

**BOARD OF DIRECTORS**

Sri S. CHANDRA MOHAN	CHAIRMAN
Capt. J. RAMA RAO IN (Retd.)	DIRECTOR
Sri K.R. CHARI	DIRECTOR
Sri S.V. REDDY	DIRECTOR
Sri S. KISHORE CHANDRA	WHOLE TIME DIRECTOR
Sri S.R.B. RAMESH CHANDRA	MANAGING DIRECTOR
Sri K.A.N. SUBBA RAO	COMPANY SECRETARY

AUDITORS

A. Ramachandra Rao & Co.,
Chartered Accountants
3-6-369/A/11, Himayatnagar,
Hyderabad – 500 029.

COST AUDITORS

DZR & Co.,
104, Praveen Residency,
H.No.2-2-14/2/104,
Durgabai Deshmukh Colony
Hyderabad – 500 007

BANKERS

Axis Bank Limited
Corporation Bank
ICICI Bank Limited
Karnataka Bank Ltd
Oriental Bank of Commerce
State Bank of Hyderabad
United Bank of India

REGISTERED OFFICE

6-3-652/C/A, Flat 5A,
KAUTILYA, Amrutha Estates
Somajiguda,
Hyderabad – 500 082
Website : www.bheemacements.co.in

WORKS

Ramapuram
Mellacheruvu Mandal,
Nalgonda Dist.
ANDHRA PRADESH – 508 246

**NOTICE**

Notice is hereby given that the 31th Annual General Meeting of the Company will be held on Thursday the 30th Day of September, 2010 at 10.00 A.M at Conference Hall, Hotel NKM's Grand, 6-3-563/31/1, Taraporewala Lane, Erramanzil, Somajiguda, Hyderabad – 500 082 to transact the following business:

A. ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 Balance sheet and Cash Flow Statement as on that date together with the reports of the Directors' and Auditors' thereon.
2. To Declare 12% Dividend on Equity Shares of the Company for the year ended 31st March, 2010.
3. To appoint M/s. A. Ramachandra Rao & Co., Chartered Accountants, as Auditors 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 to fix their remuneration.
4. To Appoint Director in place of Sri K.R.Chari, who retires by rotation and being eligible, offers himself for re-appointment

By order of the Board
For **BHEEMA CEMENTS LIMITED**

Sd/-
K.A.N. SUBBARAO
Company Secretary

Place: Hyderabad
Date: 14-08-2010

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORMS, SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
2. The Share Transfer Books of the company shall remain closed from 24th September, 2010 to 30th September 2010 (both days inclusive).
3. Dividend @12% as recommended by the Board of Directors, if declared by the Company at the meeting, will be paid subject to the provisions of Section 205A of the Companies Act, 1956, to those shareholders whose names appear on the Register of Members of the Company as on closing hours of 23rd September, 2010 or to their mandates, to the extent eligible, and also to the beneficial owners of equity shares held in electronic form on the same date as per the details furnished by the Depositories for this purpose.
4. The Securities and Exchange Board of India (SEBI) and the Department of Company Affairs have made it mandatory for all the listed companies to offer Electronic Clearing Service (ECS) facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders' account, elimination of loss of instruments in transit or fraudulent encashment etc. Currently, the facility is available at locations specified by RBI. In case of shareholders staying at locations not currently covered by ECS, the bank account details will be used for suffixing along with the name of the shareholder on the Dividend Warrant. In view of the above:
 - i. Shareholders holding shares in Physical Form and desirous of availing the facility are requested to complete the ECS Form attached to this Annual Report and forward the same to the Company at its registered address.
 - ii. Shareholders holding shares in Dematerialised Form are requested to provide the Bank details to their Depository participants for incorporation in their records. The Depository in turn would also forward the required information to the Company.
5. Members desiring any information are requested to write to the Company at its Registered Office, 6-3-652/C/A, Flat 5A, KAUTILYA, Amrutha Estates, Somajiguda, Hyderabad – 500 082 well in advance of the date of the Annual General Meeting to enable the Management to keep the information ready.
6. Members are requested to bring their copies of Annual Report to the Annual General Meeting.
7. Members/Proxies should bring the attendance slip sent here with duly filled in for attending the Meeting.

By order of the Board
For **BHEEMA CEMENTS LIMITED**

Sd/-

K.A.N. SUBBA RAO
Company Secretary

Place: Hyderabad
Date: 14-08-2010



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 31st Annual Report together with the Audited Statement of Accounts of your Company for the year ended 31st March, 2010.

FINANCIAL RESULTS:

The Financial highlights for the year under review are given below: (Rs. in lacs)

	2009-10	2008-09
Sales and Other Income	9682.72	8878.39
EBITA	2404.50	2864.85
Interest	484.64	562.57
Depreciation	298.99	300.54
Profit Before Tax	1620.87	2001.74
Provision for Tax*	*616.20	*513.26
Profit After Tax	498.72	1546.32
Net Worth**	**15605.94	**16207.32

* Includes Provision for Fringe Benefit Tax and Deferred Tax

** Includes Mineral Capitalization Reserve of Rs.728.32 Lacs.

OPERATIONS

Your Directors are glad to report that the Company has maintained satisfactory Production and Sales levels. During the year the Company achieved production of 2,51,600 MTs of Cement (Previous year 2,56,479 MTs) and sold 2,51,709 MTs (Previous year 2,56,200 MTs) and the Company has produced 1,63,594 MTs Clinker during the year (previous year 1,68,700 MTs).

DIVIDEND

Your Directors are pleased to recommend dividend @12% on Equity Share Capital of the Company for the Year ended 31st March, 2010.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956 the Board of Directors state:

- i) that in preparation of the Annual Accounts, applicable accounting standards have been followed and there were no material departures there from except as otherwise explained in the notes to accounts.
- ii) that the directors have selected such accounting policies and adopted them consistently, except as stated in the notes on accounts, and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March, 2010 and Profit & Loss account of the company for the year ended 31st March, 2010. The auditor's comments in this regard are self explanatory.
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) that the accounts were prepared on a going concern basis.

DIRECTORS

Sri K.R. Chari retires by rotation and being eligible, offers himself for re-appointment.

AUDITORS

A. Ramachandra Rao & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of this Annual General Meeting and they are eligible for re-appointment as statutory auditors of the Company to audit the accounts of the Company for the financial year 2010-11.

COST AUDITORS

Pursuant to the provisions of Section 233B of the Companies Act, 1956 your Directors have appointed M/s DZR & Co., Cost Accountants as Cost Auditors for the Financial Year 2010-11.



PARTICULARS OF EMPLOYEES

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended is as follows :

Name	Age	Qualification	Designation	Date of Commencement	Years of experience	Remuneration	Previous Employment
Venkata Vasudev	42	B.E. M.B.A	Executive Director (Not on Board)	01-04-2004	19	Rs.1,64,48,400/-	Vice President IMAP Technologies Limited

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Additional information on Conservation of Energy, Technology absorption, Foreign Exchange earnings and out go as required to be disclosed in terms of Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed thereto (Annexure-I) and forms part of this report.

HUMAN RESOURCES

Your Company maintains a constructive relationship with its employees by creating a positive work environment with focus on improving productivity and efficiency. Your company adopts an open door policy to promote better working environment for all employees that encourages innovation and creativity. Your company has been holding monthly meetings at factory for the last 11 years where the Management interacts with all the employees which nurtures a good employer employee relation and also provides to air their views for achieving better results. This has led to increased employee participation for better productivity and congenial environment at work.

Since the date of incorporation your Company has not lost a single day of work due to industrial strike. The industrial relations during the year were harmonious. Your Directors wish to place on record the co-operation extended by Employees in achieving the objectives of your Company.

Your Company has in place an Internal Recruitment Scheme, Training Programmes and Talent Management Initiatives for providing growth to employees.

CORPORATE COMMITMENT TO THE COMMUNITY

Your Company has always been a responsible corporate citizen and has made significant contributions towards community development. Bheema Cements Ltd has always lived by its philosophy of “Serving Society through Industry”. Your Company believes in living every moment of life in harmony with nature to create value for itself, its stakeholders and the society. Your



Company supports various social causes by providing drinking water, basic medical facilities and minimum education to the people in the adjoining villages. Your Company takes active interest in environmental issues and is continually making efforts to make eco-friendly zone. Your Company has also been assisting the surrounding community with primary health and veterinary programs. Your company made significant contributions towards education, sports, health and community welfare.

ACHIEVEMENTS

Your directors are happy to state that your company has been awarded the ISO 9001:2008 Certification for its Quality Management System Standard by DNV, Netherlands.

ACKNOWLEDGEMENTS

Your Directors wish to take this opportunity to express their grateful appreciation and deep sense of gratitude to the AXIS Bank, Corporation Bank, ICICI Bank, Karnataka Bank, Oriental Bank of Commerce, State Bank of Hyderabad and United Bank of India, various Departments of Central and State Governments for their valuable guidance and co-operation extended during the year and look forward to their continued support in future. Your Directors would like to thank all the Share Holders, Dealers and Consumers for the confidence reposed in the Company and its management.

Your Directors wish to place on record a deep sense of appreciation for the devoted services rendered by the Executives, Staff and Workers of the Company at all levels.

For and on behalf of the Board

Sd/-

S. CHANDRA MOHAN
CHAIRMAN

Place: Hyderabad
Date: 14th August, 2010

Sd/-

S.R.B.RAMESH CHANDRA
MANAGING DIRECTOR

**ANNEXURE TO DIRECTORS' REPORT****ANNEXURE - I**

Disclosure of particulars with respect to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under Companies (Disclosure of particulars in the Board of Directors' Report) Rules, 1988.

A. Conservation of Energy**a. Energy Conservation Methods adopted :**

Conservation of energy continues to be accorded top with priority, as it not only helps bring down carbon emissions, but also adds to the net profits of the company by way of reduced input costs. Efforts are being made in monitoring, on a continuous basis, for energy conservation.

b. Additional Investments and proposals, being implemented for reduction of consumption of energy.

The Company has continued efforts in the already identified following areas where there was ample scope for energy conservation and carried out modernization.

1. Maintain consistently the low pressure drop across the Pre-Heater.
2. Improve the Clinker quality consistently to improve blending efficiency to produce more of the blended cement.

c. By implementing the above mentioned two measures the Company is aiming to achieve improved calcinations.**d. The total energy consumption and energy consumption per unit of production. The above information is given in the prescribed Form - A annexed.****3. Keeping in line with our active participation in the environmental issues and the directives of the BEE (Bureau of Energy Efficiency), GOI, our company has carried out experiments on newer grade of blended cement which would meet the requirements of the ECBC (Energy Conservation Building Code) as stipulated in the EC Act 2001. Our company is planning to develop special quality of low heat transfer and high heat insulation cement for the exterior (envelop) of the buildings to make them more energy efficient.**

B. Technology Absorption

Particulars are given in Form "B" annexed:

C. Foreign Exchange savings and outgo

- a. Activities relating to exports, initiatives taken to increase export, development of new export market for production & services and export plans.

The company presently is not envisaging any export market for production & services and export plans.

(Rs. In '000)

- b. Total foreign exchange used : Nil





**FORM – A
(See Rule – 2)
FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO
CONSERVATION OF ENERGY**

	For the Year ended 31.03.2010 (12 Months)	For the Year ended 31.03.2009 (12 Months)
A. POWER AND FUEL CONSUMPTION		
1. Electricity:		
a. Purchased		
Units (Nos.)	1,82,64,258	1,94,61,722
Amount (Rs.)	6,38,21,933	6,27,32,447
Rate/Unit (Rs.)	3.49	3.22
b. Own Generation		
i) Through Diesel Generator (Unit/Nos.)	1,00,655	1,44,354
Units per Ltr. of Diesel Oil	2.94	3.03
Cost/Unit (Rs.)	11.37	11.68
ii) Through Steam Turbine Generator Unit per Ltr. of Fuel Oil / Gas Cost/Unit (Rs.)	—	—
2. Fuel:		
Coal used in Kiln:		
Quantity (Mts)	32,305	36,504
Total Cost (Rs.)	8,77,41,113	11,56,88,099
Average Rate (Rs.)	2,716.02	3,169.19
3. Furnace Oil	—	—
4. Others/Internal Generation	—	—
B. CONSUMPTION PER UNIT OF PRODUCTION		
Standard Production (with details)	OPC & PPC	OPC & PPC
Electricity (Units/Ton of Cement)	77.35	77.45
Coal (% on Clinker)	19.75	21.64

**FORM- B
(See Rule-2)
FORM OF DISCLOSURE OF PARTICULARS WITH
RESPECT TO TECHNOLOGY ABSORPTION**

RESEARCH AND DEVELOPMENT (R&D):

The company has been continuously investing in in-house experimentation in various areas to maintain quality of cement.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

The company has made several efforts to bring down Power and Coal Consumptions.



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Company philosophy on the code of Corporate Governance is:

- (i) To ensure that adequate control systems exist to enable the board to effectively discharge its responsibility to all the shareholders of the company.
- (ii) To ensure that the decision making process is fair and transparent.
- (iii) To ensure full commitment of the Management and the board for maximization of shareholders value.
- (iv) To ensure that the employees of the company subscribe to the corporate values and apply them in their conduct and to ensure that the company follows globally recognized Corporate Governance practices.

2. Board of Directors:

- (i) Composition: the details of composition and categories of Directors are:

Name	Category	Designation held	No.of Meetings held	No. of Meetings Attended	Whether Attended Last AGM (Y/N)	No. of Directorships In other Boards	No. of Membership In other committees
Sri S.Chandra Mohan	Executive Director	Chairman	7	7	Yes	Nil	Nil
Sri S.R.B.Ramesh Chandra	Executive Director	Managing Director	7	7	Yes	Nil	Nil
Sri S.Kishore Chandra	Executive Director	Whole time Director	7	2	Yes	Nil	Nil
Capt J.Rama Rao	Independent	Non Executive Director	7	4	No	Nil	Nil
Sri S.V.Reddy	Independent	Non Executive Director	7	7	yes	1	2
Sri K.R.Chari	Independent	Non Executive Director	7	4	Yes	1	1

Meeting of Board of Directors

During the Financial year 2009-10 Board of Directors met on the following dates: 28th May, 2009, 29th June, 2009, 30th July, 2009, 31st August, 2009, 31st October, 2009, 10th December, 2009 and 30th January, 2010.



3. Audit committee: As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted consisting of two Independent Directors and one Executive Director as Sub-Committee to the Board and considers the terms of reference as stipulated under Clause 49 of the Listing Agreement :

Composition and other details: The Audit Committee of the Company was constituted with two Independent Directors and one Executive Director viz.,

Chairman	-	Sri. K.R.Chari	-	Independent Director
Member	-	Sri S.V.Reddy	-	Independent Director
Member	-	Sri S.Chandra Mohan	-	Promoter Director

During the year the Audit Committee met 4 times on the following Dates:

29th June, 2009

30th July, 2009

31st October, 2009 and

30th January, 2010

Attendance of the Directors in the Audit Committee Meeting:

Name of the Director	No. of Meetings held	No. of Meetings attended
Sri K.R.Chari	4	4
Sri S.V.Reddy	4	4
Sri S. Chandra Mohan	4	4

4. Remuneration Committee:

a) Composition, Name of the Chairman and members:

Sri K.R.Chari

Sri S.V.Reddy

Sri S.Chandra Mohan

b) The Terms of reference stipulated by the Board to the Remuneration Committee:

To formulate a remuneration policy and approve the remuneration or revise the remuneration payable to the Managing/Whole Time Directors. The remuneration policy of the Company is directed towards motivating and retaining the senior officers of the Company by rewarding performance.



5. Share Holders / Investors Grievance Committee

a. **Constitution** : The share holders grievance committee was constituted by the Board of Directors in accordance with the requirement of clause 49 of the listing agreement.

b. **Composition** :The composition of the Committee is as follows:

Chairman	-	Sri S.R.B.Ramesh Chandra	-	Managing Director
Member	-	Sri S.Chandra Mohan	-	Executive Chairman
Member	-	Sri S.Kishore Chandra	-	Whole Time Director

c. **Functions** : The functions of the committee are as follows: To oversee

- (i) Share Transfer with in stipulated time.
- (ii) Non-receipt of Dividends, if any.
- (iii) To consider Replacement of lost/ stolen/ mutilated share certificates.
- (iv) Non-receipt of rights/ bonus / share certificates.
- (v) Other related issues.

6. GENERAL BODY MEETINGS

a. Details of Location and Time of holding the last three Annual General Meetings.

Date	Venue	Time	No. of Special Resolutions
December 31, 2007	Hotel NKM's Grand, Erramanzil Colony, Hyd	10.00 AM	1
September 24, 2008	Hotel NKM's Grand, Erramanzil Colony, Hyd	10.00 AM	3
September 30, 2009	Hotel NKM's Grand Erramanzil Colony, Hyd	10.00 AM	Nil



7. DISCLOSURES

- (a) **RELATED PARTY TRANSACTIONS:** The Company has no related party transactions during the year 2009-2010 .
- (b) **COMPLIANCE BY THE COMPANY:** The Company has complied with the requirements of the Stock Exchange, Securities Exchange Board of India (SEBI) and other Statutory authorities on all matters related to capital markets during the last three years; no penalties, strictures have been imposed on the company by the Stock Exchange or Securities Exchange Board of India (SEBI) or any other Statutory authorities relating to the above.

8. MEANS OF COMMUNICATION:

- a. In compliance with the requirements of Listing Agreement, the Company regularly intimates Un-audited as well as Audited financial results to the Stock Exchange immediately after they are taken on record by the Board. These financial results are normally published in the Times of India, The New Indian Express, Economic Times and Eenadu, Andhra Prabha (Telugu) Newspapers.
- b. Company displays Un-audited and Audited Results on its Web Site www.bheemacementes.co.in
- c. The Management Discussion and Analysis Report is part of this Annual Report.

9. GENERAL SHAREHOLDERS INFORMATION:

(a) Annual General Meeting :

Date & Time : 30th September, 2010 at 10.00 A.M

Venue : Conference Hall, Hotel NKM's Grand, Erramanzil,
Somajiguda, Hyderabad

(b) Tentative calendar of events for the Financial Year 2010-11 (April - March) is given below:

- (i) Un-audited Financial Results:
- | | | |
|--|---|--------------------|
| For the Quarter ending 30 th June, 2010 | - | 14th August 2010 |
| For the Quarter ending 30 th September 2010 | - | 14th November 2010 |
| For the Quarter ending 31 st December,2010 | - | 14th February 2011 |
| For the Quarter ending 31 st March 2011 | - | 15th May 2011 |
- (ii) Financial year - April - March



- (c) Date of Book Closure : 24th September, 2010 to 30th September, 2010 (both days inclusive)
- (d) Listing on Stock Exchange : The Equity Shares of the company are listed on:
The Bombay Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001
- (e) STOCK CODES:
B.S.E CODE NO : 518017
ID ON HOST : 1480
- (f) ISIN Number for NSDL & CDSL : INE333H01012
- (g) Registrars & Transfer Agents : Share Transfers & Communication regarding Share Certificates and Change of address etc.

M/s BIGSHARE SERVICES PRIVATE LIMITED, G-10,
Left Wing, Amrutha Ville, Opp: Yashoda Hospital,
Somajiguda, Rajbhavan Road, Hyderabad – 500 082

Phone: +91-40-23374967, Fax: +91-40-23370295
E-mail ID: bsshyd@bigshareonline.com
- (h) The listing fee for the year 2010-11 has been paid to Bombay Stock Exchange where the Company's shares are listed.
- (i) Outstanding GDRs/ADRs/Warrants or any Convertible instruments conversion date & likely impact on equity:

Promoters have not exercised the option to convert 20,00,000 Convertible Warrants earlier allotted within due date of conversion and hence application money received on the above warrants has been forfeited in the Board Meeting held on 21st April, 2010.

Hence no Outstanding GDRs/ADRs/Warrants or any Convertible instruments
- (j) Pursuant to the Guidelines issued by the Securities and Exchange Board of India vide Circular no.D&CC/FITTC/CIR-15/2002 dated 27th December, 2002 regarding 'Appointment of Common Agency' for share registry work, the Board of Directors have appointed M/s BIGSHARE SERVICES PRIVATE LIMITED, as Share Transfer Agents.



(k) Distribution of Shareholding as on 31st March, 2010.				
Share holding of Nominal value (Rs.)	Number of Shareholders	%	Number of shares	%
Upto 5000	769	62.37	1,60,288	0.61
5001-10000	230	18.65	1,45,599	0.55
10001-20000	98	7.95	1,34,716	0.51
20001-30000	42	3.41	1,11,650	0.42
30001-40000	4	0.32	13,400	0.05
40001-50000	9	0.73	40,330	0.15
50001-100000	24	1.95	1,57,888	0.60
100001 & above	57	4.62	2,57,16,746	97.11
Total	1233	100.00	2,64,80,617	100.00
(l) Shareholding Pattern as on 31st March, 2010.				
Sl.No	Category	No of shares	%	
1.	Promoters	1,95,98,216	74.01	
2.	Financial Institutions & Banks	—	—	
3.	Foreign Institutional Investors	—	—	
4.	Non-Resident Indians	275	0.00	
5.	Corporate Bodies	28,92,600	10.92	
6.	Mutual Funds & UTI	—	—	
7.	Others	39,89,526	15.07	
	Total	2,64,80,617	100.00	
(m) <u>Plant Location of the Company :</u>				
Ramapuram Village,				
Mellachervu Mandal, Nalgonda District- 508 246				



(n) Address for Correspondence :

- ❖ For suggestions / Grievances/ Queries to:
K.A.N. Subba Rao,
Company Secretary
Bheema Cements Limited,
Regd. Office: 6-3-652/C/A, Flat 5A,
Kautilya, Amrutha Estates,
Somajiguda, HYDERABAD – 500 082
E-mail ID: complianceofficer@bheemacements.co.in
- ❖ For Share Transfer / Dematerialization / Consolidation / Split of Shares, Issue of Duplicate Share Certificates and Change of Address of members:
M/s BIGSHARE SERVICES PRIVATE LIMITED
G-10, Left Wing, Amrutha Ville, Opp: Yashoda Hospital,
Somajiguda, Rajbhavan Road, Hyderabad – 500 082
Phone: +91-40-23374967, Fax: +91-40-23370295
E-mail ID: bsshyd@bigshareonline.com

(o) Depository Services:

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

<p>National Securities Depository Limited Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Tel: +91-22-24972964 to 70 Fax: +91-22-24972993 / 24976351 Email: info@nsdl.co.in</p>	<p>Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai – 400 023 Tel: +91-22-22723333 Fax: +91-22-227231 Email: investors@cdslindia.com</p>
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(p) **Shareholders Right :** The Quarterly & Yearly declaration of financial performance including summary of the significant events in last three months should be known to the shareholders.

As the Company's Quarterly & Yearly results are published in English Newspaper and in Telugu Newspaper (Vernacular language) having wide circulation, the Quarterly & Yearly financial information is brought to the knowledge of the shareholders.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report on the Business of the Company as applicable and to the extent relevant is given below:

Overview & Operations of the Company:

Bheema Cements Ltd has been in the cement manufacturing business for the last 23 years. It started its business with manufacture of Ordinary Portland Cement and later diversified into manufacturing the Pozzolona Portland Cement in the name and style of "Bheema Super Grade". There has been a positive response from the market and we are leading suppliers of this brand in some areas of Andhra Pradesh. We are making all out efforts to extend this lead to other areas of Andhra Pradesh also, by adopting effective marketing and management controls. We also plan to gradually penetrate into the markets of the areas like Tamilnadu, Karnataka, Orissa and Maharashtra. It has been our constant endeavor to bring down the costs and we are putting best efforts to minimize the costs in all respects.

The overall performance of the Company during the period under review continues to be positive.

Business Environment:

With the increased capacities to meet the demand and better price realizations, the company expects to consolidate its position in the market by becoming a major cement player in the region. The Company also strives to improve its efficiency levels in all areas of its operations by reducing the costs thereby increasing the profits.

**Opportunities and Threats:**

There has been a global rise in demand for the cement due to increased activity in infrastructure. India has also witnessed a growth in cement needs with Governments at Centre and State putting their thrust in the areas of infrastructure development like roads, irrigation projects, housing etc. With this background, the Company sees great opportunity for the industry to grow as a whole.

Any adverse changes in the Government policies relating to price interventions, taxes and duties, increase in input costs etc may have an effect on the profitability and growth of the industry as a whole.

Future Outlook:

Government of India proposes spending more than US\$ 500 billion on infrastructure in the 11th Five Year Plan with Requirement of 75 mmt cement for Road Infrastructure and 45 mmt for Power Infrastructure. Population growing at the rate of 1.5% would boost the overall demand for housing and in turn cement. Advanced technology helping the industry to conserve energy and reduce the cost of production.

Risks and Concerns:

Any change in policies of the Government, increase in input costs, human resources, drop in demand due to adverse market conditions, may strain the performance of the company and effect its profitability.

Internal Control Systems and their adequacy:

The company has adequate Internal control systems that commensurate with the size of the company. The Company is also continuously monitoring its control systems and upgrading itself to meet the market dynamics.

**Cautionary Statement:**

Statement in this “Management Discussion & Analysis” may be considered to be “forward looking statements” within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations including global and Indian demand and supply conditions, increased installation capacities, finished goods prices, raw materials supply and availability and their prices, cyclical demand and pricing in the company's markets, changes in Government regulations, tax regimes, besides other factors such as litigations and labor negotiations.



**CEO / MD CERTIFICATE**

The Board of Directors
BHEEMA CEMENTS LTD

I certify that :

1. I have reviewed the financial statement, read with the cash flow statement of BHEEMA Cements Limited (the Company) for the year ended 31st March, 2010 and to the best of my 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 and other financial information included in this report present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my 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;
3. Based on the recent most evaluation on internal controls and systems I have to state:
 - (i) that there were no deficiencies in the design or operation of internal controls, which I am aware;
 - (ii) that there have been adequate internal controls in the company,
 - (iii) that there was no fraud, which I have become aware of and that involves managements or other employees who have a significant role in the companies internal control systems.

Place: Hyderabad

Sd/-

Date: 21-04-2010

S.R.B. RAMESH CHANDRA
MANAGING DIRECTOR

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

Pursuant to the Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October, 2004, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year 2009-10 as envisages in Clause 49 of the Listing agreement with Stock Exchange.

Place: Hyderabad

Sd/-

Date: 21-04-2010

S.R.B. RAMESH CHANDRA
MANAGING DIRECTOR



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
M/s. Bheema Cements Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. Bheema Cements Limited, for the period ended 31st March 2010, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The compliance of conditions of Corporate governance is the responsibility of the management. Our examinations was limited to procedures and implementation 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.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and the management, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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 A Ramachandra Rao & Co.
Chartered Accountants
ICAI FRN: 002857S

Sd/-

(P.S.R.V.V.Surya Rao)
Partner
Membership No.202367

Place: Hyderabad
Date: 28/05/2010



AUDITORS' REPORT

To
The Members of
M/s.Bheema Cements Limited,

We have audited the attached Balance Sheet of M/s. Bheema Cements Limited, as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditor's Report) Order, 2003, and amendments there to made from time to time, issued by the Central Government of India in terms of sub – section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. 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 purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the mandatory accounting standards, referred to in sub - section (3C) of section 211 of the Companies Act, 1956,
 - (v) On the basis of written representations received from the Directors, as on 31st March,



2010 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 Clause (g) of sub section (1) of section 274 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 the significant Accounting Policies and other notes thereon, give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India;
- a) In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March 2010 ;
- b) In the case of Profit and Loss Account, of the Profit for the Year ended on that date; and
- c) In the case of Cash Flow Statement, of the Cash Flows for the Year ended on that date.

For A.RAMACHANDRA RAO & CO.,
Chartered Accountants
ICAI FRN: 002857S

Sd/-

(A. RAMACHANDRA RAO)
Partner
Membership No. 9750

Place: Hyderabad,
Date: 28/05/2010.



ANNEXURE TO THE AUDITOR'S REPORT

(Of even date referred to in Para 3 of our Report)

Re: M/s. Bheema Cements Limited

- (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 program of verification which in our opinion, is reasonable having regard to the size of the company and the nature of its assets and to the best of our knowledge no material discrepancies were noticed on such verification;
- (c) In our opinion, the Company has not disposed off substantial part of Fixed Assets during the year and the going concern status of the company is not affected.
- (ii) (a) As explained to us inventories have been Physically verified by the Management at regular intervals during the year;
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) The Company is maintaining proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) Based on the information and explanations provided to us, the company has not granted or taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained u/s 301 of the Act during the year. Accordingly the sub-clauses (b),(c),(d),(e) and (f) of clause 4(iii) are not applicable for the year.
- (iv) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in the internal control.
- (v) In our opinion, and according to the information and explanations given to us, the company has not entered into any transactions referred to in section 301 of the Act and hence clause 4(v) is not applicable to the company.



- (vi) Based on the information provided to us, the Company has not accepted any deposits from the public during the year and hence, in our opinion, the clause 4(vi) is not applicable to the company for the year.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) We are of the opinion, based on information provided to us, that the accounts and records, as prescribed by the Central Government under Sec. 209(1)(d) of the Act in respect of maintenance of cost records, have been made and maintained.
- (ix) a) According to the records of the Company, the company is regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty and Cess, Investor Education and Protection Fund with the appropriate authorities. We have been informed that the provisions of, Wealth Tax are not applicable to the company.
b) According to the information and explanations given to us, there are no dues of Sales Tax/Income Tax/Wealth Tax/Customs Duty/Excise Duty/Cess to be deposited on account of any dispute;
- (x) The Company has no accumulated losses and has not incurred any cash losses during the year covered by our audit or in the immediately preceding financial year.
- (xi) Based on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company 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, clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- (xiv) In our opinion, the Company has not dealt or traded in shares, securities, debentures or other investments during the year.
- (xv) As per the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and based on the explanations given to us, the Term Loans were applied for the purpose for which the loans were obtained.



- (xvii) According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used specifically for long-term investments.
- (xviii) In our opinion and based on the information provided and explanations offered, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s. 301 of the Companies Act, 1956 and hence Clause (xviii) of the Order is not applicable to the company for the year.
- (xix) The Company has not issued any debentures and not created any securities or charges in respect of any debentures.
- (xx) In our opinion and based on the explanations given to us, the Company has not raised any money by Public issue during the year.
- (xxi) In our opinion and according to the information provided and explanations offered to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For A.RAMACHANDRA RAO & CO.,
Chartered Accountants
ICAI FRN: 002857S

Sd/-

(A. RAMACHANDRA RAO)
Partner
Membership No. 9750

Place: Hyderabad,
Date: 28/05/2010.



BHEEMA CEMENTS LTD			
BALANCE SHEET AS AT 31ST MARCH, 2010			
	Schedule	As at 31-03-2010 (Rs in '000)	As at 31-03-2009 (Rs in '000)
LIABILITES			
Share Capital	A	264806.17	264806.17
Share Application Money	B	292030.00	247730.00
Reserves & Surplus	C	1295787.45	1355925.01
Secured Loans	D	1872432.41	1411748.91
UnSecured Loans	E	306289.37	209323.75
Deferred Tax Liability		143886.20	88836.09
Current Liabilities and Provisions	F	144369.06	273993.80
TOTAL		4319600.66	3852363.73
ASSETS			
Fixed assets	G	4019827.46	3364399.02
Less : Depreciation		375980.90	306426.43
Net Block		3643846.56	3057972.59
Investments	H	0	7000.00
CURRENT ASSETS, LOANS AND ADVANCES			
Current Assets	I		
Inventories		299835.57	211965.11
Sundry Debtors		172614.01	152468.05
Cash & Bank Balance		38646.02	28891.54
Other Current Assets		411.04	218.39
		511506.64	
Loans & Advances	J	164247.46	393848.05
TOTAL		4319600.66	3852363.73
Significant Accounting Policies	S		
Notes To Accounts	T		
As per our Report Attached		For and on behalf of the Board	
For A. RAMACHANDRA RAO & CO.,		Sd/-	
Chartered Accountants		S. CHANDRA MOHAN	
ICAI FRN: 002857S		Chairman	
Sd/-		Sd/-	
A. RAMACHANDRA RAO		S.R.B. RAMESH CHANDRA	
Partner		Managing Director	
Membership No. 9750			
		Sd/-	
Place : Hyderabad		K.A.N. SUBBA RAO	
Date : 28.05.2010		Company Secretary	



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010			
	Schedule	For the year ended 31.03.10 (Rs. in'000)	For the period ended 31.03.09 (Rs. in'000)
INCOME			
Sales		968672.39	919341.23
Increase / (Decrease) in Stocks	K	59068.85	8693.93
Other Income	L	10325.45	6327.11
		1038066.69	934362.27
EXPENDITURE			
Consumption of Raw Materials		357689.80	125006.11
Consumption of Stores & Spares		11375.14	14428.97
Packing Materials		36800.43	38201.65
Power & Fuel	M	152707.54	180106.56
Manufacturing Expenses	N	10722.02	9025.60
Taxes & Duties	O	137206.47	183035.69
Employee cost	P	33369.70	38885.79
Administrative & Sales Expenses	Q	57745.15	59185.82
Depreciation		102731.18	
Less: Transfer from Mining Revaluation Revaluation Reserve		<u>72832.38</u>	
Interest	R	48464.20	56257.40
		875979.25	734188.07
Profit before Tax		162087.44	200174.20
Less: EXTRA ORDINARY ITEMS			
Loss from sale of fixed assets and Investments		50595.03	0.00
		111492.41	200174.20
PROVISION FOR TAX			
Current Tax		6570.27	10300.00
Fringe Benefit Tax		0.00	642.65
Deferred Tax Liability		55050.12	34599.01
Net Profit After Tax		49872.02	154632.54
Net Surplus brought forward from the Previous Year		113449.32	6183.54
Net Surplus available for appropriation		163321.34	160816.08
APPROPRIATIONS:			
Proposed Dividends		31776.74	26740.59
Dividend Tax		5400.46	4544.56
Transfer to General Reserve		4987.20	16081.61
Surplus transferred to Balance Sheet		121156.94	113449.32
Earnings per share (Rs) Basic		1.88	6.58
Diluted		1.75	5.84
(Refer Note of Schedule 7)	S		
Significant Accounting Policies	T		
Notes to Accounts			
As per our Report Attached		For and on behalf of the Board	
For A. RAMACHANDRA RAO & CO., Chartered Accountants ICAI FRN: 002857S Sd/-		Sd/- S. CHANDRA MOHAN Chairman	
A. RAMACHANDRA RAO Partner Membership No. 9750		Sd/- S.R.B. RAMESH CHANDRA Managing Director	
Place : Hyderabad Date : 28.05.2010		Sd/- K.A.N. SUBBA RAO Company Secretary	



	As at 31-03-2010 (Rs in '000)	As at 31-03-2009 (Rs in '000)
SCHEDULE "A" SHARE CAPITAL		
AUTHORISED		
3,30,00,000 Equity Shares of Rs. 10/- each (Previous year 3,30,00,000 Equity Shares of Rs. 10/- each)	330000.00	330000.00
4,50,000 Preference Shares of Rs. 100/- each	45000.00	45000.00
	375000.00	375000.00
ISSUED, SUBSCRIBED AND PAID UP		
2,64,80,617 (Previous year 2,64,80,617) Equity Shares of Rs. 10/- each. Of the above 1,41,80,617 Equity Shares of Rs. 10/- each were allotted as fully paid-up by way of bonus shares by capitalising free reserves (Previous year 141,80,617 Equity shares of Rs. 10/- each were allotted as fully paid-up by way of bonus shares by capitalizing free reserves)	264806.17	264806.17
	264806.17	264806.17
SCHEDULE "B" SHARE APPLICATION MONEY		
Application money towards convertible warrants	48000.00	48000.00
Deposit towards convertible warrants	244030.00	199730.00
	292030.00	247730.00
SCHEDULE "C" RESERVES & SURPLUS		
Central Subsidy	1500.00	1500.00
Housing Subsidy	1075.00	1075.00
Mineral Capitalization Reserve		
As per last Balance Sheet	1220235.24	
Less : Transferred to Profit & Loss Account	72832.38	1147402.86
	1220235.24	
General Reserve		
As per last Balance Sheet	19665.45	3583.84
Add: Amount transferred from Profit and Loss Account	4987.20	16081.61
	24652.65	19665.45
Profit & Loss Account	121156.94	113449.32
	1295787.45	1355925.01



	As at 31-03-2010 (Rs in '000)	As at 31-03-2009 (Rs in '000)
SCHEDULE "D" SECURED LOANS		
TERM LOAN		
From Banks		
Axis Bank Limited	302464.53	379000.70
ICICI Bank Limited	303078.33	329410.53
Karnataka Bank Limited	241669.06	0.00
United Bank of India	339462.15	353200.19
State Bank of Hyderabad	409104.17	200854.80
WORKING CAPITAL		
Corporation Bank	127309.70	128514.24
Axis Bank Limited	19877.26	11407.36
Karnataka Bank Limited	122573.80	0.00
DEFERRED LIABILITY	6893.41	9361.09
	1872432.41	1411748.91
SCHEDULE "E" UNSECURED LOANS		
From Promoters & Associates	3509.96	3509.96
Security Deposits from Dealers, Contractors & Others	302779.41	205813.79
	306289.37	209323.75
SCHEDULE "F" CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors		
a. For Materials	36668.76	47672.97
b. For Expenses	29409.45	26066.28
c. For other Liabilities	21775.92	28697.07
d. Project Creditors	12767.46	129329.68
	100621.59	
B. Provisions		
a. Provision for Income Tax	6570.27	10300.00
b. Provision for Fringe Benefit Tax	0.00	642.65
c. Proposed Dividend	31776.74	26740.59
d. Provision for Dividend Tax	5400.46	4544.56
	43747.47	4544.56
	144369.06	273993.80



SCHEDULE "G"												
FIXED ASSETS												
(Rs.in '000)												
PARTICULARS	GROSS BLOCK (AT COST)						DEPRECIATION				NET BLOCK	
	As at 01-04-2009	Additions During the Year 01-04-09 31.03.10	Sales / Adj During the Year 01-04-09 31.03.10	As at 31.03.10	As at 01.04.09	For the Year 01-04-09 31.03.10	Adjustment During the Year 01-04-09 31.03.10	As at 31.03.10	As at 31.03.10	As at 31.03.09		
1. LAND	26525.31	20496.55	5400.00	41621.86	0.00	0.00	0.00	0.00	41621.86	26525.31		
2. BUILDINGS	53053.55	62359.50	0.00	115413.05	15854.99	1375.36	0.00	17230.35	98182.70	37198.56		
3. PLANT & MACHINERY	276099.83	654531.77	0.00	930631.60	91542.15	10917.25	0.00	102459.40	828172.20	184557.68		
4. ELECTRICAL INSTALLATION	29991.13	1546.32	0.00	31537.45	19806.83	1104.88	0.00	20911.71	10625.74	10184.30		
5. FURNITURE & FIXTURES	16900.57	4040.28	0.00	20940.85	8455.69	1977.79	0.00	10433.48	10507.37	8444.88		
6. LABORATORY EQUIPMENT	4360.26	26.42	0.00	4386.68	743.73	220.77	0.00	964.50	3422.18	3616.53		
7. VEHICLES	20420.10	7731.97	3700.03	24452.04	4746.79	2174.42	1436.89	5484.32	18967.72	15673.31		
8. WIND FARMS	283893.34	0.00	283893.34	0.00	19611.49	12128.33	31739.82	0.00	0.00	264281.85		
9. MINING DEPOSITS	1072558.92	0.00	0.00	1072558.92	116330.66	58165.33	0.00	174495.99	898062.93	956228.26		
10. MINING LEASE RIGHTS	293341.09	0.00	0.00	293341.09	29334.10	14667.05	0.00	44001.15	249339.94	264006.99		
	2077144.10	750732.81	292993.37	2534883.54	306426.43	102731.18	33176.71	375980.90	2158902.64	1770717.67		
Capital work in progress	1287254.92	913818.56	716129.56	1484943.92	0.00	0.00	0.00	0.00	1484943.92	1287254.92		
	3364399.02	1664551.37	1009122.93	4019827.46	306426.43	102731.18	33176.71	375980.90	3643846.56	3057972.59		
Previsous Period	2049621.53	1418065.10	103287.62	3364399.02	203804.59	102886.86	265.01	306426.43	3057972.59	0.00		



SCHEDULE "H"				
INVESTMENTS	31.03.10	31.03.10	31.03.10	As at
Long term at cost, unless otherwise specified	Face Value	Units	Cost	31.03.09
Unquoted Investments				Cost
Non traded				
In mutual funds	(Rs)		(Rs. In '000)	(Rs. In'000)
ICICI Prudential Infrastructure Fund - Growth	10	0.00	0.00	1000.00
J M Basic Fund - Growth	10	0.00	0.00	1000.00
J M Financial Services Sector Fund - Growth	10	0.00	0.00	1000.00
J M Financial Small Mid-Cap Fund - Regular - Growth	10	0.00	0.00	500.00
Prudential ICICI Discovery Fund - Growth	10	0.00	0.00	500.00
Prudential ICICI Emerging STAR Fund - Growth	10	0.00	0.00	500.00
Reliance Media & Entertainment Fund - Growth	10	0.00	0.00	1000.00
Reliance Diversified Power Fund - Growth	10	0.00	0.00	1500.00
	TOTAL		0.00	7000.00



	As at 31-03-2010 (Rs in '000)	As at 31-03-2009 (Rs in '000)
SCHEDULE "I" CURRENT ASSETS		
1. INVENTORIES (Valued and Certified by Management)		
a) Stores, Spares & Consumables (at Cost)	191162.75	164153.43
b) Raw Materials (at Cost)	9588.94	7796.65
c) Work-in-Process (at Cost)	97509.86	38305.45
d) Finished Goods (at Cost or realizable value whichever is less)	1574.02	1709.58
	<u>299835.57</u>	
2. SUNDRY DEBTORS (UNSECURED & CONSIDERED GOOD)		
Out standing for over six months	696.64	435.22
Other Debts	171917.37	152032.83
3. Cash Balance on Hand	1937.23	489.01
4. Balance With Scheduled Banks		
i) In Currents Accounts	26875.77	26301.53
ii) In Fixed Deposit Accounts With Banks	9833.02	2101.00
5. Interest receivable	411.04	218.39
	<u>511506.64</u>	<u>393543.09</u>
SCHEDULE "J" LOANS AND ADVANCES		
LOANS AND ADVANCES (Unsecured, Considered good) (Advances recoverable in cash or kind for value to be received)		
a) Advances for Materials etc.,	14610.43	9706.23
b) Advances for Capital Goods	33705.01	272310.14
c) Earnest Money Deposit	1112.09	1112.09
d) Advances for Others	33271.29	42716.02
Balance with Central Excise	59274.37	54449.08
Deposits	22274.27	13554.49
	<u>164247.46</u>	<u>393848.05</u>



	For the Year Ended 31-03-2010 (Rs in '000)	For the Period Ended 31-03-2009 (Rs in '000)
SCHEDULE "K" INCREASE / (DECREASE) IN STOCKS		
a) Work in Process :		
Opening Stock	38305.45	30167.57
Closing Stock	<u>97509.86</u>	<u>38305.45</u>
	59204.41	8137.88
b) Finished Goods :		
Opening Stock	1709.58	1153.53
Closing Stock	1574.02	<u>1709.58</u>
	-135.56	556.05
	<u>59068.85</u>	<u>8693.93</u>
SCHEDULE "L" OTHER INCOME		
Sale of Scrap	4271.54	2483.69
Interest received	806.11	1511.48
Profit on sale of fixed assets (Net)	0.00	1262.60
Miscellaneous income	5247.80	1069.34
	<u>10325.45</u>	<u>6327.11</u>
SCHEDULE "M" POWER & FUEL		
Power Consumed	64966.43	64418.46
Coal Consumed	87741.11	115688.10
	<u>152707.54</u>	<u>180106.56</u>
SCHEDULE "N" MANUFACTURING EXPENSES		
Repairs & Maintenance :		
Machinery	7664.98	6566.80
Buildings	763.89	716.05
Other Fixed Assets	2293.15	1742.75
	<u>10722.02</u>	<u>9025.60</u>
SCHEDULE "O" TAXES AND DUTIES		
Central Excise Duty	57400.68	86278.48
Sales Tax	79805.79	96757.21
	<u>137206.47</u>	<u>183035.69</u>



	For the Year Ended 31-03-2010 (Rs in '000)	For the Period Ended 31-03-2009 (Rs in '000)
SCHEDULE "P" EMPLOYEE COST		
Salaries, Wages & Bonus	28526.32	27792.92
Contribution To Provident Fund	2153.58	1803.60
Contribution To ESI	61.54	61.35
Gratuity	99.91	7404.41
Workmen & Staff Welfare Expenses	2528.35	1823.51
	33369.70	38885.79
SCHEDULE "Q" ADMINISTRATIVE & SALES EXPENSES		
ADMINISTRATIVE EXPENSES		
Rent	3318.53	3127.87
Rates & Taxes	915.78	1114.42
Insurance	1449.90	1745.79
Printing & Stationary	1054.33	1259.87
Postage, Telegrams & Telephones	1453.66	1291.31
Traveling & Conveyance	1915.59	1536.47
Bank Charges	2127.46	3921.71
Miscellaneous Expenses	10925.46	8796.53
Directors Sitting Fees	138.00	192.00
Managerial Remuneration	12000.00	9600.00
Cost Audit Fees	66.18	60.00
Auditor's Remuneration :		
Statutory Audit Fee	220.60	200.00
Tax Audit Fee	110.30	100.00
SALES EXPENSES		
Advertisement & Publicity	1091.17	2456.50
Other Sales Expenses	2466.37	0.00
Transport Charges & Others	14543.68	20302.97
Handling and delivery Charges	3948.14	3480.38
	57745.15	59185.82
SCHEDULE "R" INTEREST & OTHER FINANCE COST		
Interest on Working Capital	21622.70	18779.32
Interest on Term Loan	23721.73	34435.64
Other Finance Charges	3119.77	3042.44
	48464.20	56257.40

**SCHEDULE 'S'**
SIGNIFICANT ACCOUNTING POLICIES:**(Rs in '000)****1. BASIS OF PREPARATION:**

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles and generally accepted in India and comply with mandatory Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable and the relevant provisions of the Companies Act, 1956, except in respect of mineral deposits and rights which are recorded at estimated realizable value.

2. USE OF ESTIMATES:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

3. FIXED ASSETS:

Fixed Assets are stated at acquisition cost (net of MODVAT) less depreciation. Capital work-in-progress is stated at Cost. Cost includes installation and expenditure during construction period including interest on borrowings till the date of capitalization. The mineral deposits and mining rights are stated at the estimated realizable value, based on a valuation by an independent valuer.

Depreciation on fixed assets other than those mentioned hereunder has been calculated using the straight-line method at the rates arrived on the basis of useful lives of the assets as estimated by the Management. Assets costing less than Rs. 5.00 are depreciated fully in the year of acquisition.

Depreciation on the mineral deposits and mineral rights has been provided, based on the estimated present value of the consumption over the remaining estimated useful period, at an equated amount of the total consumption so arrived at.

Depreciation on the 4.5MW wind farms has been provided at the rates specified in the Schedule-XIV of the Companies Act, 1956 at the appropriate rate on the basis of Straight Line Method.



Management estimates the useful life of various assets as follows:

Factory Buildings Owned	28 years
Non-factory Buildings	58 years
Plant & Machinery, Electrical Equipment	26 years
Furniture, Fixtures and Office Equipment	15 years
Vehicles	10 years
Computer Equipment	6 years
Mineral Deposits	13/15/20 years
Mining Rights	13/15/20 years

4. INVENTORIES:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of Stores and Spares and Raw materials are arrived on FIFO basis.

5. INVESTMENTS

Investments are classified into Long Term and are carried at cost. Provision for diminution, if any, in the value of each Long Term Investment is made only if such a decline is other than temporary in nature in the opinion of the management.

6. EMPLOYEE BENEFITS:

The Company contributes to the funds administered by the Regional Provident Fund Commissioner towards Provident Fund. Contributions payable to an approved Gratuity Fund (a defined benefit plan), determined by an independent actuary at the Balance Sheet date, are charged to the Profit & Loss Account. Provision for leave encashment cost is made on the basis of actuarial valuation at the Balance Sheet date, carried out by an independent actuary.

7. FOREIGN EXCHANGE TRANSACTIONS:

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on the foreign currency transactions settled during the year are recognized in the profit & Loss A/c except that the exchange differences related to acquisition of fixed assets from a country outside India are adjusted in the carrying amount of the related fixed assets.

**8. REVENUE RECOGNITION:**

- i) All income and expenditure are accounted on accrual basis, except other wise stated.
- ii) In respect of derivative contracts, gain/loss is recognized on actual settlement of respective contracts.

Internal Consumption of the Company's end product, which is other wise marketable, is accounted for at a transfer price and is included under sales.

9. IMPAIRMENT OF ASSETS:

An Asset is treated as Impaired when the carrying of cost of Assets exceeds its receivable value. An impairment loss is charged for when the asset is identified as impaired. The impairment loss received in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

10. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving Substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

11. DEFERRED INCOME TAXES:

Deferred Tax charge or credit reflects that tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liability or asset are recognized using the tax rates that have been enacted or substantial enacted by the Balance Sheet date. Deferred Tax assets recognized only to that extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtual certainty (as the case may be) to be realized

**SCHEDULE "T"****(Rs in '000)****NOTES TO ACCOUNTS****1. Contingent Liabilities not provided for:**

- (a) Bank guarantees given for Rs.6431.05 (Previous Year Rs. 6301.75).
- (b) Estimated Amount of Contracts remaining to be executed on capital account and not provided for Rs. 300000.00, (previous year Rs.246390.00)
- (c) Claims against the Company not acknowledged as debts: Rs. 3155.66
(Previous Year Rs. 5137.45)

2. SECURED LOANS:

- a) The Term loans in respect of Cement business from Axis Bank Limited, ICICI Bank Ltd, State Bank of Hyderabad, United Bank of India and Karnataka Bank Ltd are secured by equitable mortgage by deposit of title deeds by creating first charge on immovable properties and second charge by hypothecation of all current assets both present and future, subject to prior charge on current assets in favour of Company's Bankers for Working Capital and also Guaranteed by Promoter Directors, in their individual capacities.
- b) Cash Credit from the Axis Bank Limited, Corporation Bank and Karnataka Bank Ltd is secured by hypothecation of Raw Materials, Consumable Stores, Work-in-Process, Finished Goods and Book Debts etc. and is guaranteed by Promoters in their personal capacity and is further secured by way of second charge on fixed assets.
- c) Deferred liabilities include the assets acquired under Hire purchase system are Secured by Hypothecation of those assets.

3. REVALUATION AND ACCOUNTING OF MINERAL DEPOSITS AND RIGHTS:

The management had revalued and accounted the value in respect of mineral deposits and mining rights, during the earlier financial year, based on an estimate of the mineral quantities by M/s. C.C.Geo Engineering Consultants (P) Ltd. and of the realizable value by M/s. G.S.Sekhar, Chartered Accountants. According to the accounting policy adopted in this regard, during that year, the amount so revalued and included in the Fixed Assets is Rs.1072558.92 on account of Mineral Deposits and Rs.293341.10 on account of Mining Rights totaling to Rs.1365900.00. During the year an amount of Rs.72832.38 (previous year Rs.72832.38) has been provided as depreciation and an amount equal to such depreciation has been with drawn from the Mineral Capitalization Reserve.

4. SEGMENT REPORTING

In terms of the Accounting Standard 17 relating to "Segment Reporting", the company operated in two business segments viz. cement manufacturing and wind power generation and operates only in one geographical segment viz. India. However during the year the wind power business segment has been sold off and operated only for a part of the year. Considering the source and nature of risks and returns the cement business segment will be the primary segment for this purpose and there are no secondary segments. The segment revenues and the assets and liabilities are stated below:

S.No	Particulars.	As at 31-03-2010 (12 Months) (Rs in '000)	As at 31-03-2009 (12 Months) (Rs in '000)
1.	Segment Revenue		
	(i) Cement & Others	936583.80	887839.06
	(ii) Wind Power	32088.59	31502.17
	Sub Total	968672.39	919341.23
	(iii) Other income-Scrap sales	4271.54	2483.69
	(iv) Other income	6053.91	3843.43
	Total	978997.84	925668.35
	Less : Inter segment revenue	Nil	Nil
2.	Net sale/Income from operations	978997.84	925668.35
3.	Segment Results (Profit before interest and tax)		
	(i) Cement	139213.72	239280.92
	(ii) Wind Power	20742.90	17150.68
4.	Less : Interest Paid	48464.20	56257.40
5.	Add : Un allocable income net off un allocable expenses	Nil	Nil
6.	Profit Before Tax	111492.41	200174.20
7.	Capital employed (segment assets less segment liabilities)		
	(i) Cement	687447.59	516910.50
	(ii) Wind Power	17773.17	131314.44
	Total	705220.76	648224.94

5. RELATED PARTY TRANSACTIONS:

The Company has no related parties other than the key management personnel and relatives of such personnel in terms of Accounting Standard 18, in respect of the related party disclosure. The company paid remuneration to the Chairman, Managing Director, and Whole time Director among the key management personnel. The particulars of such remuneration are furnished in the Note No. 13(c) hereunder. The company has no related party transactions with the relatives of key management personnel. In addition the Company has paid Rs.1, 38,000 (Previous Year Rs.1, 92,000) as Directors Sitting fee to all the Directors.

6. DEFERRED TAXATION:			
Deferred Tax Liability included in the Balance Sheet comprises the following:			
S.No	Particulars.	As at 31-03-2010 (Rs in '000)	As at 31-03-2009 (Rs in '000)
A)	Deferred Tax Assets		
	Unabsorbed allowances	0.00	3602.43
	Provision for expenses	0.00	9.29
		0.00	3611.72
B)	Deferred Tax Liabilities		
	Fixed Assets	143886.20	92447.81
C)	Deferred Tax Liability (Net) (A-B)	(143886.20)	(88836.09)
7. EARNINGS PER SHARE:			
The Computation of Earnings per Share is set out below:			
(a)	Earnings	49872.02	154632.54
(b)	Weighted average no.of equity shares outstanding during the period	26480.62	23502.62
(c)	Weighted average No. of equity shares outstanding during the year	28480.62	26461.53
Earnings per Share			
Basic (Rs.)		1.88	6.58
Diluted (face value of Rs.10/-) (Rs.)		1.75	5.84
8. CONVERTIBLE WARRANTS:			
<p>During an earlier year, the company under a scheme had issued a total of 20,00,000 Warrants of Rs.10/- each at a premium of Rs.230/- per warrant convertible into an equal number of equity shares of Rs10/- each at a premium of Rs.230/- each, by passing necessary resolutions, within a period of 18 months. The promoters were required to bring in 10% of the amount along with the application and the balance amount within the specified period. The amounts brought in as on the date of balance sheet but within the specified period, pending compliances with all terms and conditions of the scheme, are shown under the application money for warrants in the balance sheet. The shares are to be allotted at the end of the specified period upon receipt of the entire amount. The promoters have brought in a total of Rs.292030.00, as on the date of balance sheet, under the scheme and the same has been shown under the application money for warrants.</p>			

9. HOUSING SUBSIDY:

The Company has received a sum of Rs.10.75 from Government of India during earlier years for the purpose of constructing 50 tenements for housing to its personnel in its Limestone Mines. The Company has entered into an agreement with Government of India for a period of 20 years.

10. The company has not received the required information from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the period end together with interest paid/payable as required under the said Act have not been made.

11. CURRENT ASSETS & LOANS AND ADVANCES:

The Board is of the opinion that the Current Assets & Loans and Advances have a value on realization in the Ordinary Course of Business at least to the amount at which they are stated

12. The following table set out the status of the gratuity plan as required under AS 15 (Revised). Reconciliation of opening and closing balances of the deferred benefit obligation:

PARTICULARS	For the Year Ended 31.03.2010 (Rs. '000)	For the Year Ended 31.03.2009 (Rs. '000)
Opening defined benefit obligation	5535.86	5535.05
Current Service Cost	442.87	445.44
Interest Cost	445.44	470.48
Actuarial losses/ (gain)	198.26	1643.83
Benefits Paid	(777.29)	(364.88)
Closing defined obligation	5845.14	7729.92
Change in the fair value of assets		
Opening value of plan assets	6033.68	1246.96
Expected return on plan assets	528.25	163.27
Actuarial gains / (losses)	0.00	0.00
Contribution by employer	957.77	4988.33
Benefits Paid	(777.29)	(364.88)
Closing balance of plan assets	6742.41	6033.68
Amount recognized in the Balance Sheet :		
Present Value of funded obligations	5845.14	7729.92
Fair value of plan assets	(6742.41)	(6033.68)
Net liability	(897.27)	1696.23
Amounts in the balance sheet		
Provision for gratuity	897.27	1696.23
Net Liability (asset)	897.27	1696.23



PARTICULARS	For the Year Ended 31.03.2010 (Rs. '000)	For the Year Ended 31.03.2009 (Rs. '000)	
Amount recognized in statement of Profit and Loss Account:			
Current Service Cost	445.44	445.44	
Interest on Defined Benefit Obligation	442.87	470.48	
Expected return on plan assets	(528.25)	(163.27)	
Net actuarial losses/ (gain) recognized in year	198.26	1643.83	
Amount included in "Employee Benefit Expense"	558.31	2396.48	
Actual return on plan assets	528.25	163.27	
13. PROFIT & LOSS ACCOUNT :			
a) The provision for Income Tax has been made in terms of the provisions of Sec.115 JB of Income Tax Act 1961.			
b) Consumption of Raw Materials and value of Inventories includes Royalty and other levies paid to Government to the extent of Rs.12733.84 (previous year Rs.6066.18).			
c) Particulars of Remuneration paid/provided to the Chairman, Managing Director and Whole Time Director:			
	S. Chandra Mohan Chairman	S.R.B. Ramesh Chandra Managing Director	S. Kishore Chandra Whole Time Director
	Current Year (Rs. in '000)	Current Year (Rs. in '000)	Current Year (Rs. in '000)
Remuneration	12000.00 (9600.00)	12000.00 (9600.00)	12000.00 (9600.00)
Rent Free Accommodation	1770.00 (1530.00)	901.07 (823.53)	194.99 (113.57)
Provident Fund	604.80 (46.98)	604.80 (46.98)	604.80 (46.98)
Total	14374.80 (11176.98)	13505.87 (10470.51)	12799.79 (9760.55)
<p>The Central Government has accorded its approval for the above remuneration in terms of the relevant provisions of the Companies Act, 1956</p> <p>() Figures indicated in brackets relates to previous year.</p>			



14. The information required as per Clause 4 (c) and 4(d) and notes thereon Part II of Schedule VI of the Companies Act, 1956 (as certified by the Management).

a. Annual Capacities

i) Class of goods manufactured	:	Ordinary Portland Cement
ii) Licensed Capacity	:	66,000 MTs
iii) Installed Capacity	:	66,000 MTs
iv) Actual Production	:	2,51,600 MTs (Previous Period 2,56,479 MTs)

b. Turnover

	2009-10		2008-09	
	Qty Mts	Value (Rs in '000)	Qty Mts	Value (Rs in '000)
Sale of Cement*	2,51,709	726583.80	2,56,200	887839.06
Sale of Clinker	Nil	Nil	Nil	Nil
Sale of Raw Meal	Nil	Nil	Nil	Nil
Sale Others**		210000.00		Nil
Sale of Wind Power (Units)	1,10,65,032	32088.59	1,09,13,993	31502.17
		968672.39		919341.23

C. Raw Materials consumed during the year

	2009-10		2008-09	
	Qty Mts	Value (Rs in '000)	Qty Mts	Value (Rs in '000)
1. Lime Stone	2,24,945	30399.52	2,26,524	31176.50
2. Gypsum	6,339	8824.26	8,180	10292.54
3. Others		318466.02		83537.08
Total		357689.80		125006.12

* Includes 3,028.94 MTs Internal Consumption (Previous Period 4,649.551 MTs)

** Sales others for the current year (previous year: Nil) include sale value and raw materials etc consumed include the cost to the extent of Rs.210000 relating to certain items which are capital in nature.



d. Stocks				
	2009-10		2008-09	
	Qty Mts	Value (Rs in '000)	Qty Mts	Value (Rs in '000)
Opening Stock	795	1709.58	516	1153.53
Production	2,51,600		2,56,479	-
Closing Stock	686	1574.02	795	1709.58
			2009-10	2008-09
e) Foreign exchange transactions :				
1. Towards Capital Expenditure			Nil	Rs. 192736.30
2. Foreign Travel			Nil	Nil
	Total		Nil	Rs. 192736.30



f) Value of imported and indigenous Raw Materials Consumption and percentage of each in total consumption.				
2009-10			2008-09	
Sl. No.	Value (Rs. in '000)	% of Consumption	Value (Rs. in '000)	% of Consumption
1. Raw materials				
a) Imported	-	-	-	-
b) Indigenous	357689.80	100%	125006.12	100%
2. A. Consumables				
a) Imported	-	-	-	-
b) Indigenous	11375.14	100%	14428.97	100%
B. Coal				
a) Imported	-	-	-	-
b) Indigenous	87741.11	100%	115688.10	100%
15. Previous period figures have been regrouped wherever necessary to conform to the groupings adopted in these accounts.				
16. The amounts except the Share data and quantitative information have been rounded off to the nearest thousand rupees and fraction thereof.				
As per our Report Attached			for and on behalf of the Board	
For A.RAMACHANDRA RAO & CO.,			Sd/-	
Chartered Accountants			S.CHANDRA MOHAN	
ICAI FRN: 002857S			Chairman	
Sd/-			Sd/-	
A.RAMACHANDRA RAO			S.R.B. RAMESH CHANDRA	
Partner			Managing Director	
Membership No.9750			Sd/-	
			K.A.N. SUBBARAO	
			Company Secretary	
Place: Hyderabad				
Date: 28-05-2010				



Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956

ANNEXURE "A" Forming part of Schedule T

**BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE AS AT 31.03.2010**

1. Registration Details			
Registration No.	:	2315	State code : 01
2. Capital Raised during the year (Rs. In Thousands)		:	Nil
3. Position of Mobilisation and Deployment of Funds (Rs. In Thousands)			
Total Liabilities	:	4319600.64	Total Assets : 4319600.64
Sources of Funds			
Paid-up Capital	:	264806.17	Share Application Money : 292030.00
Reserves & Surplus	:	1295787.45	Secured Loans : 1872432.41
Unsecured Loans	:	306289.37	Current Liabilities : 144369.04
Deferred Tax Liability	:	143886.20	
Application of funds			
Net Fixed Assets	:	3643846.54	Current Assets : 675754.10
Profit & Loss	:	—	Misc. Expenditure : —
4. Performance of Company (Rs. In thousands)			
Turnover	:	1038066.69	Total Expenditure : 926574.28
Profit/ (Loss) Before Tax	:	111492.41	Profit/ (Loss) after Tax : 49872.02
Earnings per Share (Rs)	:	1.88	Dividend Rate (%) : 12
5. Generic names of two Principal Products / Services of Company (as per monetary terms):			
a) Item Code No.	:	252300	
(ITC CODE)			
Product Description	:	CEMENT	
b) Item Code No.	:	252310	
(ITC CODE)			
Product Description	:	CLINKER	



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010		
	For the Year Ended 31-03-2010 (Rs in '000)	For the Period Ended 31-03-2009 (Rs in '000)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary items	111492.41	200174.20
Adjusted for :		
Interest	48464.20	56257.40
Depreciation	29898.80	30054.48
(Profit) / Loss on sale of Fixed Assets	50595.03	(1262.60)
Operating Profit before working Capital changes	240450.44	285223.83
Adjusted for		
(Inc) / Dec. in Inventories	87870.46	(49509.68)
(Inc) / Dec. in Debtors	(20145.97)	(89544.65)
(Inc) / Dec. in Other Current Assets	(192.65)	(36.51)
(Inc) / Dec. in Loans and Advances	229600.58	(267420.87)
Inc / (Dec.) in Current Liabilities	(129624.76)	183126.37
Cash Generated from Operations	232217.18	61838.14
Less : Interest on Working Capital, Term Loan & Others	48464.19	56257.40
Less : Provision for Taxation	6570.27	45541.66
Less : Provision for proposed dividend and dividend tax	37177.20	31285.16
Net Cash Flow from Operating Activities	140005.52	(71246.08)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(948421.79)	(1316113.69)
Sales of Fixed Assets & Investments	216221.64	2333.79
Net Cash Flow from Investing Activities	(732200.15)	(1313779.90)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010		
	For the Year Ended 31-03-2010 (Rs in '000)	For the Period Ended 31-03-2009 (Rs in '000)
C. CASH FLOW FROM FINANCING ACTIVITES		
Proceeds from Equity Deposit / Share Capital	44300.00	249096.11
Inc. / (Dec.) in Long Term Borrowings	333312.02	992126.76
Inc. / (Dec.) in Deferred Liabilities	(2467.68)	5343.87
Inc. / (Dec.) in Unsecured loans	96965.62	117830.17
Inc. / (Dec.) in Cash Credit	129839.16	15169.11
Net cash Flow from Financing Activities	601949.12	1379566.02
D. NET INCREASE IN CASH AND CASH EQUIVALENTS		
CASH EQUIVALENTS	9754.48	(5459.96)
Cash and Cash Equivalents as at the Commencement of the year	28891.54	34351.50
Cash and Cash Equivalents as at the close of the year	38646.02	28891.54
<p>We have verified the above cash flow of M/s. BHEEMA CEMENTS LTD derived from Audited Financial Statements for the year ended 31st March, 2010 and found the same in accordance therewith and also with the requirements of clause 32 of the listing agreement with Stock Exchanges.</p>		
As per our Report Attached	for and on behalf of the Board	
For A.RAMACHANDRA RAO & CO., Chartered Accountants ICAI FRN: 002857S Sd/- A.RAMACHANDRA RAO Partner Membership No.9750	Sd/- S.CHANDRA MOHAN Chairman Sd/- S.R.B. RAMESH CHANDRA Managing Director	
	Sd/- K.A.N. SUBBARAO Company Secretary	
Place: Hyderabad Date: 28.05.2010		



**ELECTRONIC CLEARING SERVICES (CREDIT CLEARING) MANDATE FORM
FOR PAYMENT OF DIVIDEND**

To

BIG SHARE SERVICES PRIVATE LIMITED
Unit: Bheema Cements Limited
G-10, Left Wing, Amrutha Ville,
Opp. Yashoda Hospital, Somajiguda
Rajbhavan Road
HYDERABAD - 500 082
Phone No: 040-23374967, Fax: 040-23370295
E.Mail ID: bsshyd@bigshareonline.com

Share holder's authorization to receive Dividends through Electronic Credit Clearing Mechanism.

Registered Folio No.	ECS Ref. No. : (for Office use only)
Name of the first/sole share holder	
Bank Name	
Branch Address & Telephone NO. of Branch	
Bank Account Number (A appearing on the Cheque Book)	
9 Digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank (Please attach a blank cancelled cheque, or a photocopy of a cheque issued to you by your Bank, for verification of the above	
Account Type (Please tick the Option	<input type="checkbox"/> ★ Savings <input type="checkbox"/> ★ Current <input type="checkbox"/> ★ Cash Credit
Bank Account Ledger Folio No. (If any)	
Effective date of this mandate	

I, hereby declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s. Bheema Cements Limited responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place:

Date:

Signature of the First Holder

Note:

1. Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.

In case of shareholders holding the equity shares in demat form, the shareholders are requested to provide details to NSDL/CDSL as the case may be, through their respective Depository Participants. Shareholders are also requested to note that changes, if any, intimated by the De-mat Account holders directly to the Company will not be considered.

**BHEEMA CEMENTS LTD**

Registered Office: 6-3-652/C/A, Flat 5A, 'Kautilya' Amrutha Estates,
Somajiguda, Hyderabad - 500 082

Admission Slip

Folio No. / Client ID & DP ID _____

No. of Shares Held: _____

(To be filled in by the
Shareholder)

I declare that I am Registered Share Holder of the Company _____

(Signature of the Shareholder)

I hereby record my presence at the 31st Annual General Meeting of the Company being held at the Conference Hall, Hotel NKM's Grand, 6-3-563/31/1, Taraporewala Lane, Erramanzil, Somajiguda, Hyderabad - 500 082 on Thursday the 30th Day of September 2010 at 10.00 A.M. as a member / as a Proxy appointed by _____

- NOTE :
1. A member / Proxy attending the meeting must complete this admission slip and hand it over at the entrance.
 2. Member intending to appoint a Proxy, should complete the Proxy form below and deposit at the Company's Registered Office not later than 48 hours before the commencement of the meeting.

BHEEMA CEMENTS LTD

Registered Office: 6-3-652/C/A, Flat 5A, 'Kautilya' Amrutha Estates,
Somajiguda, Hyderabad - 500 082

Proxy Form

Folio No. / Client ID & DP ID _____

No. of Shares Held: _____

(To be filled in by the Shareholder)

I / We _____ being a Member / Members of Bheema Cements Limited,
hereby appoint in the District of _____ as my / our Proxy to vote for me / us
on my / our behalf at the 31st Annual General Meeting of the Company to be held on _____.

Signed this _____ of _____

Name _____

N.B: The Proxy Form should be deposited at the Registered Office of the Company not later than 48 Hours before commencement of the Meeting.