance Sheet of Barak Valley Cements Ltd. and its subsidiaries as at 31st March 2010, the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) - 21 "Consolidated Financial Statements" and Accounting standard (AS) -23 " Accounting for investments in associates in consolidated financial statements" issued by the Institute of Chartered Accountants of India and on the basis of the Separate audited financial statements of the company and its subsidiaries included in the Consolidated Financial Statements.

On the basis of information and explanations given to us and on the consideration of separate audit reports on individual financial statements of the company and its subsidiaries, we are of the opinion that the said consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiaries as at 31st March 2010;
- (b) In the case of the Consolidated Profit and Loss Account, of the profit of the company and its subsidiaries for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the consolidated Cash flows of the company and its subsidiaries for the year ended on that date.

For Kumar Vijay Gupta & Co.
Chartered Accountants

Sd/-
(CA. Mahesh Goel)
Partner
M.No. 88958
Firm Regn. No. : 007814-N

Kolkata, 26th day of May' 2010

Consolidated Balance Sheet As At 31st March, 2010

Particulars	Schedule No.	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
I. SOURCES OF FUNDS :			
1. Shareholders' Funds :			
i) Share Capital	1	221,600,000	221,600,000
ii) Reserves & Surplus	2	927,042,837	565,640,891
		1,148,642,837	787,240,891
2. Loan Funds :			
i) Secured Loans	3	734,826,515	624,676,490
3. Deferred Tax Liability		9,841,407	10,854,249
		TOTAL :	1,893,310,759
			1,422,771,630
II. APPLICATION OF FUNDS :			
1. Fixed Assets :	4		
i) Gross Block		1,623,170,656	1,271,125,066
Less :- Depreciation		491,970,347	373,445,758
		1,131,200,309	897,679,308
ii) Capital Work-in-Progress		64,038,072	-
iii) Goodwill (On acquisition of Shares)		24,223,013	-
		1,219,461,394	897,679,308
2. Investments	5	1,646,423	4,423
3. Current Assets, Loans & Advances			
i) Inventories	6	128,928,754	106,469,077
ii) Sundry Debtors	7	80,407,144	98,110,112
iii) Cash & Bank Balance	8	82,277,550	61,596,197
iv) Loans & Advances	9	586,615,472	441,150,288
		878,228,920	707,325,673
Less : Current Liabilities & Provisions :	10		
i) Liabilities		160,280,768	147,267,232
ii) Provisions		46,819,817	37,039,219
		671,128,335	523,019,223
4. Miscellaneous Expenditure :	11	1,074,608	2,068,676
(to the extent not written off or adjusted)			
		TOTAL :	1,893,310,759
			1,422,771,630

Significant Accounting Policies & Notes on Accounts

"20"

Schedules "1" to "11" and "20" annexed hereto form an integral part of the Balance Sheet.
 This is the Balance Sheet referred to in our report of even date.

For Kumar Vijay Gupta & Co.
 Chartered Accountants

Sd/-
CA. Mahesh Goel
 (Partner)
 M.No. 88958

For & on behalf of the Board

Sd/-
Kamakhya Chamaria
 (Vice Chairman & Managing Director)
 DIN: 00612581

Sd/-
Bijay Kumar Garodia
 (Chairman)
 DIN: 00044379

Sd/-
Santosh Kumar Bajaj
 (Whole Time Director)
 DIN: 00045759

Sd/-
J.L. Anchalia
 (Chief Financial Officer)

Sd/-
Hitesh Wadhwa
 (Company Secretary)

Kolkata, 26th May' 2010

Consolidated Profit & Loss Account for the Year Ended 31st March' 2010

Particulars	Schedule No.	Year Ended 31.03.2010 (Amt. in Rs.)	Year Ended 31.03.2009 (Amt. in Rs.)
INCOME			
Gross Sales	12	1,595,462,263	1,230,600,930
Less: Excise Duty paid (Net)		51,811,936	36,482,672
		1,543,650,327	1,194,118,258
Other Income	13	1,710,269	2,704,021
Increase/(Decrease) in Stock	14	1,897,742	(16,215,365)
		1,547,258,338	1,180,606,914
EXPENDITURE			
Cost of Materials	15	478,896,301	273,690,153
Manufacturing and Operating Expenses	16	394,072,827	405,150,080
Administrative & Other Expenses	17	66,058,023	51,835,685
Selling & Distribution Expenses	18	336,110,208	248,334,549
Interest & Financial Charges	19	63,243,919	55,334,454
Depreciation	4	89,150,656	86,360,548
		1,427,531,934	1,120,705,468
PROFIT BEFORE TAXATION			
Less : Prior Period Adjustments (Net)		119,726,405	59,901,446
		5,519,872	152,376
		114,206,533	59,749,070
LESS : PROVISION FOR TAXATION			
- Current Income Tax		29,076,854	14,409,499
Less : MAT Credit entitlement		(29,076,854)	(14,409,499)
Net Current Tax		-	-
- Deferred Tax Liability/(Asset)		(1,012,842)	(391,174)
- Fringe Benefit Tax		-	840,643
PROFIT AFTER TAXATION			
Add : Balance Brought Forward from last year		115,219,375	59,299,601
		365,042,348	331,668,839
Profit Available for Appropriation :			
Less : Equity Dividend		480,261,723	390,968,440
Tax on Dividend		22,160,000	22,160,000
Transfer to General Reserve		3,766,092	3,766,092
		-	-
Balance Carried to Balance Sheet			
		454,335,631	365,042,348
Earning Per Share (Face Value of Rs. 10/- each)			
: Basic & Diluted		5.20	2.68

Significant Accounting Policies & Notes on Accounts

"20"

Schedules "4", "12" to "20" annexed hereto form an integral part of the Profit & Loss Account.
 This is the Profit & Loss Account referred to in our report of even date.

For Kumar Vijay Gupta & Co.
 Chartered Accountants

Sd/-
CA. Mahesh Goel
 (Partner)
 M.No. 88958

For & on behalf of the Board
 Sd/-
Kamakhya Chamaria
 (Vice Chairman & Managing Director)
 DIN: 00612581

Sd/-
Bijay Kumar Garodia
 (Chairman)
 DIN: 00044379

Sd/-
Santosh Kumar Bajaj
 (Whole Time Director)
 DIN: 00045759

Sd/-
J.L. Anchalia
 (Chief Financial Officer)

 Kolkata, 26th May' 2010

Sd/-
Hitesh Wadhera
 (Company Secretary)

Schedules Forming Part of Consolidated Balance Sheet As On 31.03.2010

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
SCHEDULE - 1		
SHARE CAPITAL :		
Authorised Capital (2,50,00,000 Equity Shares of Rs. 10/- Each)	<u>250,000,000</u>	<u>250,000,000</u>
Issued, Subscribed, Called up & Paid-up Capital (2,21,60,000 Equity Shares of Rs. 10/- each, fully paid up)	<u>221,600,000</u>	<u>221,600,000</u>
	<u>221,600,000</u>	<u>221,600,000</u>

SCHEDULE - 2
RESERVES & SURPLUS :

1. General Reserve Balance Brought forward	47,080,126	47,080,126
Additions during the year	-	-
	47,080,126	47,080,126
2. Consolidate Reserve on Consolidation	2,078,836	2,078,836
3. Fixed Assets Revaluation Reserve Acquired during the year	300,606,520	-
Less : Depreciation Charged During the Year	28,650,369	-
	271,956,151	-
4. Investment Allowance Reserve	152,512	-
5. Profit & Loss Account	454,335,631	365,042,348
6. Securities Premium Account Balance Brought forward	151,439,581	151,439,581
Total (1+2+3+4+5+6)	927,042,837	565,640,891

SCHEDULE - 3
SECURED LOANS :

1. Rupee Term Loan from Banks/Financial Institutions (Secured against first charge on all the movable (save and except current assets) and immovable assets of the company, second charge on the current assets of the company and personal guarantees of promoter directors of the company.)	187,272,440	235,672,440
2. (a) Equipment & Vehicle finance from Banks	1,246,252	1,029,309
(b) Equipment & Vehicle finance from others/private parties (Secured against hypothecation of respective assets)	4,938,610	5,135,157
3. Cash Credit from Banks (Secured against first charge on current assets, second charge on the fixed assets and personal guarantee of promoter directors of the company.)	411,288,870	382,839,584
4. Short Term Working Capital Loan (From IDBI Bank Ltd.)	130,080,342	-
	734,826,515	624,676,490

Note : Out of 1 and 2 above a sum of Rs. 583.36 Lakhs (Previous Year : Rs. 473.53 Lakhs) would become due for payment within a year.

SCHEDULE - 4
SCHEDULE OF CONSOLIDATED FIXED ASSETS & DEPRECIATION THEREON FOR THE YEAR ENDED ON 31/03/2010.

(Amt. in Rs.)

	GROSS BLOCK				DEPRECIATION				NET BLOCK				
	As on 01.04.2009	Acquisition During the Year (At Cost)	Additions during the year	Deduction during the year	As on 31.03.2010	Acquisition during the Year	Depreciation Charged to P&L A/c	Depreciation relating to prior period Charged to P&L A/c Revaluation Reserve	As on 31.03.2010	Deduction during the year	Total As on 31.03.2010 (At revised figures)	As on 31.03.2010 (At Cost)	
(A) Tangible Assets													
Land & Tea Estate	132,624,617	259,790,000	1,497,596	21,328,792	-	413,743,409	-	-	-	-	413,743,409	155,451,005	
Factory Building & Structure	161,793,005	38,472,924	450,625	5,379,936	-	205,647,865	44,953,910	222,924	9,635,752	1,414,352	223,649	23,876,773	
Office Building	8,340,270	-	-	5,383,888	-	13,724,128	168,628	-	265,909	-	-	434,537	
Furniture & Fixture	5,983,485	60,864	69,864	667,597	-	60,864	6,651,082	4,016,597	33,765	502,955	-	27,099	
Computer	5,759,751	-	-	646,020	-	6,405,771	4,301,861	-	627,232	-	-	4,929,893	
Motor Car & Vehicles	13,967,552	419,971	419,971	6,798,486	944,101	20,241,908	4,266,798	365,962	3,545,077	-	835,356,00	7,399,490	
Office Equipments	6,163,325	29,445	29,445	922,839	56,420	7,066,189	2,612,122	20,382	573,438	-	39,106,00	3,175,899	
Plant, Machinery & Installations	933,172,108	5,524,218	1,232,400	2,723,583	1,439,827	944,350,082	310,705,657	564,851	73,485,405	151,003	665,375	3,206,241	
Live Stock	33,570	4,060	4,060	-	4,060	33,570	-	2,882	-	-	4,060,00	-	
Tractor	1,353,955	-	-	1,600,095	-	2,954,050	694,585	-	205,271	-	-	899,776	2,054,274
Total - (A)	1,269,198,638	304,301,481	3,694,960	50,001,206	2,703,271	1,620,798,055	371,714,178	1,210,766	89,841,239	1,565,355	980,373	27,085,014	1,467,572
(B) Intangible Assets:													
Computer Software	1,926,427	-	446,174	-	2,372,601	1,731,379	-	309,414	-	-	2,040,993	331,608	
Total - (B)	1,926,427	-	446,174	-	2,372,601	1,731,379	-	309,414	-	-	2,040,993	331,608	
Total (A+B)	1,271,125,066	304,301,481	3,694,961	50,047,380	2,703,271	1,423,170,456	373,445,758	1,210,766	89,150,656	1,565,355	980,373	27,085,014	1,467,572
Previous Year	1,095,173,258	-	-	227,309,849	51,358,641	1,271,125,066	289,708,454	-	86,360,549	-	-	2,623,044	373,445,758
Capital Work-In-Progress												64,038,072	64,038,072

Schedules Forming Part of Consolidated Balance Sheet As On 31.03.2010

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
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SCHEDULE - 5

INVESTMENTS :

Long Term Investments (at Cost) :

(i) Other than trade, Unquoted, fully paid up equity shares {1,64,200 Equity Shares (Nil as at 31.03.2009) of North East Power & Infra Limited of Rs. 10/- each, fully Paid UP}	1,642,000	
(ii) Other than trade, Quoted, fully paid up equity shares {50 Shares (previous year : 50 shares) of Ambuja Cements Ltd.}	4,423	4,423
	<u>1,646,423</u>	<u>4,423</u>

SCHEDULE - 6

INVENTORIES

(At lower of cost or net realisable value)

Stores, Spares and Fuel	77,901,752	59,693,046
Raw Material	26,110,979	21,716,067
Packing Material	3,694,183	5,751,854
Semi Finished Goods	4,379,490	6,562,931
Finished Goods	16,826,361	12,745,179
Goods in transit	15,989	—
	<u>128,928,754</u>	<u>106,469,077</u>

SCHEDULE - 7

SUNDRY DEBTORS

(i) (Secured and considered good)

– Debts outstanding for a period exceeding six months	50,000	22,731
– Other Debts	2,233,136	2,233,939
	<u>2,283,136</u>	<u>2,256,670</u>

(ii) (Unsecured and considered good)

– Debts outstanding for a period exceeding six months	6,584,792	3,747,264
– Other Debts	71,539,217	92,106,178
	<u>78,124,009</u>	<u>95,853,442</u>

Total

80,407,144

98,110,112

SCHEDULE - 8

CASH & BANK BALANCE

Cash in Hand	8,327,393	12,800,432
Balances with Scheduled Banks :		
– In Current Account	56,168,224	37,568,590
– In Fixed Deposits	3,220,866	3,692,481
Cheques/Demand Drafts in Hand	14,561,068	7,534,694
	<u>82,277,550</u>	<u>61,596,197</u>

Schedules Forming Part of Consolidated Balance Sheet As On 31.03.2010

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
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SCHEDULE - 9

LOANS & ADVANCES

(Unsecured and considered good for recovery by the Management)

1) Subsidy Receivable from Central/State Govt.	402,371,119	318,097,135
2) Balances with Central Excise & other Tax	32,435,984	31,031,468
3) Advance to Suppliers/Contractors	36,454,964	28,892,306
4) Security Deposits	14,998,409	11,064,879
5) Other advances - Recoverable in cash or in kind or for value to be received	100,354,996	52,064,501
	586,615,472	441,150,288

SCHEDULE - 10

CURRENT LIABILITIES & PROVISIONS

Current Liabilities

1) Sundry Creditors for Capital Expenditure	9,114,387	8,669,272
2) Sundry Creditors (Trade)	75,621,650	57,617,339
3) Statutory Liabilities	11,283,164	11,691,975
4) Advance from Customers	21,703,522	43,314,630
5) Security Money received from customers	9,328,132	7,141,283
6) Other Liabilities	33,229,913	18,832,732
	160,280,768	147,267,232

Provisions

1) Provision for Income-Tax	29,076,854	14,409,499
2) Provision for Fringe Benefit Tax	-	840,643
	29,076,854	15,250,142
Less : Advance Income Tax and Tax Deducted at Source	(12,742,308)	(6,469,436)
Less : Advance Fringe Benefit Tax	-	(925,000)
	16,334,546	7,855,706
3) Provision for Gratuity	2,054,702	1,581,216
4) Provision for Leave Encashment	2,504,477	1,676,205
5) Proposed Dividend	22,160,000	22,160,000
6) Corporate Dividend-Tax	3,766,092	3,766,092
	46,819,817	37,039,219

SCHEDULE - 11

MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted)

1) Mines Development	1,017,108	1,953,676
2) Lease Rights	57,500	115,000
	1,074,608	2,068,676

**Schedules Forming Part of Consolidated Profit & Loss Account
for the Year Ended 31.03.2010**

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
SCHEDULE - 12		
SALES		
Gross Sales	1,596,495,301	1,229,918,097
Add: Captive Consumption of Cement	1,334,169	997,399
	<hr/>	<hr/>
Less : Cement Damaged	1,597,829,470	1,230,915,496
	2,367,207	314,566
	<hr/>	<hr/>
	1,595,462,263	1,230,600,930
SCHEDULE - 13		
OTHER INCOME		
Equipment Hire Charges	299,615	(39,182)
Sale of Scrap	990,780	1,631,562
Misc. Income	389,072	849,230
Insurance Claim Received	688,001	233,074
Profit/(Loss) on sales of assets	(657,199)	29,337
	<hr/>	<hr/>
	1,710,269	2,704,021
SCHEDULE - 14		
INCREASE/(DECREASE) IN STOCK		
Semi Finished Goods		
Opening Stock	6,562,931	29,646,459
Closing Stock	4,379,490	6,562,931
	<hr/>	<hr/>
(2,183,441)	<hr/>	(23,083,528)
Finished Goods		
Opening Stock	12,745,179	5,877,016
Closing Stock	16,826,361	12,745,179
	<hr/>	<hr/>
4,081,182	<hr/>	6,868,163
	<hr/>	<hr/>
Increase/(Decrease) in Stock	1,897,742	(16,215,365)
SCHEDULE - 15		
COST OF MATERIALS		
Raw Material Consumed	391,542,234	200,537,008
Stores and Spares Consumed	50,363,207	40,908,792
Packing Material Consumed	36,990,860	32,244,352
	<hr/>	<hr/>
478,896,301	<hr/>	273,690,153
SCHEDULE - 16		
MANUFACTURING AND OPERATING EXPENSES		
Power & Fuel Expenses	234,913,257	258,101,676
Operation & Maintenance Expenses	6,582,924	11,694,453
Material Handling, Equipment & Freight Charges	29,879,771	16,318,131
Repair and Maintenance		
– Plant & Machinery	12,479,181	14,057,299
– Building	1,770,419	1,267,122
– Equipments & Others	2,345,565	2,842,761
Salaries, Wages & Bonus	77,827,150	66,256,581
Contribution to Provident Fund	1,764,051	1,446,023
Staff Welfare Expenses	2,762,976	2,339,552
Royalties & Other Govt. Levies	13,435,292	10,532,083
Research and Development Expenditure	3,080,077	399,300
Other Production Overheads	7,232,164	19,895,099
	<hr/>	<hr/>
	394,072,827	405,150,080

**Schedules Forming Part of Consolidated Profit & Loss Account
for the Year Ended 31.03.2010**

Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
<u>SCHEDULE - 17</u>		
ADMINISTRATIVE & OTHER EXPENSES		
Auditor's Remuneration	375,450	310,300
Bank Charges	699,148	685,383
Books & Periodicals	334,308	295,789
Charity & Donation	6,917,043	4,152,552
Bad Debts	2,193,811	15,859
Director's Remuneration	6,700,000	4,700,000
Staff Recruitment Expenses	287,969	70,862
Electricity Expenses	828,690	1,120,765
Fees & Subscription	1,411,323	1,528,782
ROC Filing Fees & Legal Expenses	178,712	460,643
House /Office Rent & Maint Expenses	3,849,208	4,130,928
Insurance	923,356	867,664
Misc Exps Written off	994,068	994,068
Motor Car Running, Maint & Hire Charges	4,008,175	3,520,368
Office and Other Miscellaneous Expenses	4,364,224	3,007,512
Postage & Telegraph Exps	368,709	459,878
Printing, Stationery and Computer Expenses	2,177,692	2,442,393
Provision for Gratuity	771,833	680,360
Rates & Taxes	466,173	237,687
Repair & Maintenance	3,134,342	937,812
Salary and other benefits to staff	10,515,389	8,510,872
Professional & consultancy service charges	1,479,399	875,432
Staff Fooding & Welfare Expenses	3,175,500	2,302,838
Sundry Balances written - off	1,311,430	(4,338)
Telephone Exps	2,475,493	2,702,004
Travelling & Conveyance Expenses	6,116,580	6,681,070
Testing & Inspection Charges	-	14,344
Upfront Fees	-	132,360
Processing Charges	-	1,500
	66,058,023	51,835,685
<u>SCHEDULE - 18</u>		
SELLING & DISTRIBUTION EXPENSES		
Transportation Cost	283,686,768	191,625,115
Sales Promotion Expenses	9,111,317	14,541,626
Advertisement & Publicity	6,273,628	5,539,465
VAT/Sales Tax	32,291,982	32,595,282
Market Survey, Consultancy & Other Charges	1,544,896	1,185,423
Shop/Godown Rent	2,777,786	1,451,978
Weightment Charges	423,830	1,395,660
	336,110,208	248,334,549
<u>SCHEDULE - 19</u>		
INTEREST & FINANCIAL CHARGES		
Term Loan	21,769,393	28,601,158
Working Capital facility (Net)	39,796,340	25,833,449
Others	2,329,231	1,646,594
Less : Interest Received	(651,045)	(746,747)
	63,243,919	55,334,454

SCHEDULE - 20 : SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS ON CONSOLIDATED FINANCIAL STATEMENTS**A. PRINCIPLES OF CONSOLIDATION**

- (a) The consolidated financial statements (CFS) comprise the financial statements of Barak Valley Cements Ltd. (BVCL) and its following subsidiary:

S.N.	Name of the Subsidiary (All incorporated in India)	Proportion of Ownership as at 31.03.2010
1.	Meghalaya Minerals & Mines Ltd.	100%
2.	Badarpur Energy Pvt. Ltd.	100%
3.	Cement International Ltd.	100%

- (2) In accordance with the Accounting Standard 21 on "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India (ICAI), the consolidated financial statements have been prepared on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra group balances and the unrealized profits/ losses on intra group transactions, and are presented to the extent possible, in the same manner as the Company's separate financial statement.

The excess of the company's portion of the equity of the subsidiaries on the acquisition date over its cost of investment is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements. On the Other hand, the excess of the cost of investment over the company's portion of the equity of the subsidiaries on the date of acquisition is recognised as 'Goodwill' and shown under the head 'Fixed Assets', in the consolidated financial statements.

- (3) The parent and the subsidiary companies provide depreciation on Written Down Value method except the "Badarpur Energy Private Limited", where depreciation is provided on Straight Line Method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Except this, the parent and the subsidiary have adopted uniform accounting policies.

B. SIGNIFICANT ACCOUNTING POLICIES :**(1) SYSTEM OF ACCOUNTING:**

The financial statements have been prepared on the historical cost convention on accrual and on the going concern basis in accordance with the applicable Accounting Standards issued by The Institute of Chartered of Accountants of India and the relevant provisions of the Companies Act, 1956.

(2) FIXED ASSETS:

Fixed Assets are stated at cost of acquisition, installation or construction (net of Modvat/ Cenvat credit, where ever applicable) less accumulated depreciation, amortization and impairment losses, if any, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to its working condition for its intended use.

(3) CAPITAL WORK IN PROGRESS:

Capital work in progress is carried at cost comprising direct cost and pre -operative expenses during construction period to be allocated to the fixed assets on the completion of the construction.

(4) DEPRECIATION:

Depreciation has been provided on fixed assets on Written down Value (WDV) Method on a pro - rata basis at the rates and in the manner prescribed under schedule XIV to the Companies Act, 1956. However in respect of Badarpur Energy Pvt. Ltd., a wholly owned subsidiary, depreciation on assets has been charged at the Straight Line Method at the rates and in the manner prescribed under schedule XIV to the Companies Act, 1956 of the Companies Act, 1956. Depreciation on additions to fixed assets is provided on a pro -rata basis from the date of put to use. Depreciation on assets sold, discarded or scrapped, is provided up to the date on which the said asset is sold, discarded or scrapped.

(5) INVENTORIES:

Inventories are carried at the lower of cost and net realisable value. Cost for the purpose is worked out on a weighted average basis. The cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(6) REVENUE:

Sales are accounted for on dispatch and are stated inclusive of excise duty, VAT/ Sales Tax and are net of trade discounts, sales commission and sales return. Other items of revenue are recognised in Accordance with the Accounting Standard (AS - 9). In case of power, revenue is booked on the basis of actual billing to the customers. Interest income is recognized on time proportion basis.

(7) GOVERNMENT GRANTS:

Government grants /subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants are recognized in the financial statements either as income or deducted from related expenses. Capital grants/ subsidies are credited to respective fixed assets where it relates to specific fixed assets.

(8) RETIREMENT BENEFITS:

(i) Defined Contribution Plan

Employees benefits in the form of provident fund and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

(iii) Other Long-term benefits

Long-term compensated absences are provided for on the actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses, if any, are immediately recognized in the Profit & Loss Account.

(9) INVESTMENTS:

Long term Investments are stated at cost after deducting provisions for permanent diminution in the value, if any. Current investments are stated at lower of cost and market / fair value.

(10) MISCELLANEOUS EXPENDITURE:

Miscellaneous expenditure having durable benefit is amortized over a period of five to ten years.

(11) TAXES ON INCOME:

a) Current Tax:

Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

b) Deferred Tax :

Deferred Tax Assets and Liabilities are accounted for in accordance with Accounting Standard-22.

(12) RESEARCH AND DEVELOPMENT EXPENDITURE:

Revenue expenditure on Research and Development is charged out in the year in which it is incurred and are included under the related head of expenditure.

(13) EXPENDITURE DURING CONSTRUCTION:

In respect of substantial capacity enhancement / new commissioning of projects, direct costs along with part of indirect expenses are capitalized together with interest on the funds related to them upto the date of commercial production.

(14) BORROWING COSTS:

Borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(15) IMPAIRMENT OF ASSETS:

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

(16) INTANGIBLE ASSETS :

Intangible asset is recognized when it is probable that the future economic benefit that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life.

(17) PROVISIONS AND CONTINGENCIES:

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimates of the amount required to settle the obligation at the Balance Sheet date. A contingent liability of an outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent Liabilities are not provided for but disclosed by way of note.

C. NOTES ON ACCOUNTS:

- (1) The estimated amount of Contracts remaining to be executed on Capital Account and not provided for amounts to Rs. 161.56Lakhs (Previous Year Rs. 96.88 Lakhs)

- (2) **Contingent liabilities not provided for:**
- Claims against the company not acknowledged as debts: Disputed demand of Income -Tax liabilities; pending before the Appellate Tribunal for Assessment Year 2005-06 and 2006-07: Rs. 556.86 lakhs (Previous Year : 282.55 lakhs)
 - Contingent liability not provided for : 141.16 Lakhs on account of past years Provident Fund dues of workers : (Previous Year : Nil)
 - Bank Guarantees issued by banks Rs. 2,00,000 (Previous Year : Rs. 2,25,000)
- (3) In view of ASI-15, on Consolidated Financial Statements, additional information pursuant to the provision or paragraphs 3 & 4 of part II of schedule VI to the Companies Act, 1956 are not disclosed herewith.
- (4) During the year an amount of Rs.40,32,337 (Previous Year : Rs. 37,45,500) was paid to selling agents of the company as Sales Commission.
- (5) During the year, the company has capitalized the borrowing cost amounting to Rs. Nil (Previous Year : Nil) for major expansion activities/ new commissioning of plant at factory site.
- (6) Payment made to Auditor's during the year ended is as under :-
- | | Current Year | Previous Year |
|--------------------------------------------|---------------------|----------------------|
| a. Statutory Audit Fee | Rs. 3,03,905 | Rs. 2,42,660 |
| b. Tax Audit Fee | Rs. 45,000 | Rs. 45,000 |
| c. Company Law and other matters | Rs. 24,000 | Rs. 34,000 |
| d. Reimbursement of out of pocket expenses | Rs. 2,545 | Rs. 9,240 |
| Total | Rs. 3,75,450 | Rs. 3,30,900 |

(7) Remuneration paid to Director's during the year: Rs. 67,00,000 (Previous Year : Rs.47,00,000)

(8) GOVT. SUBSIDIES

During the year Insurance subsidy amounting to Rs.20,39,057/- (previous year : 21,88,801/-), working capital interest subsidy amounting to Rs.1,34,62,955/- (previous year : 86,34,204/-), Power Subsidy amounting to Rs. 10,00,000/- (previous year : 10,00,000/-) Transport subsidy amounting to Rs. 6,88,81,534/- (previous year : 6,64,11,099/-) has been adjusted from related overheads. Capital Investment Subsidy amounting to Rs. Nil (previous year : 13,66,10,857/-) has been adjusted out of cost of the related fixed assets. During the year Excise Duty amounting to Rs. 6,78,56,703/- (previous year : 6,15,10,615/-) has been refunded back by Govt. of India.

(9) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and, hence disclosure relating to amounts unpaid at the year end, interest paid/ payable under this Act has not been given.

(10) Disclosure in respect of Related Parties:

Pursuant to Accounting Standard – 18 "Related Party Disclosures" issued by ICAI, following are the related parties, description of their relationships and transactions carried out with them during the year in the ordinary course of business:

Associates

M/s. Nefu Udyog
M/s. Meghalaya Cements Limited
M/s. Balaji Udyog Limited
North East Power & Infra Ltd.
Valley Strong Cements Ltd.
Valley Strong Cements (Assam) Ltd.

Key Management Personnel and their relatives

Kamakhya Chomaria (Vice Chairman & Managing Director)
Santosh Kumar Bajaj (Whole Time Director)
Bijay Kumar Garodia (Chairman & Whole Time Director)
J.L. Anchalia (Chief Financial Officer)
Mahendra Kumar Agarwal (Vice Chairman)
Jagdish Prasad Shah
Nathmal Todi.

Details of transactions between the company and related parties for the year ended on 31.03.2010 are given as under:
(Rs. in Lakhs)

Sl.No.	Type of transaction	Associates	Key Management Personnel/relatives
1.	Sale of finished/semi finished goods/services	48.38 (14.81)	—
2.	Purchase of Raw Material/semi/finished goods	1422.67 (961.08)	—
3.	Investment in Shares	16.42 (—)	—
4.	Remuneration and sitting fee paid to directors	—	67.00 (49.62)

Note : Figures in bracket represent transactions of previous year.

- (11) In the opinion of the management and to the best of their knowledge and belief the value on realization of loans, advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the financial statements.
- (12) In pursuance of AS -28 "Impairment of Assets" issued by ICAI, the company reviewed its carrying cost of assets with value in use on the basis of future earnings and based on such, management is of the view that in the current financial year impairment of assets is not considered necessary.
- (13) Expenditure on purchased software (ERP) and IT related expenses are written off over a period of three years.
- (14) **Employee Defined Benefits:**

(a) Defined Contribution Plans

The Company has recognized an expense of Rs.17,64,051/- (Previous year Rs 14,46,023/-) towards the defined contribution plans.

(b) Defined Benefit Plans - As per Actuarial Valuation as at 31st March, 2010

Particulars	2009-10		2008-09	
	Gratuity Encashment	Leave Encashment	Gratuity Encashment	Leave Encashment
I. Expenses recognized in the Statement of Profit and Loss Account for the year ended 31st March, 2010				
1. Current Service Cost	4,00,607	9,02,818	368,939	372,376
2. Interest Cost	1,12,277	1,07,258	101,601	98,843
3. Expected Return on Plan Assets	-	-	-	-
4. Curtailment cost (Credit)	-	-	-	-
5. Settlement cost (Credit)	-	-	-	-
6. Past Service Cost	-	-	-	-
7. Actuarial Losses/(gains) on defined benefit obligation	258,949	2,33,255	209,820	643,218
8. Losses/(gains) on plan assets	-	-	-	-
9. Total Expense	771,833	12,43,331	680,360	11,14,437
II. Net Asset/(Liability) recognized in the Balance Sheet as at 31st March 2010				
1. Present Value of Defined Benefit obligations	20,54,702	25,04,477	1,581,216	16,76,205
2. Fair Value of Plan Assets	-	-	-	-
3. Funded Status [Surplus/(Deficit)]	(20,54,702)	(25,04,477)	(1,581,216)	(1,676,205)
4. Net Asset/(Liability) as on 31.03.2010	(20,54,702)	(25,04,477)	(1,581,216)	(1,676,205)
III. Change in Obligation during the Year ended 31st March, 2010				
1. Present value of Defined Benefit obligation at the beginning of the year	15,81,216	16,76,205	920,344	1,103,560
2. Current Service Cost	4,00,607	9,02,818	368,939	372,376
3. Interest Cost	1,12,277	1,07,258	101,601	98,843
4. Curtailment Cost/(Credit)	-	-	-	-
5. Settlement Cost/(Credit)	-	-	-	-
6. Employee Contribution	-	-	-	-
7. Plan amendments	-	-	-	-
8. Acquisitions	-	-	-	-
9. Actual (gains)/Losses	258,949	2,33,255	209,820	643,218
10. Benefits paid	(2,98,347)	(4,15,059)	(19,488)	(541,792)
11. Present Value at the end of the year	20,54,702	25,04,477	1,581,216	1,676,205
IV. Change in Fair Value of Assets during the year ended 31st March, 2010				
1. Plan Assets at the beginning of the year	-	-	-	-
2. Expected Return on plan Assets	-	-	-	-
3. Actual Company Contributions	2,92,289	3,25,879	19,488	479,755
4. Employee Contributions	-	-	-	-
5. Actuarial Gain/(Loss) on plan assets	-	-	-	-
6. Benefits paid	(2,92,289)	(3,25,879)	(19,488)	(479,755)
7. Plan Assets at the Closing of the year	-	-	-	-

(15) **Earnings per share:**

The following table reconciles the numerators and denominators used to calculate Basic and Diluted Earning per Share for the year ended 31st March 2010 and 31st March 2009.

	Year ended 31st March, 2010	Year ended 31st March, 2009
(a) Profit/(Loss) attributable to Equity Shareholders	11,52,19,275	5,92,99,601
(b) The weighted average number of Ordinary Share outstanding for Basic/Diluted EPS	2,21,60,000	2,21,60,000
(c) The nominal value per Ordinary Share	10	10
(d) Earnings Per Share Basic & Diluted (Rs.)	5.20	2.68

(16) Balance of Sundry Debtors; Creditors and advances are subject to confirmation from respective parties.

(17) Deferred Tax Liability / (Asset) as at 31st March, 2010 comprises as under :

S. No.	Particulars	Balance As on 01.04.2009	Additions/ (deductions) during the year	Balance As on 31.03.2010
(a)	Deferred Tax Liabilities Tax impact of difference between carrying amount of fixed assets in the financial statements and income tax returns	1,19,61,446	(5,70,374)	1,13,91,072
(b)	Deferred Tax Assets Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax (provision for gratuity & Leave Encashment)	11,07,197	4,42,468	15,49,665
	Deferred Tax Liability/(Asset) (a - b)	1,08,54,249	(10,12,842)	98,41,407

(18) The company deals in only one Segment i.e. cement manufacturing. There is no separate reportable segment as required by AS – 17 "Segment Reporting".

(19) During the year the Company's wholly owned subsidiary 'Badarpur Energy Pvt. Ltd.' has acquired three companies namely Goombira Tea company Pvt. Ltd., Charagolla Tea Company Pvt. Ltd. and Singlacherra Tea Company Pvt. Ltd. by acquiring their entire shareholding. Thus these three companies also become subsidiaries of Barak Valley Cements Ltd.

(20) Previous year figures have been regrouped/ restated wherever necessary, to confirm to current year.

(21) Figures have been rounded off to the nearest rupee.

For Kumar Vijay Gupta & Co.
Chartered Accountants

Sd/-
CA. Mahesh Goel
(Partner)
M.No. 88958

For & on behalf of the Board

Sd/-
Kamakhya Chamaria
(Vice Chairman & Managing Director)
DIN: 00612581

Sd/-
Bijay Kumar Garodia
(Chairman)
DIN: 00044379

Kolkata, 26th May' 2010

Sd/-
Santosh Kumar Bajaj
(Whole Time Director)
DIN: 00045759

Sd/-
J.L. Anchalia
(Chief Financial Officer)

Sd/-
Hitesh Wadhera
(Company Secretary)

Consolidated Cash Flow Statement for the Year Ended 31st March, 2010

S.N.	Particulars	31.03.2010 (Amt. in Rs.)	31.03.2009 (Amt. in Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :			
	Net Profit before Tax	119,726,405	59,901,446
	Adjustment for :		
	Add : Depreciation & Misc. expenditure	119,518,657	84,731,572
	Interest & finance charges	63,243,919	55,334,454
	Operating Profit before working capital changes	302,488,981	199,967,473
	Adjustment for change in :		
	Trade & other receivables	(115,019,908)	(145,103,825)
	Inventories	(22,459,677)	13,133,891
	Trade and other payables	22,794,134	54,324,617
	Cash generated from Operations	187,803,530	122,322,156
	Direct Taxes Paid	(12,742,308)	(7,394,436)
	Prior period adjustments	(5,519,872)	(152,376)
	Net Cash Flow from Operating Activities	169,541,350	114,775,344
B. CASH FLOW FROM INVESTING ACTIVITIES:			
	Acquisition of Fixed Assets	(352,045,590)	(86,094,275)
	Investment in Work-In-Progress	(64,038,072)	-
	Goodwill (on acquisition of Shares)	(24,223,013)	-
	Acquisition of Fixed Assets Revaluation Reserve (On consolidation)	271,956,151	-
	Acquisition of Investment Allowance Reserve (On consolidation)	152,512	-
	Purchase of Investments	(1,642,000)	-
		(169,840,012)	(86,094,275)
C. CASH FLOW FROM FINANCING ACTIVITIES :			
	Net proceeds from issue of Equity Shares	-	-
	Increase in borrowings	110,150,025	74,421,769
	Dividend (including CDT)	(25,926,092)	(25,926,092)
	Interest and finance charges paid	(63,243,919)	(55,334,454)
		20,980,014	(6,838,777)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)			
	Add:- Cash & Cash Equivalents at the beginning of the year	20,681,353	21,842,291
	Cash & Cash Equivalents at the Closing of 31.03.2010	61,596,197	39,753,906
		82,277,550	61,596,197

Note : Figures in brackets indicate cash outflow.
 This is the Cash Flow Statement referred to in our report of even date.

For Kumar Vijay Gupta & Co.
 Chartered Accountants

For & on behalf of the Board

Sd/-
CA. Mahesh Goel
 (Partner)
 M.No. 88958

Sd/-
Kamakhya Chamaria
 (Vice Chairman & Managing Director)
 DIN: 00612581

Sd/-
Bijay Kumar Garodia
 (Chairman)
 DIN: 00044379

Sd/-
Santosh Kumar Bajaj
 (Whole Time Director)
 DIN: 00045759

Sd/-
J.L. Anchalia
 (Chief Financial Officer)

Kolkata, 26th May' 2010

Sd/-
Hitesh Wadhura
 (Company Secretary)

Information with regard to Subsidiary Companies

(Required to be disclosed in the Annual Report pursuant to exemption letter dated 09/04/2010 of the Ministry of Corporate Affairs, exempting the company from attaching the Annual Reports and other particulars of its subsidiary companies u/s. 212 of the Companies Act, 1956)

S. No.	Name of Subsidiary Company	Cement International Ltd.	Meghalaya Minerals & Mines Ltd.	Badarpur Energy Pvt. Ltd.	Goombira Tea Company Pvt. Ltd.	Chargola Tea Company Pvt. Ltd.	Singlacherra Tea Company Pvt. Ltd.
(a)	Financial Year ended on	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010
(a)	Share Capital	9,927,000	14,900,000	49,633,400	480,000	254,000	157,000
(b)	Reserves & Surplus	122,304,223	50,223,216	141,504,274	155,347,410	69,240,825	59,138,931
(c)	Total Assets (Fixed Assets + Investments + Current/ Deferred Assets)	302,938,070	161,843,871	457,983,626	159,348,372	71,084,228	60,860,444
(d)	Total Liabilities (Debts + Current / Deferred Liabilities)	170,706,847	96,720,655	266,845,952	3,520,962	1,589,402	1,564,513
(e)	Investments (excluding investment in subsidiary companies)	--	--	--	--	--	--
(f)	Turnover	444,595,324	87,967,654	119,460,744	--	--	118,682
(g)	Profit/ (Loss) before Taxation	34,925,974	5,474,526	(56,167,801)	(1,016,779)	(312,622)	(106,161)
(h)	Provision for Taxation	(367)	(232,335)	(154,154)	-	-	-
(i)	Profit/ (Loss) after Taxation	34,926,341	5,706,861	(56,013,647)	(1,016,779)	(312,622)	(106,161)
(ii)	Proposed Dividend	--	--	--	--	--	--

For Kumar Vijay Gupta & Co.
Chartered Accountants

Sd/-
CA. Mahesh Goel
(Partner)
M.No. 88958

Kolkata, 26th May' 2010

For & on behalf of the Board

Sd/-
Kamakhyा Chamaria
(Vice Chairman & Managing Director)
DIN: 00612581

Sd/-
Santosh Kumar Bajaj
(Whole Time Director)
DIN: 00045759

Sd/-
Bijay Kumar Garodia
(Chairman)
DIN: 00044379

Sd/-
J.L. Anchalia
(Chief Financial Officer)

Sd/-
Hitesh Wadhera
(Company Secretary)



BARAK VALLEY CEMENTS LIMITED

Regd. Office : 202, Royal View, B.K. Kakoti Road, Ulubari, Guwahati, Assam-781007

ATTENDANCE FORM

Member(s) or his/her/their proxy(ies) is requested to present this form for admission, duly signed in accordance with his/her/their specimen signature(s) registered with the Company.

Name: _____ Folio No./DP ID _____ No. of Shares _____

I hereby record my presence at the 11th ANNUAL GENERAL MEETING of Barak Valley Cements Limited held on Saturday, the 7th day of August, 2010 at 202, Royal View, B.K. Kakoti Road, Ulubari, Guwahati, Assam at 2.00 P.M. or any adjournment thereof.

Please √ in the box.

Member Proxy

Name of the Proxy in Block Letters

Member's Signature

Proxy's Signature



BARAK VALLEY CEMENTS LIMITED

Regd. Office : 202, Royal View, B.K. Kakoti Road, Ulubari, Guwahati, Assam-781007

PROXY FORM

I/We.....of.....in the
district of.....being a member(s) of BARAK
VALLEY CEMENTS LIMITED hereby appoint.....of.....
.....in the district of.....or failing
him.....of.....
in the district of.....as my/our proxy(ies) to attend and vote for me/us on my/
our behalf at the 11th Annual General Meeting of the Company to be held on 07th day of August, 2010 and any adjournment thereof.

Signed on.....at.....

Name.....

Signature (s).....

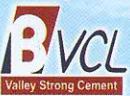
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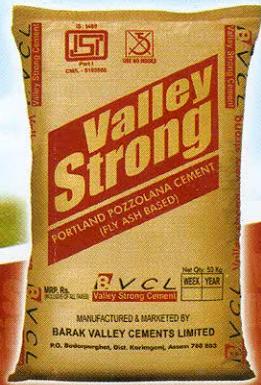
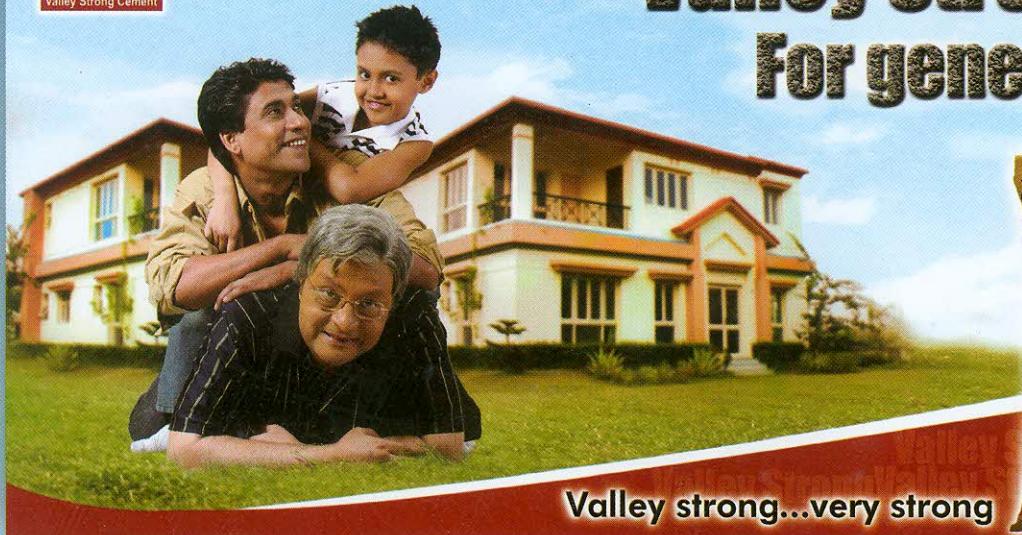
*Applicable for Shareholders holding shares in electronic form.

Notes:

1. The Proxy need NOT be a member.
2. The Proxy Form duly signed across a Revenue Stamp of one rupee should reach at company's Registered Office at least 48 hours before the meeting.
3. That a shareholder holder may vote either for or against each resolution.



Valley Strong For generations



Barak Valley Cements Limited

Registered Office:

202, Royal View, B.K. Kakoti Road, Ulubari, Guwahati, Assam

Phone : 0361-2464670, 2464671

Fax : 0361-2464672

E-mail : guwahati@barakcement.com

Works:

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Phone : 03845-269435, 269881

Fax : 03845-268965

E-mail : bdp@barakcement.com

Corporate Office:

281, Deepali, Pitampura, Delhi

Phone : 011-270033828/29

Fax : 011-27033830

E-mail : delhi@barakcement.com

CF-361, Salt Lake City, Kolkata - 700064

Phone : 033-40046161, 40046162

Fax : 033-40046164

E-mail : kolkata@barakcement.com

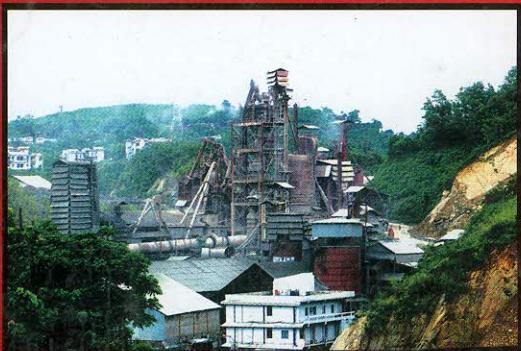
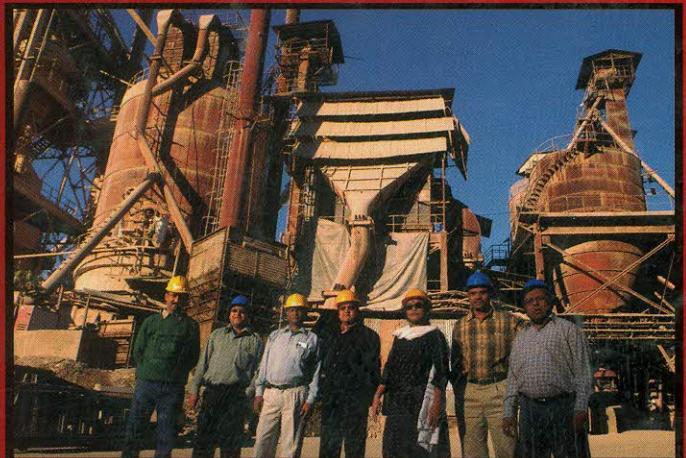
Bharat Trade Building, Shyama Prasad Road, Silchar, Assam

Phone : 03842-239230, 231573

Fax : 03842-239230

website : www.barakcement.com

www.legit.com



Barak Valley Cements Limited
Debendra Nagar, Jhoombasti, P.O. Badarpurghat
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