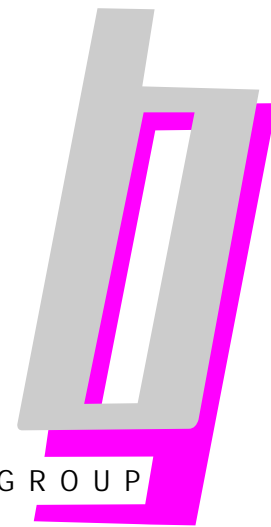


Bhatia Industries & Infrastructure Limited

(formerly known as "BCC Finance Limited")



B H A T I A G R O U P

19th
ANNUAL REPORT
2011 - 2012

Corporate Information

BOARD OF DIRECTORS

Mr. Surinder Singh Bhatia : Executive Director & CEO
Mr. Manjeet Singh Bhatia : Director
Mr. Jitendra Kumar Jain : Director
Mr. Lal Krishna Thanvi : Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Samir Kumar Bahri

REGISTERED OFFICE

"BCC House", 8/5 Manoramaganj,
Navratan Bagh, Main Road,
Indore (M.P.) - 452 001

BANKERS

Bank of India
Central Bank of India
State Bank of India
Indusind Bank Limited

AUDITORS

M/s. R. S. Bansal & Co.,
Chartered Accountants
Urvashi, 3 Jaora Compound,
Indore (M.P.) - 452 001

REGISTRAR & SHARE TRANSFER AGENT

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

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Important Communication to Members

- The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating services of notice/documents including Annual Report can be sent by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Participants. Members who hold shares in physical form are requested to register their e-mail id with Company / Registrar and Transfer and Agent, M/s. Link Intime India Private Limited.
- Demat Your shares : Members are requested to convert their physical shareholdings to demat / electronic form through any of the nearest depository participants (DPs) to avoid the hassles as possibility of loss, mutilation, etc. and also to ensure safe and speedy transactions in the securities.
- Register Nominations : To help your successors get the shares transmitted in their favour, please register your nomination. Members desirous of availing this facility may submit nomination form which can be obtained from Link Intime India Private Limited. Members holding shares in dematerialized form are requested to register their nomination directly with their respective DPs.



NOTICE

NOTICE is hereby given that the **Nineteenth Annual General Meeting** of the Members of **Bhatia Industries & Infrastructure Limited** will be held on **Monday, the 24th day of September, 2012 at 11.00 AM** at 9/4, Manoramaganj, Navratan Bagh Main Road, Indore 452 001 (M.P) to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To declare dividend of **Rs. 2.00** per share on 2% Cumulative Redeemable Preference Shares of the Company.
3. To declare dividend of **Rs. 0.75** per share on Equity Shares of the Company.
4. To appoint Director in place of **Mr. Lal Krishna Thanvi**, who retire by rotation and being eligible, offer himself for re-appointment.
5. To appoint M/s. **R.S Bansal & Co.**, Chartered Accountants, Indore, having firm registration number 000939C, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

By Order of the Board
For Bhatia Industries & Infrastructure Limited

Place: Indore
Date: 30th April, 2012

Sd/-
Samir Kumar Bahri
Company Secretary



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED IN NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. Shareholders who are interested in obtaining any information regarding the Accounts of the Company are requested to write to the Company at least 7 days before the date of Meeting so that desired information required can be made available at the meeting.
3. The Register of Members and the share Transfer Books of the Company shall remain closed for the purpose of Annual General Meeting from 19th September 2012 to 24th September 2012 (both days inclusive).
4. In pursuance of the recommendation of SEBI Committee on Corporate Governance for the appointment/re-appointment of retiring Directors, please find below, the details of Mr. Lal Krishna Thanvi, who retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. Lal Krishna Thanvi, aged 50 years, appointed as Director and is the member of Shareholder's Grievance Committee of the Company. He has more than 20 years of experience in Marketing of Coal, Coal Trading, presently, holds Directorships in a Company viz., Bhatia Global Trading Limited and holds 1,600 equity shares of the Company.

5. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the member.
6. Members holding shares in electronic form are requested to intimate immediately any changes in their address or bank mandates to their Depository Participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form are requested to advise any change in addresses immediately to Company/Registrar and Share Transfer Agents, Link Intime India Private Limited.

**DIRECTORS' REPORT**

To,
The Members,
Bhatia Industries & Infrastructure Limited
Indore

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

FINANCIAL RESULTS

The summary of the financial result of the Company for the year under review are as under:

(Rs. in Millions)

	For the year ended 31.03.2012	For the year ended 31.03.2011
Sales & Other Income	1509.36	2452.74
Profit / (Loss) before Depreciation, Interest & Tax	82.37	174.12
Less: Depreciation	--	--
Financial Charges	32.97	18.20
Profit/(Loss) before tax	49.40	155.92
Add\Less) : Prior period adjustments	(1.50)	--
Add \Less) : Provision for Income-Tax	(17.30)	(52.00)
Profit/(Loss) after Tax	30.60	103.92
Add: Balance brought forward from last year	104.73	29.60
Less: Amount utilized towards issue of fully paid up Bonus Shares	86.21	--
Amount available for Appropriation	49.12	133.52
Less: Proposed Dividend on preference shares	1.60	1.60
Less: Proposed Dividend on Equity Share Capital	9.90	6.90
Less: Dividend Distribution Tax	1.87	1.36
Less: Transfer to Capital Redemption Reserve	11.43	11.43
Less: Transfer to General Reserve	10.00	7.80
Balance carried forward	14.32	104.73

PERFORMANCE REVIEW

During the year under review, your Company has posted Turnover of Rs. 1482.42 Millions and Profit after tax of Rs. 30.60 Millions.

RESERVE

During the period under review Company has transferred Rs. 11.43 Millions to Capital Redemption Reserve and transferred Rs. 10 Millions to General Reserve.

DIVIDEND

Having regard to the performance of the Company, your Directors are pleased to recommend payment of dividend of 2% on cumulative redeemable preference shares and 7.5% on the paid up Equity Share Capital of the Company, which works out to Rs. 0.75 per share on 1,32,00,000 Equity Share of Rs. 10/- each for the Financial Year ended 31st March, 2012. The dividend if approved will be paid to the eligible shareholders within the period stipulated by the Companies Act, 1956.



PUBLIC DEPOSITS

The Company has not invited or accepted any public deposits in accordance with the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975 during the year under review.

DIRECTORS

As per Section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. L. K. Thanvi, Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Samir Kumar Bahri has been appointed as Company Secretary and Compliance Officer of the Company in place of Mr. Ashok Mishra, who tendered his resignation from position of Company Secretary and Compliance Officer w.e.f. October 07, 2011.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors hereby confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

STATUTORY AUDITORS

M/s. R. S. Bansal & Co., Chartered Accountants, Indore, having Firm Registration number 000939C, the auditor of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from M/s. R. S. Bansal & Co., Chartered Accountants, Indore, to the effect that their appointment if made would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956, and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956

AUDITORS' REPORT

The observation and comment given by Auditors in their report read together with notes to Accounts are self explanatory and do not require any further comments under Section 217 of the Companies Act, 1956.

**PARTICULARS OF EMPLOYEES**

None of the employees of the Company during the year was in receipt of remuneration of more than the maximum permitted ceiling given in the Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

LISTING

The shares of the Company are listed on Bombay Stock Exchange - Mumbai and Ahmedabad Stock Exchange.

Madhya Pradesh Stock Exchange Limited vide letter Ref. No. MPSE/625/03/2012 dated March 14, 2012 intimated that Delisting Committee of Madhya Pradesh Stock Exchange Limited has approved the Voluntary delisting of 33,00,000 Equity Shares of the Company w.e.f. 03.03.2012.

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

Disclosure regarding Conservation of Energy and Technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the Company.

The information relating to Foreign Exchange Earnings and Outgo is given in the Annexure to the report.

CORPORATE GOVERNANCE REPORT

The Company has complied with the Corporate Governance Code as stipulated under Clause 49 of the listing agreement with the stock exchanges. A separate section on Corporate Governance, along with a certificate from practicing Company Secretary confirming the compliance is annexed to the Annual Report forming part thereof.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis report in accordance with the requirement of Clause 49 of the Listing Agreement is annexed to the Annual Report forming part thereof.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. Your Director's also wish to place on record their deep sense of appreciation for the commitment displayed by employees for the services rendered by them.

**For and on behalf of the Board
For Bhatia Industries & Infrastructure Limited**

**Place: Indore
Dated: 30.04.2012**

**Sd/-
Surinder Singh Bhatia
Executive Director & CEO**

**Annexure to Directors' Report****PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

Form A (Rule 2)

A. CONSERVATION OF ENERGY

Not applicable, since the Company is engaged in trading activities.

Form -B (Rule 2)

RESEARCH AND DEVELOPMENT

Not applicable:

B. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

Not Applicable:

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Total Foreign Exchange used and earned

(Rs. in Million)

S. No.	Particulars	Current year	Previous year
1	Total Foreign Exchange earned	-	-
2	Total Savings in Foreign Exchange Through products manufactured by the Division and deemed exports	-	-
3	Total Foreign Exchange used	763.42	837.90

**For and on behalf of the Board
For Bhatia Industries & Infrastructure Limited**

**Place: Indore
Dated: 30/04/2012**

**Sd/-
Surinder Singh Bhatia
Executive Director & CEO**

**REPORT ON CORPORATE GOVERNANCE**

(In terms of Clause 49 of the Listing Agreement)

I. PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a mode of ensuring maximum returns to its stakeholders by adhering to best practices and codes of conduct in letter and spirit. The various corporate governance practices implemented by the Company in compliance with Clause 49 including the amendments thereof of the listing agreements are as follows:

II. BOARD OF DIRECTORS**1. Board Composition**

As on March 31, 2012, the Board consisted of four Directors, out of which one is an Executive Director, two are Independent Directors and one is Non-independent Director. All the members are competent and well experienced.

2. Board Meetings

Eight Board Meetings were held during 2011-12 on April 2, 2011, May 30, 2011, July 16, 2011, August 11, 2011, October 17, 2011, November 14, 2011, January 30, 2012 and March 14, 2012. The gap between any two meetings did not exceed four months.

3. Attendance of directors

Attendance of directors at the Board meetings held during 2011-2012 and the last Annual General Meeting held on June 27, 2011 and the details of directorships (calculated as per provisions of Section 275 and 278 of the Companies Act, 1956), Committee Chairmanships and the Committee memberships held by the directors as on March 31, 2012:

Name of Director	Category of Director	Number of Board meetings attended out of Eight meetings held during the tenure	Attendance at last AGM held on June 27, 2011	Number of Directorship including BIL	Committee(s) membership	
					Membership	Chairmanship
Mr. Surinder Singh Bhatia	Executive Director & CEO	5	No	13	06	-
Mr. Manjeet Singh Bhatia	Non Executive & non- independent Director	-	No	03	02	-
Mr. Jitendra Kumar Jain	Director	8	Yes	08	07	02
Mr. L. K. Thanvi	Director	5	Yes	02	01	-

- (a) The information provided above pertains to the following committees in accordance with the provisions of Clause 49 of the listing agreement: i. Audit Committee ii. Shareholders'/Investors' grievances committee



(b) Membership of committees includes chairmanship, if any.

4. Other directorships

None of the directors holds directorship in more than 15 public companies.

5. Memberships of Board Committees

No director holds membership of more than 10 committees of Board nor is any director chairman of more than 5 committees of Board.

6. Code of Conduct

The Company is committed to conduct its business in conformity with ethical standards and applicable laws and regulations. This commitment stands evidenced by the Code of Conduct adopted by the Board of Directors which is applicable to each member of the Board of Directors and senior management of the Company. The Board of Directors and senior management of the Company have confirmed regarding compliance with the said Code for the year ended 31st March, 2012.

DECLARATION

The Board Members and the Senior Management Personnel confirms the compliance with the code of conduct in terms of Clause 49 of the Listing Agreement.

For **Bhatia Industries & Infrastructure Limited**

Place: Indore
Date: 30.04.2012

Sd/-
Surinder Singh Bhatia
Executive Director & CEO

**III. AUDIT COMMITTEE**

In terms of Clause 49 of the listing agreement as well as Section 292A of the Companies Act, 1956, the Board has constituted Audit Committee of the Board of Directors. The Audit Committee comprises of Mr. J. K. Jain as the Chairman with Mr. L. K. Thanvi and Mr. Manjeet Singh Bhatia are other two members. The members of the Audit Committee have requisite financial and management expertise.

The Audit Committee, inter alia advises the management on the areas where systems, processes, measures for controlling and monitoring revenue assurance, internal audit can be improved. The minutes of the meetings of the Audit Committee are placed before the Board. The broad terms of reference of the Audit Committee includes:

1. 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.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.



9. Discussion with internal auditors any significant findings and follow up there on.
10. 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.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. 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.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Attendance at the meetings of Audit Committee held during 2011-12

Four Audit Committee Meetings were held during 2011-12 on May 30, 2011, August 11, 2011, November 14, 2011 and January 30, 2012. The gap between any two meetings did not exceed four months.

Company Secretary of the Company acted as Secretary of the Committee.

Members	Number of meetings held during the tenure	Number of meeting attended
Mr. Jitendra Kumar Jain	4	4
Mr. L. K. Thanvi	4	4
Mr. Manjeet Singh Bhatia	4	1

The Chairman of Audit Committee was present at the General Meeting of the Company.

IV. REMUNERATION COMMITTEE

None of the Directors are paid remuneration or the sitting fees. The Company does not have the remuneration committee and it shall be constituted as and when required.

V. SHAREHOLDERS GRIEVANCES AND SHARE TRANSFER COMMITTEE

The Shareholders Grievances and Share Transfer Committee of the Company consist of three directors viz; Mr. Surinder Singh Bhatia, Mr. Manjeet Singh Bhatia and Mr. Jitendra Kumar Jain.

1. The Committee inter alia approves issue of duplicate share certificates and reviews all matters connected with the securities transfers.
2. The Committee also looks into redressal of shareholders complaints like transfer of shares, non receipt of Balance Sheet, dividend, refund orders etc.



3. The Board of Directors in order to expedite the process of share transfers has delegated the power of share transfer to the M/s Link Intime India Private Limited as registrar and share transfer agent of the Company.
4. The committee reviews the performance of M/s Link Intime India Private Limited from time to time.

All the requests received for share transfers and de-mat are processed and approved by the share transfer agent which are registered and returned within 30 days from the date of lodgment subject to the documents submitted along with it are in order.

VI. GENERAL BODY MEETINGS

The particulars of the Annual General Meetings held during the last three years are given below:

Annual General Meeting	Venue	Date and Time	Whether Special Resolution Passed
16 th Annual General Meeting	"BCC House", 8/5, Manoramaganj, Navratan Bagh Main Road, Indore (M.P.) -452001	30.09.2009 at 3:00 p.m.	No
17 th Annual General Meeting	"BCC House", 8/5, Manoramaganj, Navratan Bagh Main Road, Indore (M.P.)-452001	25.09.2010 at 12:00 Noon	No
18 th Annual General Meeting	"BCC House", 8/5, Manoramaganj, Navratan Bagh Main Road, Indore (M.P.)-452001	27.06.2011 at 11:00 a.m.	Yes

VII. POSTAL BALLOT

During the year under review no special resolution is passed through postal ballot and a special resolution is proposed to be conducted through postal ballot before this Annual General Meeting.

VIII. DISCLOSURES

- a. Disclosures on material significant related party transactions with its promoters, the Directors or the Management, subsidiaries or relatives etc. that may have potential conflict of interest.

The appropriate disclosure for the transactions entered with the related party is made in notes to the accounts which form part of this annual report.



- b. No instances of non-compliances in any matter related to the capital market during the last three years.
- c. No penalties or stickers have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

IX. MEANS OF COMMUNICATION

- a. **Quarterly Results:** The quarterly results of the Company are published in Free Press, English daily newspaper and in Chotha Sansaar vernacular daily newspaper.
- b. **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The management Discussion and Analysis Report forms part of the Annual Report.
- c. **Website:** Website of the Company is under up-gradation.

X. GENERAL SHAREHOLDERS INFORMATION**a. Nineteenth Annual General Meeting**

Day and Date	:	Monday, 24th day of September 2012
Time	:	11.00 A. M.
Venue	:	9/4, Manoramaganj, Navratan Bagh, Main Road, Indore - 452001
Email	:	cs@bhatiacoalindia.com

b. Financial Calendar

The Company follows the period of 1st April to 31st March, as Financial Year.

- c. **Date of Book Closure:** 19th September 2012 to 24th September 2012 (both days inclusive)
- d. **Dividend payment date:**

Equity Shares: On or after 24th September 2012
Preference Shares: On or after 24th September 2012

e. Listing on Stock Exchanges and details of price index:

The shares of the Company are listed on Bombay Stock Exchange - Mumbai and Ahmedabad Stock Exchange.

Madhya Pradesh Stock Exchange Limited vide letter Ref. No. MPSE/625/03/2012 dated March 14, 2012 intimated that Delisting Committee of Madhya Pradesh Stock Exchange Limited has approved the Voluntary delisting of 33,00,000 Equity Shares of the Company w.e.f. 03.03.2012.

During financial year 2011-12 prices of the company's shares at a 52 week high/ low has been recorded as Rs. 29.60/ Rs. 9.45. The high/low prices of the Company's script for the last three years are as follows:



(b)

Sr. No.	Categories	No. of Share Holders	No. of Shares	% of Total Shares
(1)	(2)	(3)	(4)	(5)
1.	Promoters, Directors, their relatives & promoter group	14	8402576	63.66
2.	Other directors	3	14440	0.11
3.	Bodies Corporate	60	747903	5.67
4.	NRI / OCBs	6	1682	0.01
5.	Banks / Financial Institutions	-	-	-
6.	General Public	992	4033399	30.55
	Total	1075	13200000	100.00

i. Dematerialization of Shares

About 94.04% of total equity shares of the Company are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31st March, 2012.

j. Cumulative redeemable preference shares

Company has issued 8,00,000, 8% Cumulative redeemable preference shares of Rs. 100/-each on 7th May, 2007 to the promoters of the Company. The rate of interest over the Cumulative redeemable preference shares are reduced from 8% to 2% vide members' resolution dated 6th June, 2009 and the same are not listed with any of the stock exchange.

k. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

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

l. Plant locations

The Company being involved in trading activities does not have any plant.

m. Address for correspondence

Bhatia Industries & Infrastructure Limited
"BCC House", 8/5, Manoramaganj,
Navratan Bagh Main Road,
Indore (M.P.) 452001
Tel.: (0731) 4200219 / 4200211
Fax: (0731) 4030102
E-mail: cs@bhatiacoalindia.com

XI. COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY:

The certificate of the Practicing Company Secretary for compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed herewith.

For Bhatia Industries & Infrastructure Limited

Place: Indore
Date: 30.04.2012

Sd/-
Surinder Singh Bhatia
Executive Director & CEO



Sr. No.	Year (s)	High Price* (Rs.)	Low Price* (Rs)
1	2009-2010	96.00	33.70
2	2010-2011	110.25	48.00
3	2011-2012	109.40 (unadjusted) 29.60 (adjusted)	9.45

* Source : www.bseindia.com

f. Performance in comparison to broad-based indices such as BSE Sensex:

MONTH	QUOTED PRICE AT BSE		BSE SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2011	65.00	49.00	19811.14	18976.19
May, 2011	72.95	46.60	19253.87	17786.13
June, 2011	109.40	76.55	18873.39	17314.38
July, 2011	102.85	25.95	19131.70	18131.86
August, 2011	26.40	19.10	18440.07	15765.53
September, 2011	18.75	13.00	17211.80	15801.01
October, 2011	20.50	12.32	17908.13	15745.43
November, 2011	18.50	11.15	17702.26	15478.69
December, 2011	13.38	10.00	17003.71	15135.86
January, 2012	12.50	9.45	17258.97	15358.02
February, 2012	18.00	11.50	18523.78	17061.55
March, 2012	18.45	13.35	18040.69	16920.61

g. Registrar and Transfer Agents:

M/s Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400 078
Tel.: (022) 25963838
Fax: (022) 25946969
E-mail: mumbai@linkintime.co.in

h. Distribution of shareholding as on 31st March, 2012

(a)

Slab of Shareholders	No. of Shareholders	No. of Share	% of total amount
(1)	(2)	(3)	(4)
1 - 500	480	121199	0.918
501 - 1000	190	147217	1.115
1001 - 2000	183	255919	1.939
2001 - 3000	47	117809	0.892
3001 - 4000	35	131836	0.999
4001 - 5000	23	104946	0.795
5001 - 10000	51	329041	2.493
Above 10000	66	11992033	90.849
Total	1075	13200000	100.00



C E R T I F I C A T E
(In pursuance of Clause 49 (V) of the Listing Agreement)

This is to certify to the Board of Directors of Bhatia Industries & Infrastructure Limited, Indore that:

1. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2012 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies;
4. We have indicated to the auditors and the Audit Committee that
 - 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 we 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 Bhatia Industries & Infrastructure Limited

Place: Indore
Date: 30.04.2012

Sd/-
Umesh Bhargava
Group CFO

Sd/-
Surinder Singh Bhatia
Executive Director & CEO

CERTIFICATE FROM PRACTICING COMPANY SECRETARY
IN COMPLIANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Members of

Bhatia Industries & Infrastructure Limited

"BCC House", 8/5, Manoramaganj,

Navratan Bagh Main Road,

Indore (M.P.)

We have examined the compliance of conditions of corporate governance by **Bhatia Industries & Infrastructure Limited** (hereinafter referred to as 'the Company'), for the year ended March 31, 2012 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in 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 Ajit Jain & Co.
Company Secretaries

Place: Indore
Date: 30.04.2012

Sd/-
CS Ajit Jain
CP No. 2876



MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Indian coal industry is the fourth largest in terms of coal reserves and third largest in terms of coal production in the world. But despite this its still depends on imports, India has not been able to minimize its coal deficit. Coal has been recognized as the most important source of energy for electricity generation and industries such as steel, cement, fertilizers and chemicals are major sectors of coal consumption. So in order to satisfy the coal demand, the Indian coal industry needs more investment and private players to raise their production level. As per our latest estimations, carried out in recent research report, the overall coal imports are anticipated to cross the 100 Million Metric Tons-mark. De-allocation of coal blocks and stake sales in PSUs were among the major steps taken by the government to boost production and investment in the coal industry.

The real estate sector in India assumed greater prominence with the liberalization of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space. At present, the real estate and construction sectors are playing a crucial role in the overall development of India's core infrastructure. The real estate industry's growth is linked to developments in the retail, hospitality and entertainment (hotels, resorts, cinema theatres) industries, economic services (hospitals, schools) and information technology (IT)- enabled services (like call centres) etc and vice versa. The scenario underwent a change in line with the sector's growth, and as of today, the real estate industry's dynamics reflect consumers' expectations of higher quality with India's increasing integration with the global economy.

2. OPPORTUNITIES & THREATS:

The Company comprises of two segment viz. Infrastructure and Coal Trading.

Demand of Coal mainly from Power Sector is growing rapidly and the increasing government support will boost the coal production in the country. However the under-developed infrastructure has been creating problems for transportation of coal to various power plants across the country. The situation is expected to get worse if railways, roads and ports are not developed in pace with the capacity addition program.

Due to the relaxation in FDI rules implemented by India in respect of infrastructure division more foreign investors are expected to infuse money in real estate sector in India which seemingly the most lucrative ground at present. However domestic output has been crimped due to hurdles over environmental clearances and land acquisition and other government policies.

3. OUTLOOK:

The Indian coal industry, one of the largest in terms of reserve base and production level, has gained significant momentum in the past few years. The industry has attracted government concern and investments. The coal demand has been rising constantly in India due to growth & high demand from major coal consuming sectors, including power, cement and steel. We estimate that coal production will grow at a CAGR of around 9% during 2011-12 to 2013-14. It is also anticipated that the demand for thermal coal and coking coal by power and steel sectors, respectively, will gain momentum in near future.

India has 10 percent of the world's coal reserves, trailing only the United States, Russia and China, but a shortfall from local supplies has grown rapidly with an increase in coal-fired power plants and steel makers.

The Real Estate industry has significant linkages with several other sectors of the economy and over 250 associated industries. One Rupee invested in this sector results in 78 paise being added to the GDP of the State. A unit increase in expenditure in this sector has a multiplier effect and the capacity to generate income as high as five times. If the economy grows at the rate of 10% the housing sector has the capacity to grow at 14% and generate 3.2 million new jobs over a decade. Private equity players are considering big investments, banks are giving loans to builders, and financial institutions are floating real estate funds. Indian property market is immensely promising and most sought after for a wide variety of reasons.

4. INTERNAL CONTROL SYSTEMS:

The Company has a proper and adequate Internal Control System to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and those transactions are authorized, recorded and reported correctly.

The Company, in consultation with its Statutory Auditors, periodically reviews and ensures the adequacy of Internal Control Procedures for the orderly conduct of business and also includes a review to ensure overall adherence to Management Policies and applicable Laws & Regulations. The Company's internal audit team carries out extensive audits throughout the year, across all functional areas.

**5. HUMAN RESOURCES DEVELOPMENTS:**

Our Philosophy is "Human Resource" is more important than any other factor for achieving efficiency, productivity and quality. Human Relationship Management assumes great importance in the Company and human the great assets.

During the year under review, the Company continued its emphasis on Human Resource Development as one of the critical areas of its operation. Realizing that the human capital being the Company's greatest asset, the up gradation of skills, personality and attitude of its employees is always looked after. Measures are also being implemented for enhancing the motivation and commitment of the work force and building up a unique positive work culture. Employer - Employees relation throughout the year were cordial.

The year witnessed recruitment of prominent, proficient and distinguished personnel at key positions in the organization. This search for the highest degree of intellectual capital to enrich our professional and technical milieu is perennial one at the company. The Company organizes periodical trainings to encourage and develop vital human resource. All the efforts are aimed to ensure develop and nurture the entrepreneurial attitude and skill among the employees. The Company places on record its appreciation for the valuable contributions made by employee at all levels.

6. FINANCIAL PERFORMANCE:

The Financial Statements for the year ended March 31, 2012 have been prepared in compliance with the requirement of Companies Act 1956 and Generally Accepted Accounting Principles (GAAP) in India.

During Financial Year 2011-12, the Company recorded total income of Rs. 1509.36 Millions, of which income from operations is Rs. 1482.42 Millions and other income of Rs. 26.94 Millions.

For the year FY 2011-12, Earning before interest, Depreciation, tax and Amortization was Rs. 82.37 Millions.

For the FY 2011-12, Depreciation was Rs. NIL, as there were no depreciable fixed assets and Interest and Financial charges were Rs. 32.97 Millions and Profit before tax (PBT) was Rs. 49.40 Millions.

Profit after tax (PAT) was Rs. 30.60 Millions and Earning Per Share (EPS) of Rs. 2.18.

Out of the PAT of Rs. 30.60 Millions, 24.80 Millions has been apportioned for proposed dividend on Preference and Equity Shares of Rs. 13.37 (including Dividend Distribution Tax of Rs. 1.87 Millions) and Rs. 11.43 Millions has been transferred to Capital Redemption Reserve. Out of the accumulated profits of previous years Rs. 10 Millions was transferred to General Reserve

7. SEGMENT WISE PERFORMANCE:

Company comprises two segments viz. Coal Trading Division and Infrastructure division. During the Financial Year 2011-12, Company has acquired land of Rs. 10.62 Millions and same is considered in stock in trade and there is no turnover from Infrastructure division and entire income from operation of Rs. 1482.42 Millions is from Coal Trading division.

As on March 31, 2012, Coal Trading Division is having Segment Assets of Rs. 809.68 Millions and Segment liabilities of Rs. 132.63 Millions and Infrastructure division is having Segment Assets of Rs. 68.06 and Segment Liabilities of Rs. 0.38 Millions.

8. CAUTIONARY STATEMENT:

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations which have been prepared in compliance with the requirements of the Companies Act, 1956, the Accounting Standards issued by the Institute of Chartered Accountants of India, the Listing Agreements and all other applicable rules and regulations. The actual performance may vary depending on the market fluctuations, changes in Government policies, rules and regulations change in economic conditions nationally as well as internationally.



R. S. Bansal & Co.
Chartered Accountants

'Urvashi' 1st Floor, 3 Jaora Compound, Indore - 452 001
☎ 2702834-35 • Fax 0731-4003435
email : vjybansal@yahoo.co.in, client.rsbco@gmail.com



R.S. Bansal
B.Com., LL.B., FCA

Vijay Bansal
B.Com., FCA, DISA (ICAI)

AUDITORS REPORT

To
The Members of,
Bhatia Industries & Infrastructure Ltd
8/5, Manoramaganj, Navratan Bagh, Main Road,
INDORE (M.P.)

We have audited the attached Balance Sheet of **Bhatia Industries & Infrastructure Ltd.** having Registered Office at "BCC House, 8/5 Manoramaganj, Navratan Bagh, Main Road, Indore as at **31st March, 2012** and also Statement of Profit & Loss and 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 Accounting Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. [a] As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 (here-in-after referred to as the Act), and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
 - [b] Subject to above, and read with statement on notes to Balance Sheet and Statement of Profit & Loss forming parts of accounts.
2. Further to our comments in the annexure referred to paragraph 1 above:-
 - [a] 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.
 - [b] 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.
 - [c] The Balance Sheet, Statement of Profit & Loss and Cash Flow statements dealt with by this report are in agreement with the books of accounts.
 - [d] In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the accounting standard referred to in Sub-Section (3C) of Section 211 of Companies Act, 1956.
 - [e] On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - [f] In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement together with notes thereon and, gives 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 :-
 - i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2012 and
 - ii) In the case of the Statement of Profit & Loss, of the Profit of the Company for the year ended on 31st March, 2012 and
 - iii) In the case of the Cash Flow statement of the cash flows for the year ended on 31st March, 2012.

For **R.S. Bansal & Co.**
Chartered Accountants
FRN:000939C

Sd/-
(Vijay Bansal)
Partner
M.No.075344

Place: Indore
Date: 30th April, 2012



**ANNEXURE TO THE AUDITOR'S REPORT AS REFERRED IN PARAGRAPH FIRST OF
OUR REPORT OF EVEN DATE TO THE MEMBERS OF
BHATIA INDUSTRIES & INFRASTRUCTURE LIMITED FOR THE YEAR ENDED 31ST MARCH 2012.**

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in term of Section 227 (4A) of the Companies Act, 1956, we further report that-

FIXED ASSETS :-

1. As informed to us, the Company has been maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. [Paragraph 4(i) (a)]
2. As informed to us the Company has physically verified the fixed assets during the year at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification. [Paragraph 4(i) (b)]
3. In our opinion and according to the information and explanation given to us, the Company has not disposed off any substantial fixed assets during the year, which affects the going concern status of the company. [Paragraph 4(i) (c)]

INVENTORIES :-

4. As per explanation given to us, physical verification of inventories has been conducted at reasonable intervals by the management. [Paragraph 4(ii) (a)]
5. In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the company and the nature of its business. [Paragraph 4(ii) (b)]
6. In our opinion and according to the information and explanation given to us the Company has maintained proper records of its inventories and no material discrepancies were noticed on such physical verification. [Paragraph 4(ii) (c)]

Loan Granted :-

7. (a) According to the information and explanation given to us, the Company has granted unsecured loans to Companies or parties covered in the register maintained u/s 301 of Companies Act, 1956. The required details are as under: [Paragraph 4 (iii) (a)]

Name	Maximum Amount (₹ in Millions)	Amount Outstanding (₹ in Millions)
Bhatia International Limited	345.37	345.07
Bhatia Global Trading Limited	346.66	NIL

- (b) The rate of interest and other terms and conditions of such loan are not prima facie prejudicial to the interest of the company. [Paragraph 4 (iii) (b)]
- (c) As per the terms of the agreement provided to us the receipt of principal and interest are as per the terms of the agreement. [Paragraph 4 (iii) (c)]
- (d) As explained & informed to us no amount is overdue as at the end of the year. [Paragraph 4 (iii) (d)]

Loan Taken :-

8. (a) According to the information and explanation given to us, the Company has obtained unsecured loans from following persons covered under section 301. [Paragraph 4 (iii) (e)]. The details are as under :-

Name	Maximum Amount (₹ in Millions)	Amount Outstanding (₹ in Millions)
Bhatia International Limited	0.10	NIL
Bhatia Global Trading Limited	9.00	NIL

- (b) The rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company. [Paragraph 4 (iii) (f)]



- (c) As per the terms of the agreement provided to us the payment of principal and interest are as per the terms of the agreement. [Paragraph 4 (iii) (g)]

Internal Control Procedures:-

9. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business of inventory and fixed assets and for the sale of Goods & Services. [Paragraph 4 (iv)]
10. As informed to us the Company has entered all the transactions in the register maintained in pursuance of Section 301 of the Companies Act, 1956.
[Paragraph 4 (v) (a)]
11. As per information and explanation provided to us and documents produced before us the transaction have been entered into during the financial year at the prices which are reasonable having regards to the prevailing market prices at the relevant time. [Paragraph 4 (v) (b)]

Public Deposit :-

12. In our opinion and according the information and explanation given to us, the Company neither accepted nor invited any deposits from Public within the provisions of Section 58A of Companies Act, 1956 and rules made there under.
[Paragraph 4 (vi)]

Internal Audit System

13. As explained and informed to us, company has its own internal audit system which in our opinion is adequate and commensurate with the size and nature of its business. [Paragraph 4 (vii)]

Cost Record :-

14. As informed to us, the Central Government has not prescribed the maintenance of cost record under Section 209 (1) (d) of the Companies Act, 1956.
[Paragraph 4 (viii)]

Statutory Dues :-

15. According to the information and explanation given to us there are no undisputed statutory dues payable in respect of Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and Cess, which are outstanding as at 31.03.2012 for a period of more than six months from the date they became payable. [Paragraph 4 (ix)(a)]
16. It has been explained & informed to us that all dues toward sales tax / income tax / custom duty / wealth tax / excise duty / Cess, if any are properly accounted for in the books & no dispute towards aforesaid dues exist, except following:
[Paragraph 4 (ix)(b)]

S.No	Particulars	Financial Year which it relates	Forum where Pending	Amount (In ₹ Millions)
1.	Income Tax	1995-96	CIT (Appeals)	0.11
2.	Income Tax	2001-02	ITAT	0.054
3.	Income Tax	2003-04	ITAT	0.11
4.	Stamp Duty	2004-05	Revenue Board, Gwalior	1.06
5.	Commercial Tax	2006-07	Joint Commissioner	3.67

Accumulated \ Cash Losses: -

17. The Company has no accumulated losses. Further, the Company has not incurred any cash losses during the period covered by the report and immediately preceding the financial year. [Paragraph 4 (x)]

Default in Repayment of dues to Financial Institutions or Bank

18. Based on our audit procedures and on the information and explanation given by the management, company has not defaulted in the repayment of loans from the financial institutions or banks, hence this clause is not applicable. [Paragraph 4 (xi)]



19. According to the information and explanation given to us, the Company has not given any loans and advances on the basis of security by way of Pledge of Shares, debentures and other securities. [Paragraph 4 (xii)]

Chit Fund \ Nidhi \ Mutual Benefit \ Society Activities :-

20. Provisions relating to any special statute applicable to chit fund are not applicable to the Company. [Paragraph 4 (xiii) first part]
21. Company not being Nidhi \ Mutual Benefit fund \ Society hence this clause is not applicable. [Paragraph 4 (xiii) second part]

Dealing or trading in Shares : -

22. According to the information and explanation given to us, no transaction in trading of shares is being done by the company during the year. [Paragraph 4 (xiv)]

Guarantee given by the Company for Loan taken by others :-

23. As informed and explained to us the Company has not given any guarantee in respect of loans taken by others from any bank or financial institutions.

[Paragraph 4 (xv)]

Utilization of Term Loan :-

24. As per information and explanation given to us, the company has not taken any term loans. [Paragraph 4 (xvi)]

Application of Short Term Fund for Long Term Investments :-

25. As explained and explanation given to us, fund raised on short term basis have not been used for long term investment. [Paragraph 4 (xvii)]

Preferential Allotment of Shares:-

26. According to information and explanation given to us, the company has not made any preferential allotment of Shares to the parties covered in the Register maintained under section 301 of the Act during the year. [Paragraph 4 (xviii)]

Creation of Securities for Debentures Issue :-

27. According to the information and explanation given to us and the records examined by us, the company has not issued debentures and hence regarding creation of securities in respect of debentures issued does not arise. [Paragraph 4 (xix)]

Money raised by Public Issue: -

28. The Company has not raised any money by public issue of shares during the year-ended review. [Paragraph 4 (xx)]

Fraud Notice or Reported: -

29. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company was noticed or reported during the year-ended review. [Paragraph 4 (xxi)]

**For R.S. Bansal & Co.
Chartered Accountants
FRN:000939C**

**Sd/-
(Vijay Bansal)
Partner
Membership No.075344**

**Place: Indore
Date: 30th April, 2012**



BALANCE SHEET AS AT 31.03.2012

₹ in Millions

Particulars	Note No.	As At 31.03.2012	As At 31.03.2011
I. EQUITY AND LIABILITIES			
(1) Share Holder's Fund			
(a) Share Capital	2	212.00	113.00
(b) Reserves and Surplus	3	81.46	163.23
(2) Non Current liabilities			
(a) Other Long Term Liabilities	4	0.61	0.61
(3) Current liabilities			
(a) Short Term Borrowings	5	451.27	289.19
(b) Trade Payables	6	97.42	206.50
(c) Other Current Liabilities	7	3.88	5.04
(d) Short Term Provisions	8	31.10	61.75
TOTAL		<u>877.74</u>	<u>839.32</u>
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	0.89	0.89
(b) Non Current investments	10	0.22	0.22
(c) Long term loans and advances	11	7.45	9.38
(d) Other non current assets	12	0.58	0.31
(2) Current Assets			
(a) Inventories	13	276.40	169.52
(b) Trade Receivables	14	172.76	454.71
(c) Cash and Bank Balances	15	47.44	168.60
(d) Short Term Loans and Advances	16	370.61	34.61
(e) Other Current Assets	17	1.39	1.08
TOTAL		<u>877.74</u>	<u>839.32</u>

Significant Accounting Policies
Other Notes on Financial Statements

1
25

As per our Separate Report Attached
FOR R. S. BANSAL & CO.
CHARTERED ACCOUNTANTS
FRN 000939C

For and on behalf of the Board
For BHATIA INDUSTRIES & INFRASTRUCTURES LTD.

Sd/-
S.S.BHATIA
Executive Director & CEO

Sd/-
VIJAY BANSAL
Partner
Membership No. 075344

Sd/-
J. K. JAIN
Director

Sd/-
UMESH BHARGAVA
Group CFO

Place : Indore
Date : April 30 , 2012

Sd/-
SAMIR KUMAR BAHRI
Company Secretary



PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2012

₹ in Millions

S.No.	Particulars	Note No.	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
I.	Revenue from operations	18	1,482.42	2,448.50
II.	Other income	19	26.94	4.24
III.	Total Revenue (I+II)		<u>1,509.36</u>	<u>2,452.74</u>
IV.	Expenses:			
	(a) Purchases of Stock in trade	20	1,490.43	2,341.31
	(b) Changes in inventories of	21		
	(i) Stock in trade		(106.88)	(72.08)
	(c) Employee benefits expenses	22	2.53	0.65
	(d) Finance Costs	23	32.97	18.20
	(e) Depreciation and amortization	9	-	-
	(f) Other expenses	24	40.91	8.74
	Total Expenses		<u>1,459.96</u>	<u>2,296.82</u>
V.	Profit before exceptional and extraordinary items and tax(III-IV)		49.40	155.92
VI.	Exceptional items	25.1	1.50	-
VII.	Profit before extraordinary items and tax (V -VI)		<u>47.90</u>	<u>155.92</u>
VIII.	Extraordinary items		-	-
IX.	Profit before tax (VII-VIII)		<u>47.90</u>	<u>155.92</u>
X.	Tax expense:			
	Current tax		17.30	52.00
XI.	Profit (Loss) for the period from continuing operations		<u>30.60</u>	<u>103.92</u>
XII.	Profit/(Loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit/(Loss) from discontinuing operations after tax(XII-XIII)		-	-
XV.	Profit/(loss) for the period (XI+XIV)		<u>30.60</u>	<u>103.92</u>
XVI.	Earnings per equity share:	25.6		
	(1) Basic		2.18	7.73
	(2) Diluted		2.18	7.73

Significant Accounting Policies

1

Other Notes on Financial Statements

25

As per our Separate Report Attached

For and on behalf of the Board

FOR R. S. BANSAL & CO.

For BHATIA INDUSTRIES & INFRASTRUCTURES LTD.

CHARTERED ACCOUNTANTS

FRN 000939C

Sd/-
S.S.BHATIA
Executive Director & CEO

Sd/-
VIJAY BANSAL
Partner
Membership No. 075344

Sd/-
J. K. JAIN
Director

Sd/-
UMESH BHARGAVA
Group CFO

Place : Indore
Date : April 30 , 2012

Sd/-
SAMIR KUMAR BAHRI
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

₹ in Millions

Particulars	Year ended 31st March, 2012		Year ended 31st March, 2011	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax	47.90		155.92	
Adjustments :				
Dividend Received	(0.02)		-	
Preliminary Expenses written off	0.05		0.05	
Interest Income	(26.77)		(4.14)	
Interest Paid	19.04		6.06	
Operating Profit before change of Working Capital	40.20		157.89	
Increase / (Decrease) in Trade Payables	(109.08)		76.04	
Increase / (Decrease) in Short Term Provisions	(47.96)		1.78	
Increase / (Decrease) in Other Current Liabilities	(1.16)		4.59	
Increase / (Decrease) in Inventories	(106.88)		8.07	
(Increase) / Decrease in Trade Receivables	281.95		(248.86)	
(Increase) / Decrease in Long Term Loans & Advances	1.93		(8.41)	
(Increase) / Decrease in Other Non Current Assets (Excl. Misc. Expenses)	(0.32)		-	
(Increase) / Decrease in Short Term Loans & Advances	(336.00)		(19.42)	
(Increase) / Decrease in Other Current Assets	(0.31)		(0.65)	
Cash Generated from Operation	(277.62)	(277.62)	(28.97)	(28.97)
CASH FLOW FROM INVESTMENT ACTIVITIES				
Dividend Income	0.02		-	
Interest Income	26.77		4.14	
(Increase) / Decrease in Fixed Deposits having maturity of more than three months	9.29	36.08	0.54	4.68
CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Short Term Borrowings	162.08		152.76	
Dividend on Preference Shares Paid	(1.60)		(1.60)	
Dividend on Equity Shares	(9.90)		(6.60)	
Dividend Distribution Tax	(1.87)		(1.36)	
Interest Expenses	(19.04)	129.67	(6.06)	137.14
NET CASH INCREASE(DECREASE) IN CASH & CASH EQUIVALENTS		(111.87)		112.85
ADD : OPENING CASH & CASH EQUIVALENTS		118.47		5.63
CASH & CASH EQUIVALENTS AT END OF THE PERIOD		6.60		118.48

As per our Separate Report Attached

FOR R. S. BANSAL & CO.

CHARTERED ACCOUNTANTS

FRN 000939C

Sd/-

VIJAY BANSAL

Partner

Membership No. 075344

Place : Indore

Date : April 30 , 2012

For and on behalf of the Board

For BHATIA INDUSTRIES & INFRASTRUCTURES LTD.

Sd/-

S.S.BHATIA

Executive Director & CEO

Sd/-

J. K. JAIN

Director

Sd/-

UMESH BHARGAVA

Group CFO

Sd/-

SAMIR KUMAR BAHRI

Company Secretary

**NOTE - 1****SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of Preparation of Financial Statements:**

The Financial Statements are prepared under the historical cost convention on ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India and the provision of the Companies Act, 1956. The Company has followed the mercantile system of accounting and recognized income and expenditure on accrual basis.

1.2 Revenue Recognition:**a. Coal Trading:**

Sale of coal has been recorded and recognized on the basis of dispatches made to customers, which is considered as transfer of ownership and represents amount billed for goods sold excluding Sales Tax/ VAT.

b. Revenue from High Seas Sales are accounted for on the basis of date of agreement entered with the customers during the year.

c. Further, Other Income received through cargo handling charges is the amount recovered in excess of the amount paid by the company for the services in proportion of the quantity dispatched.

1.3 Fixed Assets & Capital work-in-progress:

a. The Company does not hold any Depreciable Asset. Costs of non-depreciable Fixed assets are arrived at after including therein - attributable expenses for bringing the respective assets to working condition.

b. The company does not have any Capital Work-in-Progress.

1.4 Depreciation:

No Depreciation has been charged on Land held as Fixed Assets.

1.6 Inventories:

a. **Imported Coal:** At Cost (including Direct Expenses with specific identification method) or Market Price, whichever is lower.

b. **Indigenous Coal:** At Cost (including Direct Expenses) using FIFO Method or Market Price, whichever is lower.

c. **Goods In Transit:** At Cost.

d. **Land:** Valued at Cost including Registration Expenses.

1.7 Retirement Benefits:

a. The Company has provided for value of unutilized leave due to employees at the end of the year.

b. In the opinion of the Board of Directors, Company does not fall under the purview of the retirement benefits like P.F., Gratuity etc and therefore no provision for the same is provided in the books.

1.8 Investment:

Long Term investments are shown at Cost. No provision has been made for diminution in the value of investments.

1.9 Foreign Currency Transaction:

a. Transaction in foreign currency is accounted for at the exchange spot rate on the date of transaction. Receivable and payables are translated at the closing rate of exchange prevailing on Balance Sheet date. The difference because of fluctuation in the rate of exchange is recognized in the Profit & Loss account.

b. Transactions covered by cross currency swaps and options contracts to be settled on future dated recognized at the year-end rates of the underlying foreign currency. Effect arising of the swap contract is being adjusted on the date of settlement.

1.10 Borrowing Costs:

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying assets are capitalized up to the date when such assets are ready for its intended use. All other borrowing costs are charged to Profit & Loss account.

1.11 Provisions and Contingent Liabilities:

A provision is recognized when an enterprises has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not provided for in the accounts and are disclosed by way of Notes.

1.12 Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961. Deferred Tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

1.13 Preliminary Expenses / Deferred Revenue Expenditures:

Preliminary Expenses / Deferred Revenue Expenditures have been written off in ten equal installments.



NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2012

Note No. 2: SHARE CAPITAL

₹ in Millions

PARTICULARS	As At 31.03.2012	As At 31.03.2011
Authorized Capital		
15,000,000 Equity Shares of ₹10/- each (Previous year 4,000,000 Equity Shares of ₹ 10/- each)	150.00	40.00
800,000 2% Cumulative Redeemable Preference Shares of ₹100/- each (Previous year 800,000 Shares of ₹ 100/- each)	80.00	80.00
	230.00	120.00
Issued, Subscribed & Fully Paid up Share Capital		
13,200,000 Equity Shares ₹ 10/- each (Previous Year 3,300,000 Equity Shares ₹ 10/- each)	132.00	33.00
800,000 2% Cumulative Redeemable Preference Shares of ₹ 100/- each (Previous year 800,000 Shares of ₹ 100/- each)	80.00	80.00
Total	212.00	113.00

- The Company has two types of shares referred to as Equity shares having a face value of ₹ 10/- each & Preference Shares having a face value of ₹ 100/- each.
- In the current Financial Year i.e. 2011-2012 the company has issued 9,900,000 fully Paid up Bonus Equity Shares of ₹ 10/- each in the ratio of 3:1.

- Shareholder holding more than 5% of shares are :-

Name	% of Holding	No. of Shares
Equity Shares @ ₹ 10/- each		
Surinder Singh Bhatia	14.08 % (P.Y. 14.08%)	1,858,840 Equity Shares of ₹ 10/- each (P.Y. 464,710 Equity Shares of ₹ 10/- each)
Ishhar Overseas Pvt. Ltd.	7.97% (P.Y. 7.97%)	1,051,896 Equity Shares of ₹ 10/- each (P.Y. 262,974 Equity Shares of ₹ 10/- each)
Preference Shares @ ₹ 100/- each		
Mr. Gurvinder Singh Bhatia	50% (P.Y. 50%)	400,000 2% Cumulative Redeemable Preference Shares of ₹ 100/- each (P.Y. 400,000 2% Cumulative Redeemable Preference Shares of ₹ 100/- each)
Mr. Surinder Singh Bhatia	50% (P.Y. 50%)	400,000 2% Cumulative Redeemable Preference Shares of ₹ 100/- each (P.Y. 400,000 2% Cumulative Redeemable Preference Shares of ₹ 100/- each)

- Reconciliation of Equity Shares :

Particulars	No. of Shares	Amount (₹ In Millions)
Opening Shares	3,300,000 (PY 3,300,000)	33.00 (PY 33.00)
Add: Allotment of Bonus Shares	9,900,000 (PY NIL)	99.00 (PY NIL)
Closing Shares	13,200,000 (PY 3,300,000)	132.00 (PY 33.00)



5. Reconciliation of Preference Shares :

Particulars	No. of Shares	Amount (₹ In Millions)
Opening Shares	800,000 (PY 800,000)	80.00 (PY 80)
Add: Allotment of Bonus Shares	- (PY NIL)	- (PY NIL)
Closing Shares	800,000 (PY 800,000)	80.00 (PY 80)

Note No. 3: RESERVE AND SURPLUS

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
General Reserve		
Opening	12.79	4.99
Add: Addition during the year	10.00	7.80
Less: Amount utilized towards issue of fully paid up Bonus Shares	(12.79)	-
Closing (A)	10.00	12.79
Capital Redemption Reserve		
Opening	45.71	34.29
Add: Transferred during the year	11.43	11.42
Closing (B)	57.14	45.71
Surplus of Statement of Profit & Loss		
Opening	104.73	29.60
Less: Amount utilized towards issue of fully paid up Bonus Shares	86.21	-
Add: Profit during the year	30.60	103.92
	49.12	133.52
Less: Appropriations during the year		
Transfer to General Reserve	10.00	7.80
Capital Redemption Reserve	11.43	11.43
Proposed Dividend on Equity Shares	9.90	6.60
Proposed Dividend on Preference Shares	1.60	1.60
Dividend Distribution Tax	1.87	1.36
Total of Appropriation	34.80	28.79
Closing (C)	14.32	104.73
Grand Total (A+B+C)	81.46	163.23

Note No. 4: OTHER LONG TERM LIABILITIES

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
Trade Payables	0.61	0.61
Total	0.61	0.61

**Note No. 5: SHORT TERM BORROWINGS**

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
SECURED		
Loans repayable on demand		
From Banks		
<i>Cash Credit Hypothecation Limits from¹</i>		
Central Bank Of India (Siyaganj)	49.58	43.76
Bank of India (CC Account)	55.21	61.91
	104.79	105.67
<i>Buyer's Line of Credit Facilities from^{1&2}</i>		
Bank of India	113.20	183.52
Central Bank Of India	233.28	-
	346.48	183.52
Grand Total	451.27	289.19

¹Cash Credits & Buyer's Line Credit are secured by way of hypothecation on Stocks, Receivables and other Current Assets, present & future of the Company, under the ranking first charge on pari-passu basis under Consortium Agreement and collateral securities by way of equitable mortgage of immovable properties and personal guarantee of the Promoter directors of the Company.

²The Company has availed the Buyer's Credit facilities from both the above Banks by ear - marking the limits of Foreign Letter of Credit and such facilities are within the sanctioned limits.

Note No. 6: TRADE PAYABLES

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
Sundry Creditors for Goods	74.60	203.24
Sundry Creditors for Expenses	22.82	3.26
Total	97.42	206.50

Note No. 7: OTHER CURRENT LIABILITIES

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
Interest Accrued but not due on Borrowings	2.87	1.35
Income received in advance	0.02	-
Statutory Liabilities	0.54	2.50
Other Current Liabilities	0.44	0.10
Advance From Customers	0.02	1.09
Total	3.88	5.04

Note No. 8: SHORT TERM PROVISIONS

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
Provision for employee benefits	0.06	-
Provision for Expenses	0.37	0.19
Provision for Income Tax	17.30	52.00
Proposed Dividend on Equity Share	9.90	6.60
Proposed Dividend on Preference Shares	1.60	1.60
Dividend Distribution Tax	1.87	1.36
Total	31.10	61.75

₹ in Millions

Note - 9 FIXED ASSETS

S.No.	PARTICULARS	ORIGINAL COST			DEPRECIATION & AMORTIZATION			NET BOOK VALUE		
		As at April 1, 2011	Additions during the period	Deductions/ Retirement during the period	As at March 31, 2012	As at April 1, 2011	For the period	Deductions during the period	As at March 31, 2012	As at March 31, 2011
(i)	TANGIBLE ASSETS									
	Land & Site Development	0.89	-	-	0.89	-	-	-	0.89	0.89
	TOTAL (i)	0.89	-	-	0.89	-	-	-	0.89	0.89
(ii)	INTANGIBLE ASSETS									
	Others (Specify)	-	-	-	-	-	-	-	-	-
	TOTAL (ii)	-	-	-	-	-	-	-	-	-
(iii)	Capital Work In Progress									
	TOTAL (iii)	-	-	-	-	-	-	-	-	-
	GROSS TOTAL	0.89	-	-	0.89	-	-	-	0.89	0.89
	Previous year	0.89	-	-	0.89	-	-	-	0.89	0.89

**Note No. 10: NON CURRENT INVESTMENTS**

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
NON TRADE		
Non Current Investments-at Cost		
Investment in Equity Instruments		
Quoted Shares		
95 Equity Shares of ₹ 10 each in DB Corp Ltd. (P.Y 95 Equity Shares of ₹ 10 each) (Market Value as on 31.03.2012 is ₹ 0.02 Million (PY ₹ 0.02 Million))	0.02	0.02
	0.02	0.02
Other (Unquoted)		
4500 Equity Share of ₹ 10 each in BCC Enterprises India Ltd.(P.Y 4500 Equity Shares of ₹ 10 each)	0.05	0.05
4500 Equity Shares of ₹ 10 each in Bhatia Global Trading Ltd.(P.Y 4500 Equity Shares of ₹ 10 each)	0.05	0.05
4500 Equity Shares of ₹ 10 each in BCC Cargo Ltd.(P.Y 4500 Equity Shares of ₹ 10 each)	0.05	0.05
4500 Equity Shares of ₹ 10 each in Ishhar Overseas Ltd.(P.Y 4500 Equity Shares of ₹ 10 each)	0.05	0.05
	0.20	0.20
Grand Total	0.22	0.22

Details of Investments

Name of the Company ¹	Relationship	% of Shareholding
95 Equity Shares in DB Corp Ltd.	NA	-
4500 Equity Share in BCC Enterprises India Ltd.	Associates	0.03%
450 Equity Shares in Bhatia Global Trading Ltd.	Associates	-
4500 Equity Shares in BCC Cargo Ltd.	Associates	0.03%
4500 Equity Shares in Ishhar Overseas Ltd.	Associates	0.03%

¹ All investments are fully paid up.

Note No. 11: LONG TERM LOAN AND ADVANCES

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
<i>(Unsecured, Considered Good)</i>		
Capital Advances	-	2.00
Security Deposits	7.36	7.36
Loans to Employees	0.09	0.02
Total	7.45	9.38

Note No. 12: OTHER NON CURRENT ASSETS

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
<i>(Unsecured, Considered Good)</i>		
Long term trade receivables	-	-
Interest Accrued but not due	0.32	-
Miscellaneous Expenditure (To the extent not written off)	0.26	0.31
Total	0.58	0.31

Note No. 13: INVENTORIES

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
Stock in Trade	-	-
Indigenous Coal ¹	17.36	5.14
Imported Coal ²	191.87	107.83
Land ³	67.17	56.55
Total	276.40	169.52

Mode of Valuation

¹ Indigenous Coal : At Cost (including Direct Expenses) using FIFO Method or Market price whichever is lower.

² Imported Coal : At Cost (including Direct Expenses with specific identification method) or Market Price whichever is lower.

³ Land : At Cost (including Registration Expenses.)

**Note No. 14: TRADE RECEIVABLES**

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
<i>(Unsecured, Considered Good)</i>		
Debt outstanding for a period exceeding Six months	15.30	1.12
Other Debts	157.46	453.59
Total	172.76	454.71

Note No. 15: CASH & BANK BALANCES

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
Cash & Cash Equivalents		
Balances with Scheduled Banks		
Current Account ¹	6.50	27.88
Fixed Deposit account having maturity 3 Month or less	-	90.50
Cheques, Draft on hand	-	-
Cash in hand	0.10	0.09
	6.60	118.47
Other Bank Balances		
Fixed Deposit account having maturity More than 3 Month but less than 12 Month ²	36.77	46.08
Fixed Deposit account having maturity More than 12 Month ²	4.07	4.05
Grand Total	47.44	168.60

¹ This balance includes Earmarked balance with bank for Unpaid Dividend ₹ 0.27 Millions.

² This includes Balances with Banks held as security against the Bank Guarantee & Letter of Credit of ₹ 40.83 Millions and Balances with Sales Tax Department against Sales Tax Registration No. of ₹ 0.01 Millions.

Note No. 16: SHORT TERM LOAN AND ADVANCES

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
<i>(Unsecured, Considered Good)</i>		
Loans and Advances to related parties (Refer Note No. 25.5)	345.07	-
Others		
Advance for Coal Purchase	0.56	6.94
Advance for Expenses	0.24	1.16
Advance Income Tax	5.91	19.90
Advance for Insurance	0.02	0.01
VAT Refundable	18.20	6.39
Service Tax Receivable	0.30	-
Staff Advances	0.05	0.01
Current Portion of Staff Loan	0.07	0.02
Prepaid Expenses	0.14	0.13
Earnest Money Deposits	0.05	0.05
Total	370.61	34.61

Note No. 17: OTHER CURRENT ASSETS

₹ in Millions

Particulars	As At 31.03.2012	As At 31.03.2011
Interest Accrued but not due	1.39	1.08
Total	1.39	1.08

**Note No. 18: REVENUE FROM OPERATIONS**

₹ in Millions

Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
Sale of products		
Coal Trading Division		
Imported Coal	1,198.60	2,142.76
Indigenous Coal	230.80	224.42
Cargo Handling Charges Received	53.02	76.71
Infrastructure Division		
Land	-	4.61
Total	1,482.42	2,448.50

Note No. 19: OTHER INCOME

₹ in Millions

Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
Interest Income	26.77	4.14
Other non-operating income	0.17	0.10
Total	26.94	4.24

Note No. 20: PURCHASE OF STOCK-IN-TRADE

₹ in Millions

Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
Imported Coal	1,200.45	2,064.17
Indigenous Coal	233.28	221.58
Land	10.62	2.68
Cargo handling charges paid	46.07	52.88
Total	1,490.43	2,341.31

Note No. 21: CHANGE IN INVENTORIES OF STOCK-IN-TRADE

₹ in Millions

Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
(a) Opening Stock		
(i) Imported Coal	107.83	40.42
(ii) Indigenous Coal	5.14	0.41
(iii) Land	56.55	56.61
Total of opening Stock	169.52	97.44
(b) Closing Stock		
(i) Imported Coal	191.87	107.83
(ii) Indigenous Coal	17.36	5.14
(iii) Land	67.17	56.55
Total of Closing Stock	276.40	169.52
Net (Increase)/Decrease in Closing Stock	(106.88)	(72.08)

**Note No. 22: EMPLOYEE BENEFIT EXPENSES**

₹ in Millions

Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
Salaries and Wages	2.50	0.64
Contribution to Provident and other funds	-	-
Staff Welfare expenses	0.03	0.01
Total	2.53	0.65

Note No. 23: FINANCE COST

₹ in Millions

Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
Interest Expenses	19.04	6.06
Other Borrowing costs	13.93	12.14
Total	32.97	18.20

Note No. 24: OTHER EXPENSES

₹ in Millions

Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
Administrative, selling and other expenses		
Statutory Auditor's Remuneration	0.17	0.11
Electricity & Water Expenses	0.13	0.07
Insurance Charges	0.01	0.00
Legal & Professional Charges	1.65	0.25
Office Expenses	0.01	0.05
Pollution Control & Preventive Expenses	0.09	0.09
Rent & Taxes	0.19	0.13
Stationary & Printing	0.25	0.15
Repairs & Maintenance Expenses	0.11	0.47
Sampling & Analysis Charges	0.41	0.21
Telephone, Postage & Telegram Expenses	0.12	0.06
Travelling Expenses	0.03	0.08
Vehicle Running & Maintenance Expenses	0.09	0.05
Advertisement & Publicity	0.08	-
Brokerage & Commission	4.93	1.70
Sales Promotion Expenses	-	0.02
Preliminary Expenses (To the extent written off during the year)	0.05	0.05
Foreign Exchange Fluctuation	32.59	5.25
Total	40.91	8.74

**25 OTHER NOTES ON FINANCIALS STATEMENTS**

25.1 Prior Period Adjustments includes Prior period Expenses of ₹ 1.52 Millions netted off with prior period Income of ₹ 0.01 Millions.

25.2 Additional information required under Para (viii) of Part II of Revised Schedule VI to the Companies Act, 1956, is follows:

₹ in Millions

Particulars		31.03.2012	31.03.2011
a.	Value of Import on C.I.F. basis	788.87	1176.52
b.	Earning in Foreign Currency		
i.	Export of goods on F.O.B. basis	Nil	Nil
ii.	Royalty, Know-how	Nil	Nil
iii.	Professional and Consultation fees	Nil	Nil
iv.	Interest and Dividend	Nil	Nil
v.	Dispatch/ Demurrages	Nil	Nil
c.	Expenditure in foreign currency		
i.	Dispatch/ Demurrages	6.56	3.89
ii.	Commission	4.62	3.57
iii.	Others	0	2.69

25.3 Auditor's Remuneration**₹ in Millions**

Particulars		31.03.2012	31.03.2011
a.	Statutory Audit Fees ¹	0.11	0.08
b.	Tax Audit Fees ¹	0.06	0.03
c.	Taxation & Other matters including Legal & Professional Expenses.	-	-

¹ Figures are inclusive of Service Tax.

25.4 Segment (AS - 17)

The Company's operations comprises of Trading of Coal and Trading of Land. Reporting of these segments has been done as required in Accounting Standard - 17 "Segment Report" issued by Companies (Accounting Standard) Rules, 2006. The segment report is enclosed separately.

25.5 Related Party (AS- 18)

Certain transaction on account with concern / Companies of the group has taken place during the year. As per details, which are elsewhere enclosed as required under Accounting Standard -18 "Related Party Disclosure" issued by Companies (Accounting Standard) Rules, 2006.

**25.6 Earning Per Share (AS -20)**

In accordance with the Accounting Standard - 20, Earning per Share is as follows: -

₹ in Millions (except item iv. to vii)

S. No	Particulars	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
i.	Net Profit available to shareholders (₹ in Millions)	30.60	103.92
ii.	Dividend & Dividend Distribution Tax on Preference Shares	1.86	1.87
iii.	Net Profit available to Equity Shareholders	28.74	102.05
iv.	Outstanding No. of Shares (Nos.)	13,200,000	13,200,000
v.	Basic EPS	2.18	7.73
vi.	Diluted EPS	2.18	7.73
vii.	Face value of share	10.00	10.00

25.7 Derivative Instruments:

The Company uses forward exchange contracts and currency options to hedge its exposure in foreign currency. The information on Derivative Instruments is as follows:

a. Derivative Instrument outstanding as at end of the period are as under:

(₹ in Millions)

Currency Pair	31.03.2012		31.03.2011	
	Buy	Sell	Buy	Sell
INR/ USD	229.15	-	-	-

b. Foreign Exchange Currency Exposures recognized by the Company that have not been hedged by Derivative instrument or otherwise as at end of the period are as under:

(₹ in Millions)

Currency Pair	31.03.2012		31.03.2011	
	Buy	Sell	Buy	Sell
USD / INR	207.41	-	323.37	-

25.8 Contingent Liabilities not provided for:

(₹ in Millions)

a.

S.No.	Contingent Liability not provided for:	31.03.2012	31.03.2011
i.	Bills Discounted with Banks.	29.52	51.61
ii.	Bank Guarantees	7.74	-

b. Collector of Stamp, Khargaon (MP) raised demand u/s. 33 read with section 48(b) of the Indian Stamp Act for Stamp Duty of ₹ 1.06 Million against the Sand Mine Contract allotted to the Company for Maheshwari Group by State Mining Corporation Limited, Bhopal. The Company has filed an appeal before the court of Hon'ble Revenue Board, Gwalior (MP) for setting aside the impugned order so passed by Collector of Stamp. The Management is of the opinion that no provision is required for such liability.

c. Appeal pending before Joint Commissioner for the demand raised by Deputy Commissioner of Commercial Tax for the F.Y. 2006-2007 of ₹ 3.67 Millions. The Management is of the opinion that no provision is required for such liability.



- d. Income Tax Department has raised a demand of ₹ 0.11 Million for the assessment year 1996-97. The Company has filed an appeal before appropriate authorities against above demand. The Management is of the opinion that no provision is required for such liability.
- e. Income tax department had raised demand of ₹ 1.88 Million for the Assessment Year 2002-03, 2003-04, 2005-06 & 2006-07. The Company had filed appeals before the appellate commissioner against above demand. During the year these appeals have been decided & Company has got partial relief. However, the orders giving effect to the Appellate commissioner orders are yet to received; on receipt of the same, tax liability shall be provided, if necessary. The company as well as the Income Tax Department have filed appeals for the Assessment Years 2005-06 & 2006-07 before the Appellate Tribunal. Meanwhile, the Income Tax Department has fully adjusted the pending demand against refund due to the Company for A.Y. 2009-10.

(₹ in Millions)

Disputed Income Tax Demand	As At 31.03.2012	As At 31.03.2011
A.Y. 2002-03	0.054	0.20
A.Y. 2004-05	0.11	0.25
A.Y. 2005-06	-	1.26
A.Y. 2006-07	-	0.18
Total	0.16	1.88

- 25.9** Company transferred ₹ 11.43 Million (Previous year ₹ 11.43 Million) to Capital Redemption Reserve out of the retained earnings for the redemption of the 2% Cumulative Redeemable Preference Share, redeemable in 7 Years. The allocation is in proportion of the Preference Share Capital to the redemption period.
- 25.10** The Company had allotted the Sand Mines contract for Maheshwar Group by State Mining Corporation Ltd., Bhopal for the period of 01.02.2004 to 31.01.2005. As per terms of the Contract, Company has deposited ₹ 7.21 million as Earnest Money. The company was continued in mining of sand till October 10, 2004. The Company had received the notice from Collector, Khargon on October 11.2004 to stop the mining work from October 13, 2004. Due to said notice, the Company had suffered and not fulfilled the conditions of said contracts. The State Mining Corporation had forfeited the amount of Earnest money deposited by the Company. The Company had no choice except to file the case in Arbitration Tribunal. The case had filed with Arbitration Tribunal but Tribunal had issued the award in favor of State Mining Corporation Ltd., Bhopal. The Company has filed an appeal with Session Court, Bhopal for setting aside the impugned order so passed by Arbitration Tribunal, which has also rejected on August 08, 2007. The Company has filed a writ petition with Hon'ble High Court of Jabalpur on September 25, 2008 against the order of Session Court, Bhopal. The writ petition filed by the Company had admitted. The management is of the opinion that no provision is required for such amount shown as deposit with MPSMCL in the Balance Sheet. As soon as case will be listed and argued finally, order will be in favor of the Company.
- 25.11** The previous period figures are regrouped and rearranged wherever necessary, in order to make it comparable with current year. Till the year ended March 31, 2011, the company was using pre-revised Schedule VI to the Companies Act 1956, for preparation & presentation of its financial statements. During the year ended March 31 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company. The company has reclassified previous year figures to confirm to this year's classification.

As per our Separate Report Attached
FOR R. S. BANSAL & CO.
CHARTERED ACCOUNTANTS
FRN 000939C

Sd/-
VIJAY BANSAL
Partner
Membership No. 075344

Place : Indore
Date : April 30 , 2012

For and on behalf of the Board
For BHATIA INDUSTRIES & INFRASTRUCTURES LTD.

Sd/-
S.S.BHATIA
Executive Director & CEO

Sd/-
J. K. JAIN
Director

Sd/-
UMESH BHARGAVA
Group CFO

Sd/-
SAMIR KUMAR BAHRI
Company Secretary


BHATIA INDUSTRIES & INFRASTRUCTURE LIMITED
Related Party Disclosures for the year ended 31.03.2012

Disclosure in respect of related parties as defined in Accounting Standard 18 (AS-18) issued by Companies (Accounting Standard) Rules, 2006 with whom transaction have been taken place during the year are given below:-

(₹ in Millions)											
S.No.	Name of Related Party	Nature of Relationship	Nature of Transaction (Paid)/Received	Qtr I	Qtr II	Qtr III	Qtr IV	Transaction During The Year 2011-12	Outstanding Balance as on 31.03.12 (Payable)/Receivables	Transaction During The Year 2010-11 (Paid)/Receivables	Outstanding Balance as on 31.03.11 (Payable)/Receivables
1	Mr. S.S. Bhatia	Director	Rent Paid	(0.02)	(0.02)	(0.02)	(0.02)	(0.06)	-	(0.06)	-
2	Mr. G.S. Bhatia	Director's Relative	Rent Paid	(0.02)	(0.02)	(0.02)	(0.02)	(0.06)	-	(0.06)	-
3	IOF Pte Ltd. (Singapore)	Associate Company	Vessel Freight Paid	(44.39)	(52.78)	(104.98)	(29.03)	(231.19)	(84.01)	(280.84)	(72.31)
4	Bhatia International Pte Ltd.(Singapore)	Associate Company	Coal Purchase	-	-	-	-	-	-	(205.55)	(105.08)
5	Bhatia International Ltd.	Director's Interested Company	Coal Purchase	-	(119.44)	-	-	(119.44)	-	(885.27)	(25.86)
			Coal Sale	-	-	-	40.62	40.62	40.62	538.84	-
			Expenses Paid	0.05	-	-	0.01	0.06	-	(38.39)	-
			Reimbursement of Expenses	-	-	-	(0.03)	(0.03)	-	16.10	-
			Interest Paid	(0.13)	-	-	-	(0.13)	-	-	-
			Interest Received	-	-	-	7.17	7.17	-	-	-
			Short Term Loan Given	-	40.62	-	297.28	337.89	304.45	-	-
7	Bhatia Global Trading Ltd.	Associate Company	Coal Purchase	-	-	-	(242.27)	(242.27)	-	-	-
			Coal Sale	-	148.23	-	156.24	304.47	-	499.14	-
			Expenses Paid	(0.08)	(0.33)	(0.17)	(0.20)	(0.78)	-	3.93	-
			Reimbursement of Expenses	-	-	0.001	-	0.001	-	-	-
			Interest Received	-	-	-	14.32	14.32	-	-	-
			Short Term Loan Given	-	-	-	-	-	-	-	-
8	Associated Transport Company	Directors' interested	Expenses Paid	-	-	-	-	-	-	(0.92)	-
9	Pt. Bhatia International (Commission)	Directors' interested	Commission Paid	-	-	-	(0.47)	(0.47)	(0.47)	-	-



Segment Reporting

Segment Information:

The company has identified two reportable segments viz. Coal Trading Division and Infrastructure division reported taking into account nature of products and services, the different risks and return and the internal reporting systems. The accounting policies adopted for segment reporting are in line with following additional policies for segment reporting.

(a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

(b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable"

Segment-Wise Revenue, Results and Capital Employed for the Period Ended 31.03.2012

(₹ in Millions)

Particulars	Coal trading Division		Infrastructure Division		Unallocable Division		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
1								
Segment Revenue								
External Turnover	1,482.42	2,443.89	-	4.61	-	-	1,482.42	2,448.50
Less: Inter Segment Turnover	-	-	-	-	-	-	-	-
Gross Turnover	1,482.42	2,443.89	-	4.61	-	-	1,482.42	2,448.50
2								
Segment Result before interest & taxes								
Less: Interest Expenses	40.18	167.76	-	1.87	-	-	40.18	169.63
Add : Interest Income	19.04	17.87	-	-	-	-	19.04	17.87
Less: Unallocable Expenses	26.77	4.14	-	-	-	0.004	26.77	4.14
Profit Before Tax	47.90	154.04	-	1.87	-	(0.00)	47.90	155.90
Current Tax	17.30	51.30	-	0.70	-	0.70	17.30	52.70
Fringe Benefit Tax	-	-	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-	-	-
Net Profit after Tax	30.60	102.74	-	1.17	-	(0.70)	30.60	103.20
3								
Other Information								
Segment Assets	809.68	778.61	68.06	60.52	-	0.20	877.74	839.33
Segment Liabilities	132.63	501.15	0.38	1.08	-	60.86	133.01	563.09
Total Cost incurred during the year to acquire Segment Assets	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Non Cash Expenses other than depreciation	-	-	-	-	-	-	-	-

Defining
New
Horizons...

BOOK-POST

If undelivered please return to :

Bhatia Industries & Infrastructure Limited
Regd. House, "BCC House", 8/5, Manoramaganj,
Navratan Bagh Main Road, Indore-452001 (M.P.) INDIA



BHATIA INDUSTRIES & INFRASTRUCTURE LIMITED

(Formerly known as "BCC Finance Limited")

Registered Office: "BCC House", 8/ 5 Manoramaganj, Navratan Bagh Main Road, Indore (M.P.)

PROXY FORM

Regd. Folio No. / Client ID No. _____

No. of Shares held _____
(To be filled in by the Member)

I/We _____ of _____ in the district of _____ being a member/ members of Bhatia Industries & Infrastructure Limited (formerly known as "BCC Finance Limited") hereby appoint Mr./Ms. _____ of _____ in the district of _____ or failing him/her, Mr./Ms. _____ of _____ in the district of _____ as my/ our proxy to attend and vote for me/ us, on my / our behalf at the Nineteenth Annual General Meeting of the Company to be held on Monday, the 24th day of September, 2012 at 11.00 AM at 9/4, Manoramaganj, Navratan Bagh Main Road, Indore 452 001 (M.P) and at any adjournment thereof.

Signed this _____ day of _____ 2012

Signature _____

Affix 1 Rs.
Revenue
Stamp

Notes:

A member is entitled to attend and vote and is also entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company.

This Proxy Form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

BHATIA INDUSTRIES & INFRASTRUCTURE LIMITED

(formerly known as "BCC Finance Limited")

Registered Office: "BCC House", 8/ 5 Manoramaganj, Navratan Bagh Main Road, Indore (M.P.)

ATTENDANCE SLIP

Regd. Folio No. / Client ID No. _____

No. of Shares held _____
(To be filled in by the Member)

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the Nineteenth Annual General Meeting of the Company being held at 9/4, Manoramaganj, Navratan Bagh Main Road, Indore- 452001 (M.P.) on Monday, the 24th day of September, 2012 at 11.00 AM

Member's/ Proxy's name in BLOCK letters

Member's/ Proxy's Signature

Notes:

1. A Member/ Proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance.
2. Members are requested to bring their copy of the Annual Report.